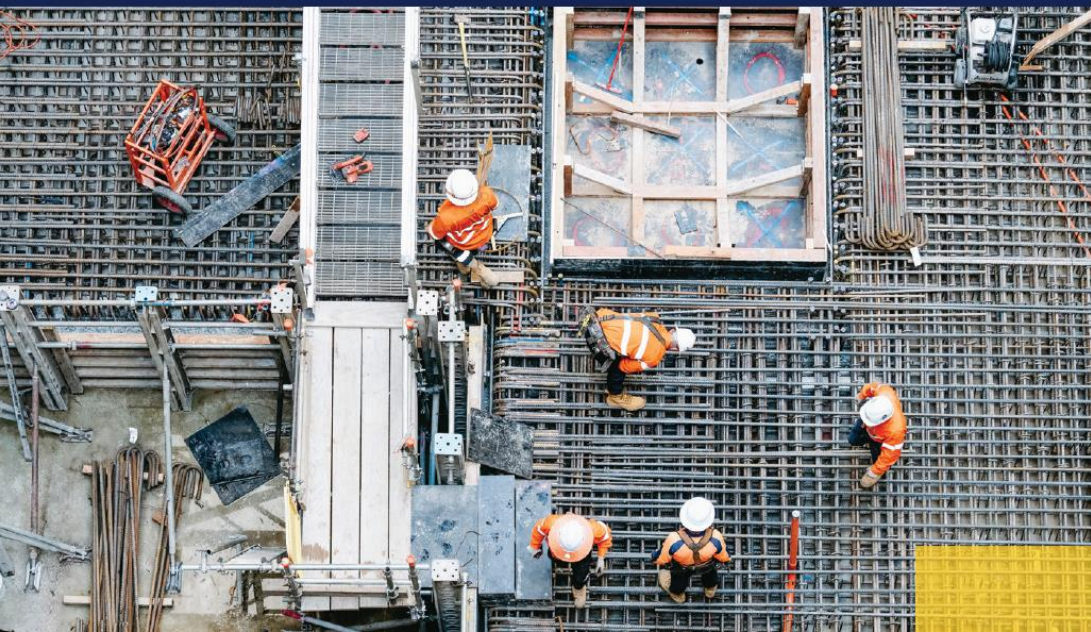


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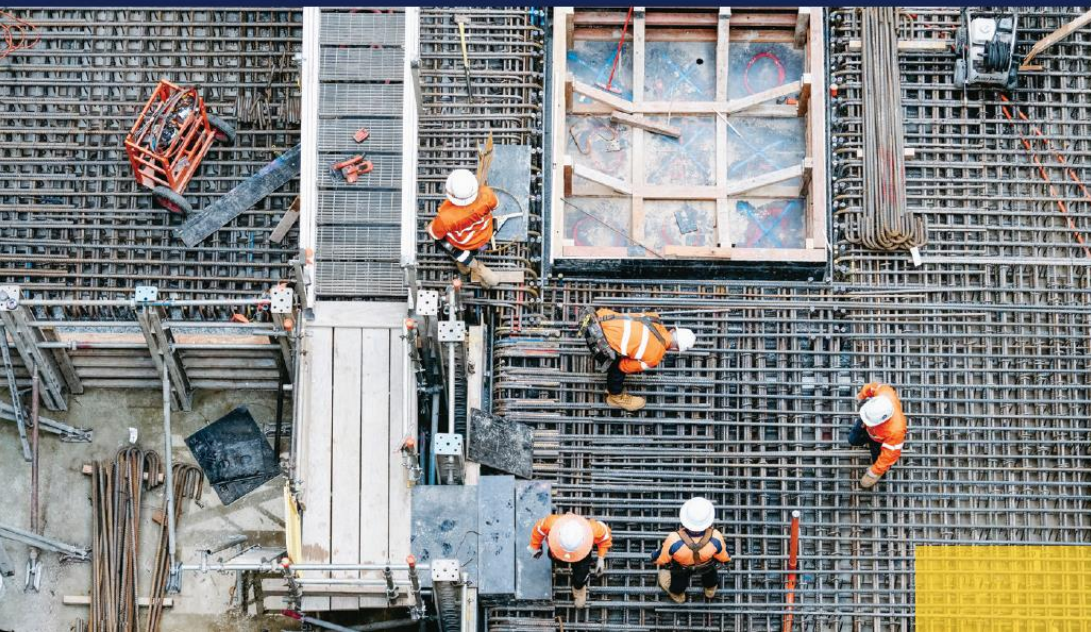


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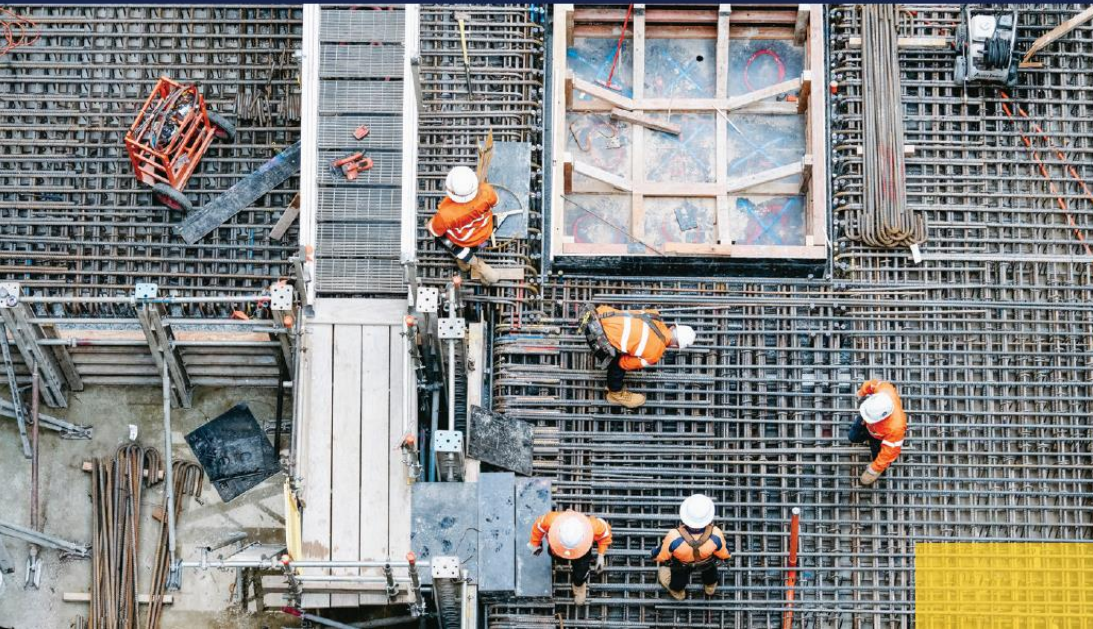


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QLD Major Projects & Pipeline Report

November 2023





Outline

- Key Findings
- Key challenges
- Opportunities
- Recommendations



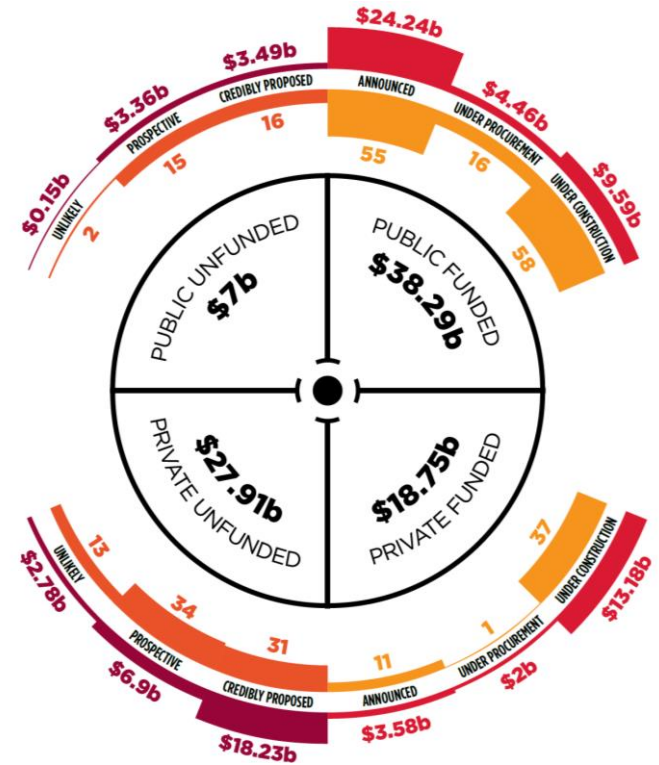


Key Findings



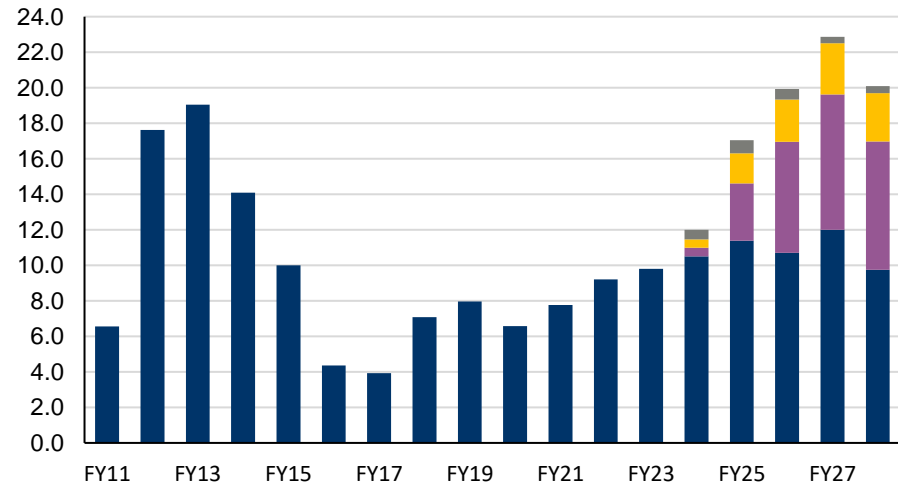
Key Messages

- Total pipeline ~\$92b
- Funded project activity increased to \$57b (52% increase)
- Total pipeline could see a peak of ~\$23b spend in 26/27
- The tidal wave of work is finally here
- The current “pause” due to federal budget reviews will wash through (eventually)



Total Pipeline \$Bn

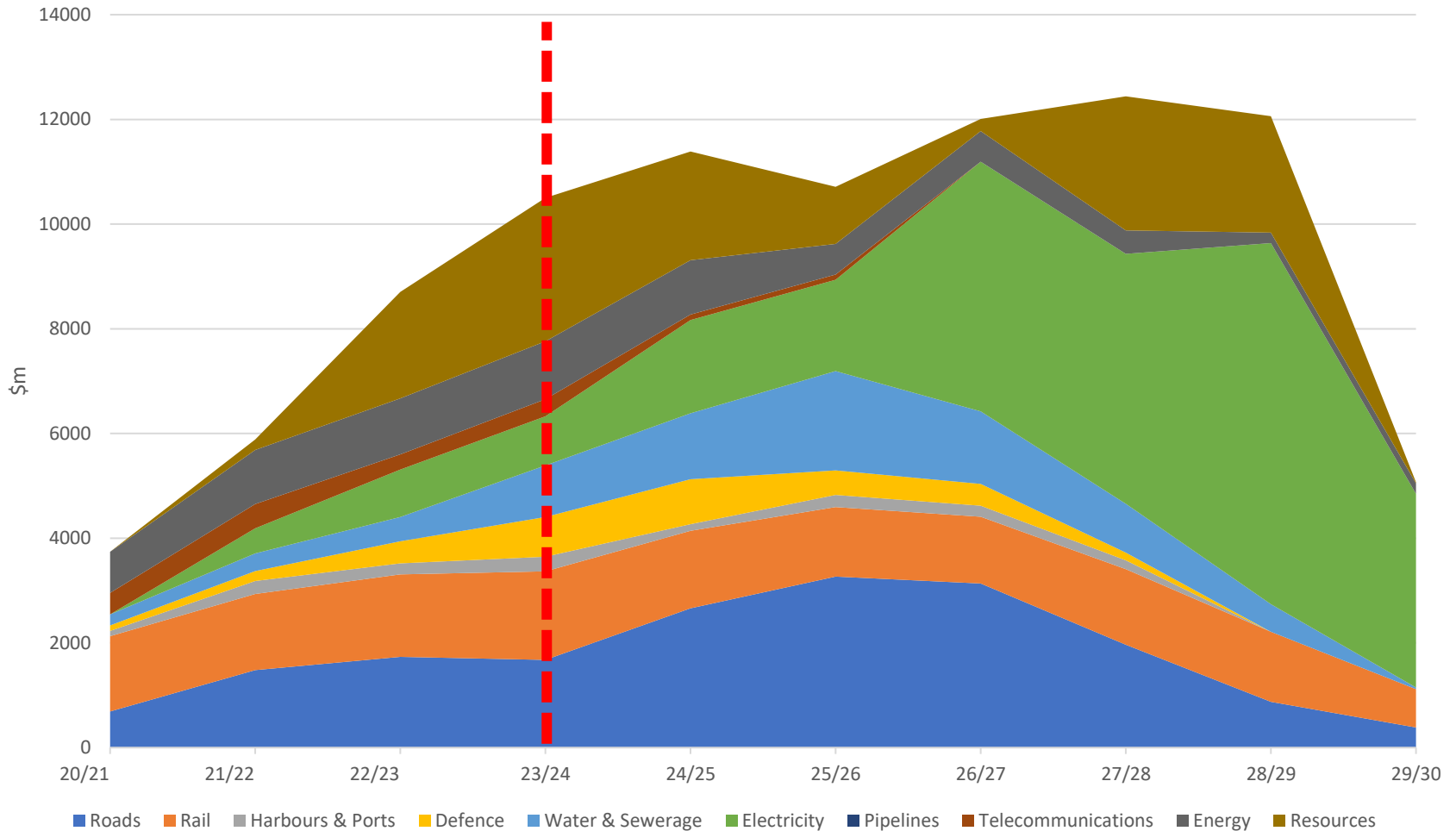
Legend: ■ Funded ■ Credibly Proposed ■ Prospective ■ Unlikely





Major Projects Outlook

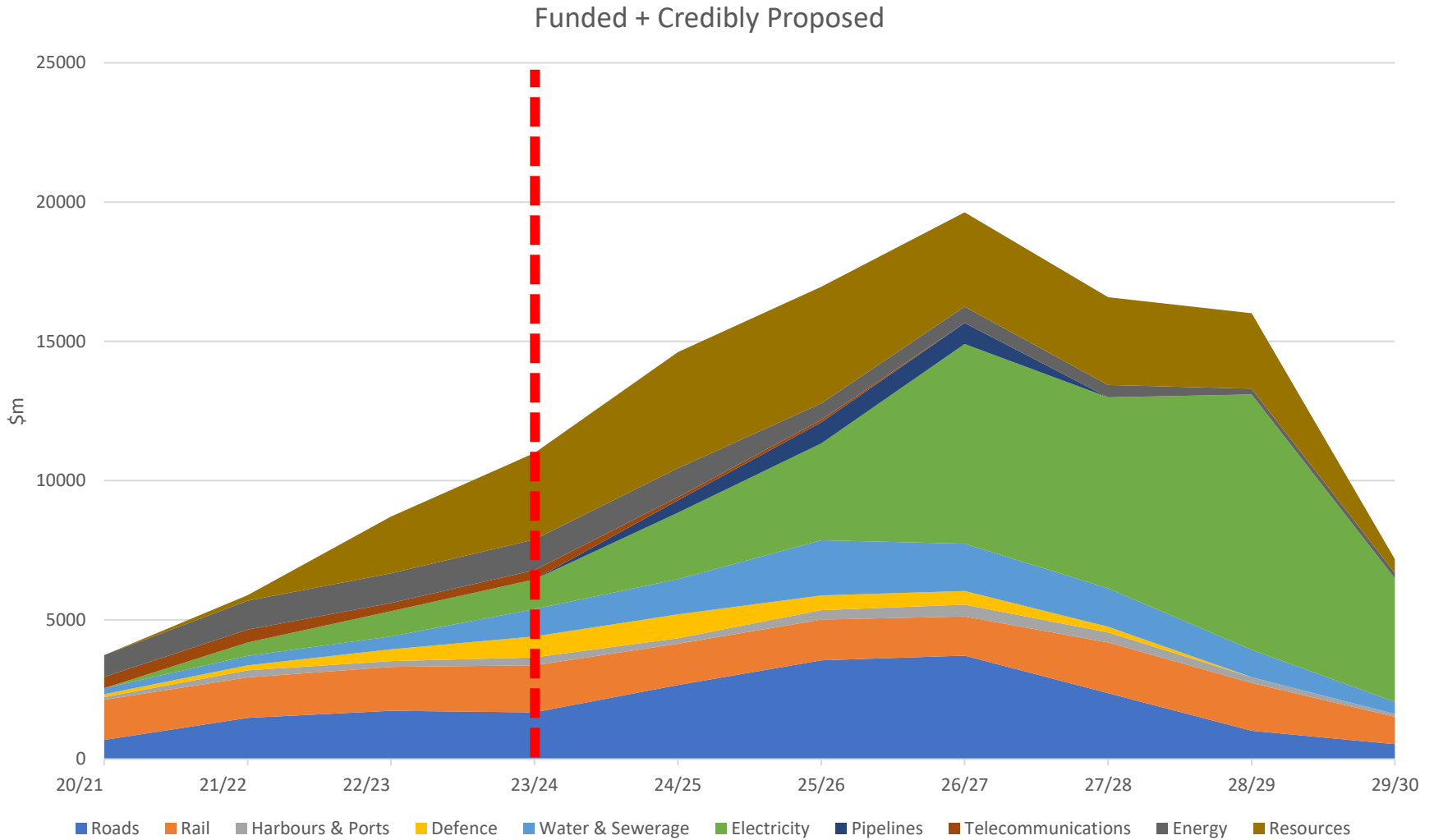
Funded



Source: Oxford Economics



Major Projects Outlook

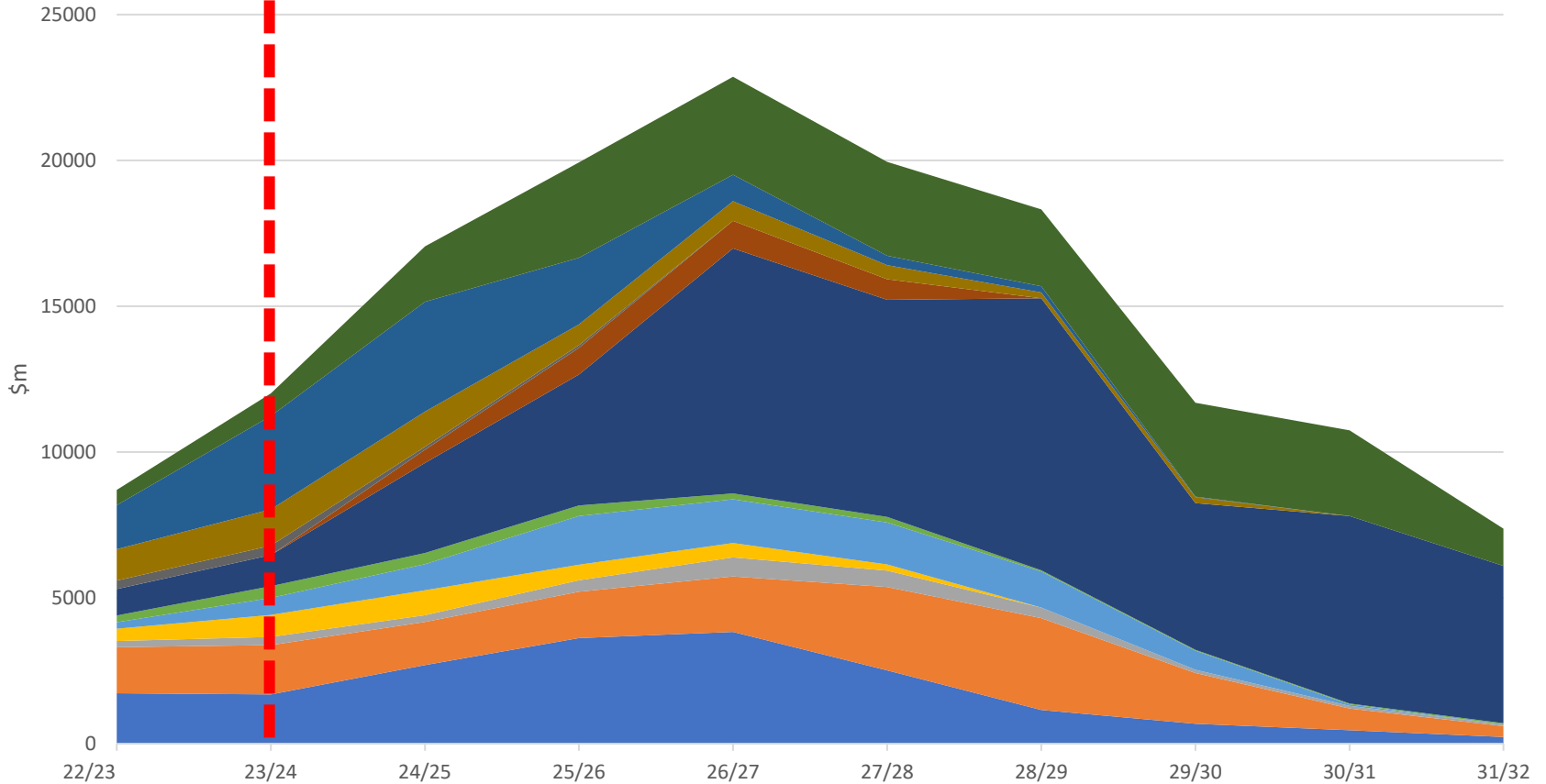


Source: Oxford Economics



Major Projects Outlook

Total Projects



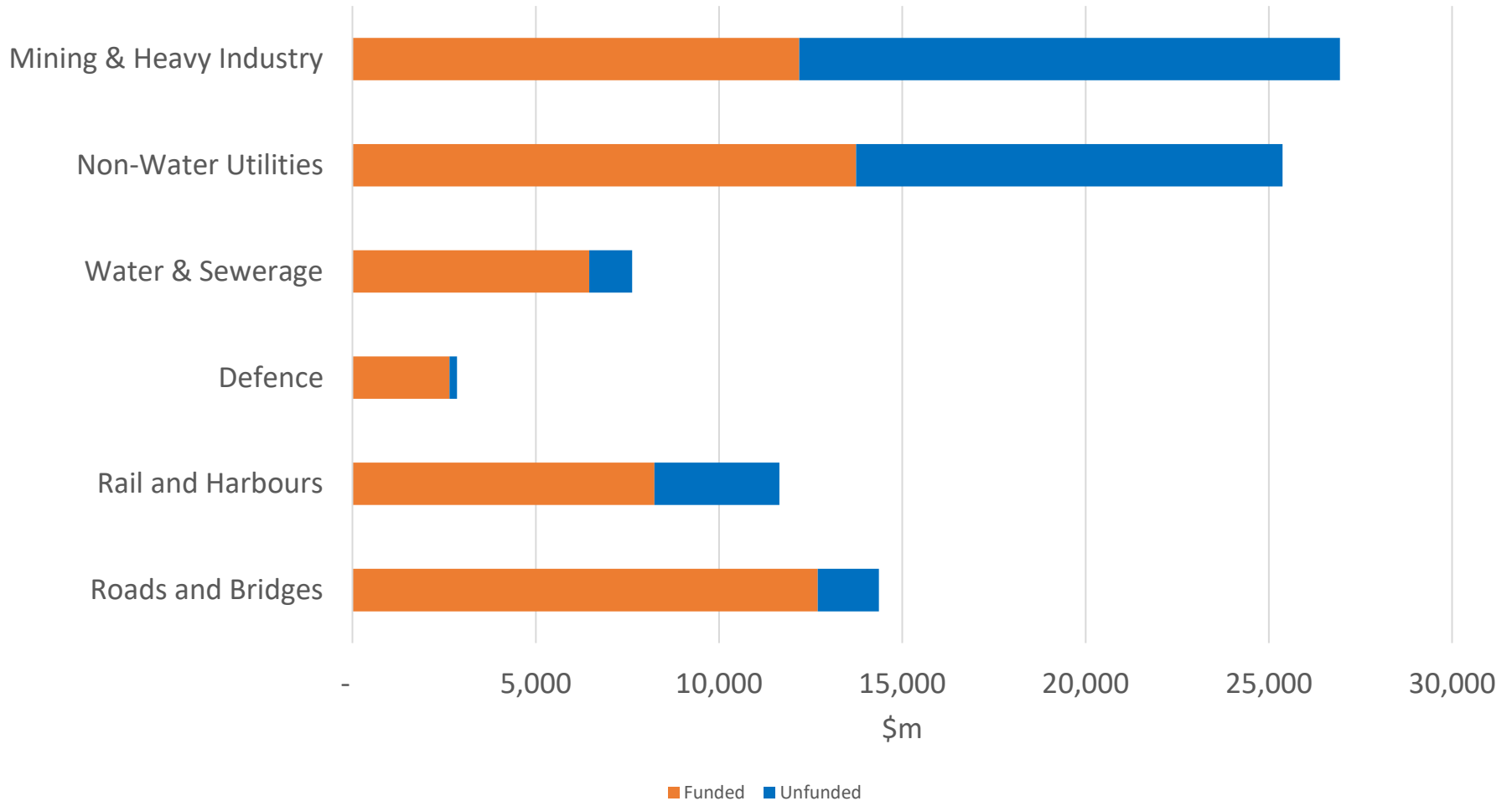
- ROADS, BRIDGES and RUNWAYS
- DEFENCE
- ELECTRICITY
- OIL & GAS
- RAIL
- WATER
- PIPELINES
- COAL
- HARBOURS / PORTS
- SEWERAGE
- TELECOMMUNICATIONS
- OTHER MINERALS and HEAVY INDUSTRY

Source: Oxford Economics



Sector Analysis

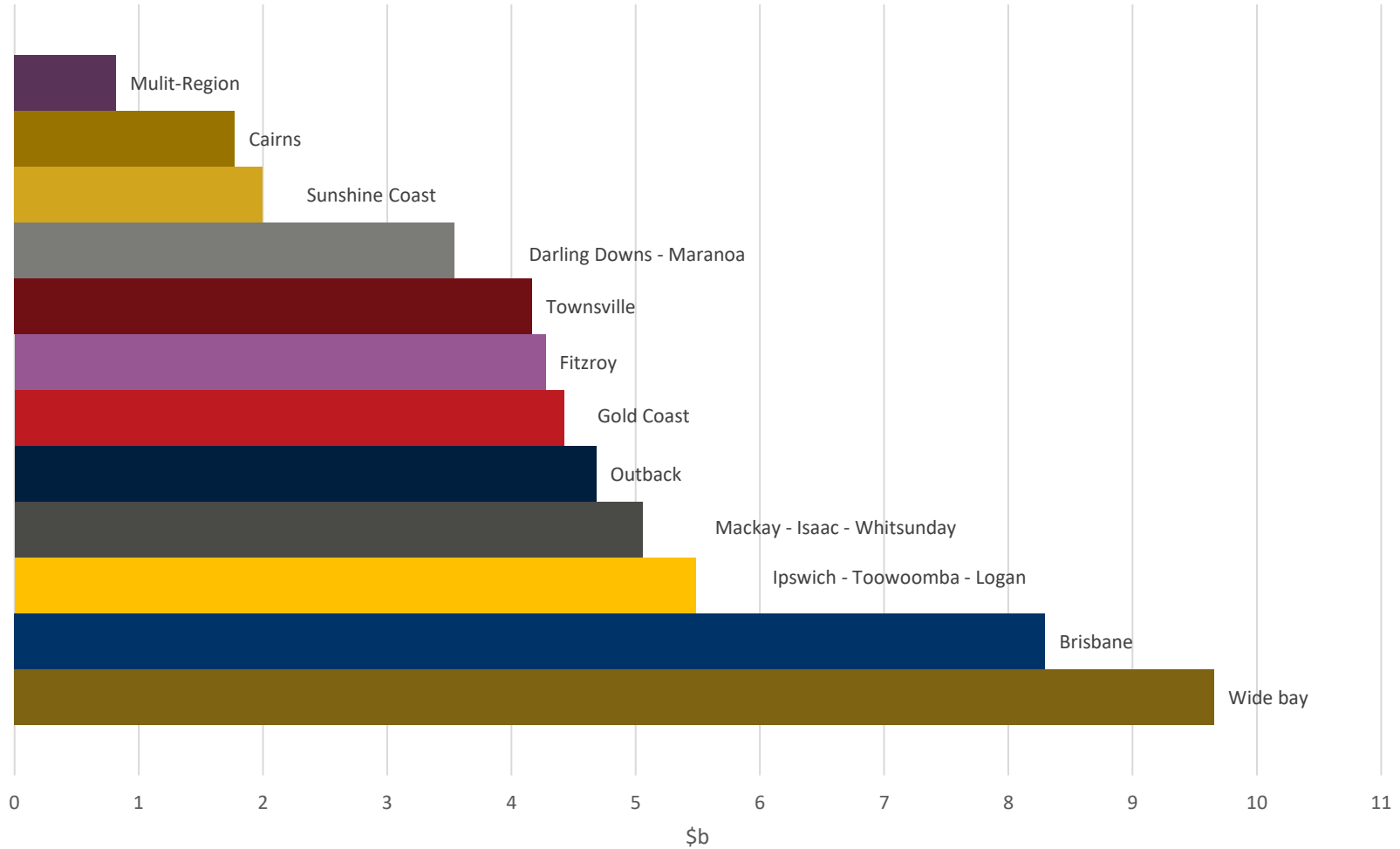
5 Year Pipeline





Regional Analysis

5 Year Funded Works





Key Challenges

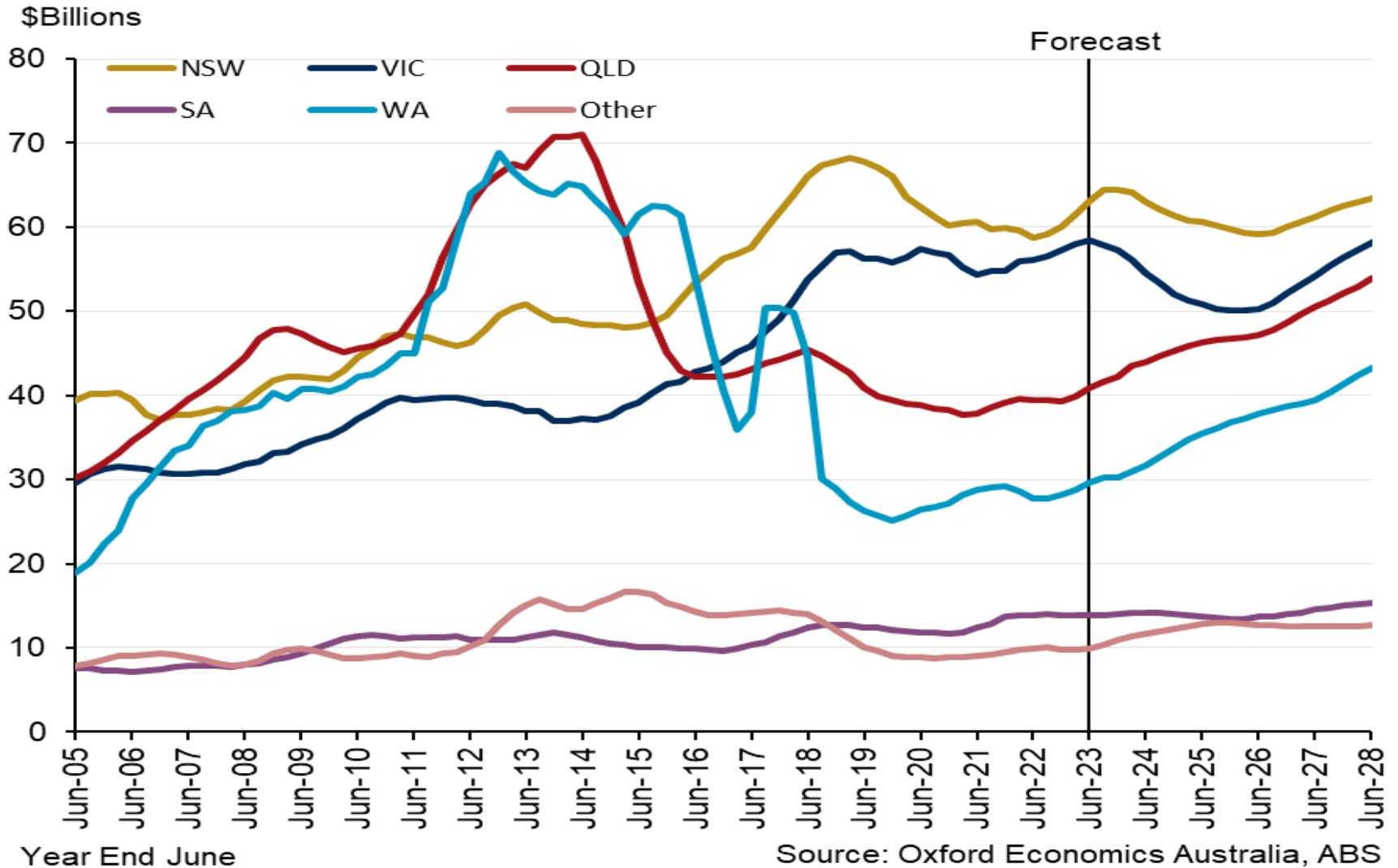


Industry Challenges

1. Capacity: Sustaining and growing capacity
2. Capability: Developing appropriate capability, skills and technology adoption
3. Costs: Managing risks from cost escalation
4. Productivity: Reversing the trend and delivering VFM
5. Funding security
6. Approvals and procurement timeframes



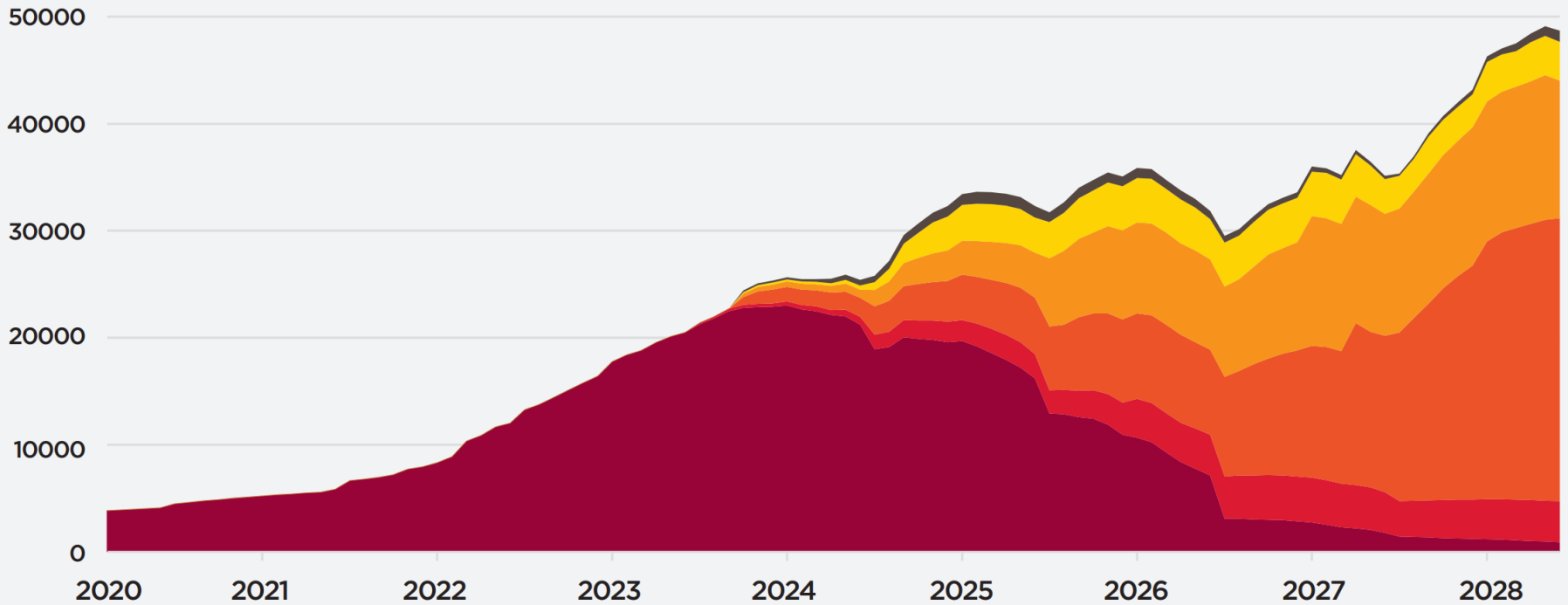
Competing Investment Programs





Capacity & Capability

Average headcount required, by project status



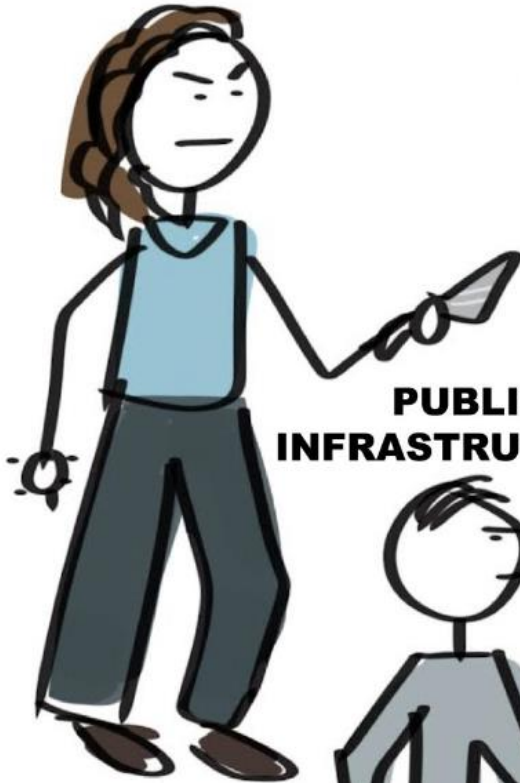
- Under Construction
- Under Procurement
- Announced
- Credibly Proposed
- Prospective
- Unlikely

Source: CSQ for QMCA

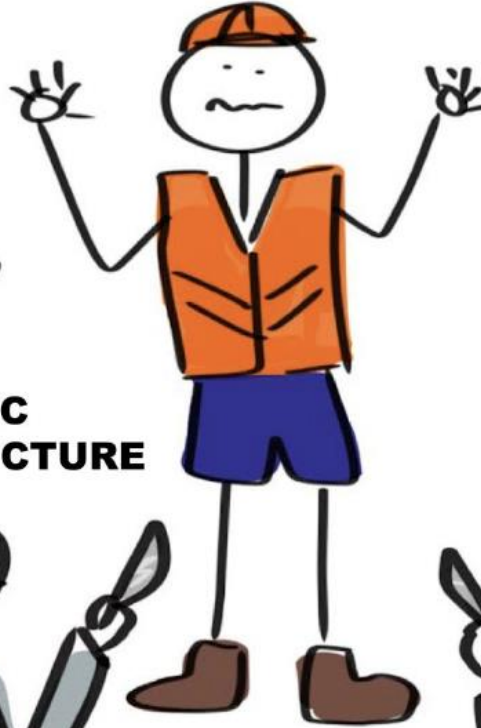


Resources Competition

**HOUSING
CRISIS**



**CONSTRUCTION
LABOUR**



**2032
OLYMPICS**



**PUBLIC
INFRASTRUCTURE**



**HOSPITAL
PROJECTS**



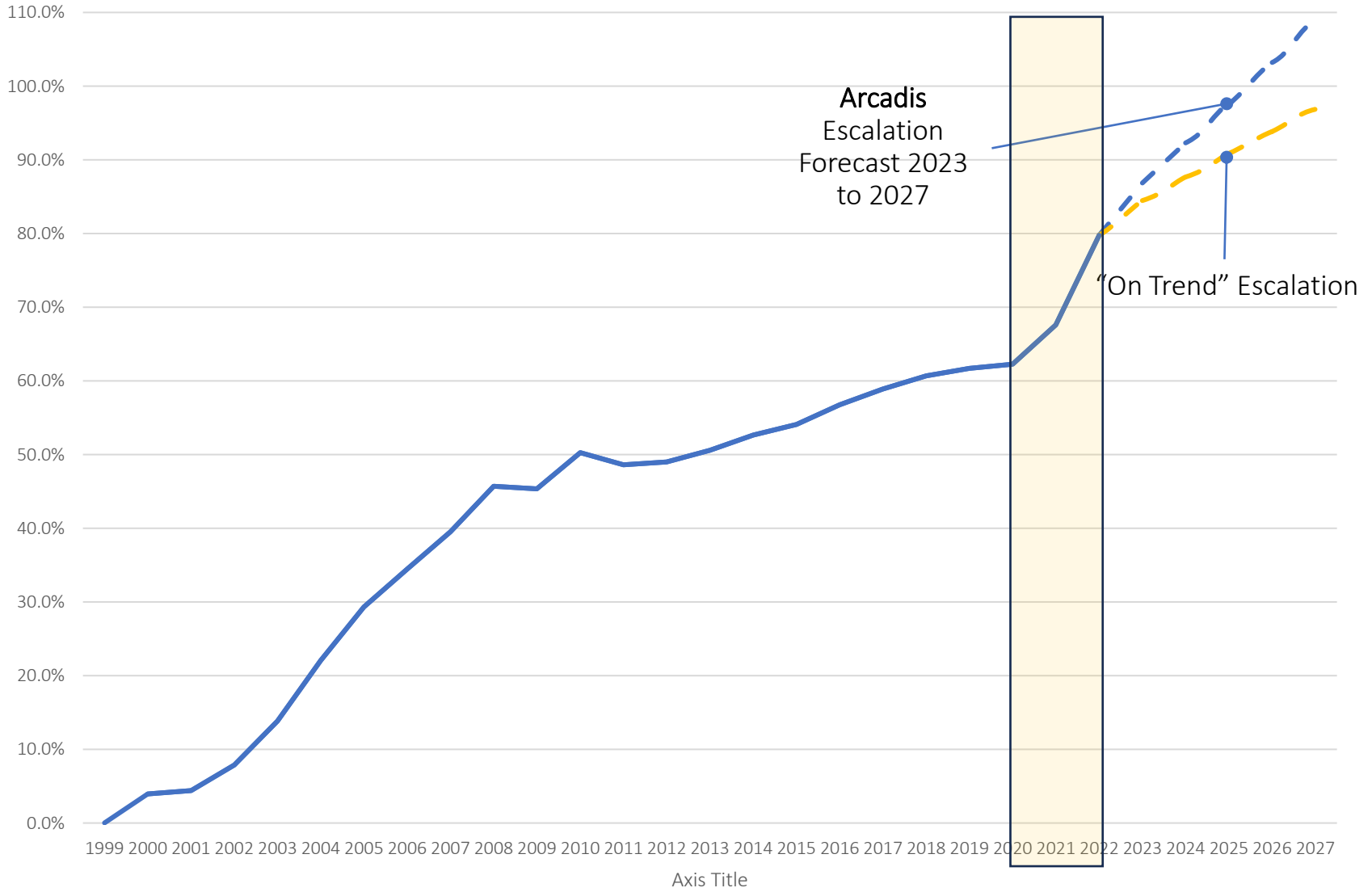


Capability

- Different skill sets are required for the work going forward
 - Civil resources to deliver roads and rail- this remain the predominant skill set
 - Mechanical engineering & fabrication requirements will increase (energy & resources & electricity)
 - Electrical resources for “energy transition”
 - Mineral processing and manufacturing
- General project management and engineering (more efficient use too)
- Supply chain (quarries, concrete, steel, aluminium, other metals)
- Construction techniques (modularisation, pre fabrication, automation, etc)

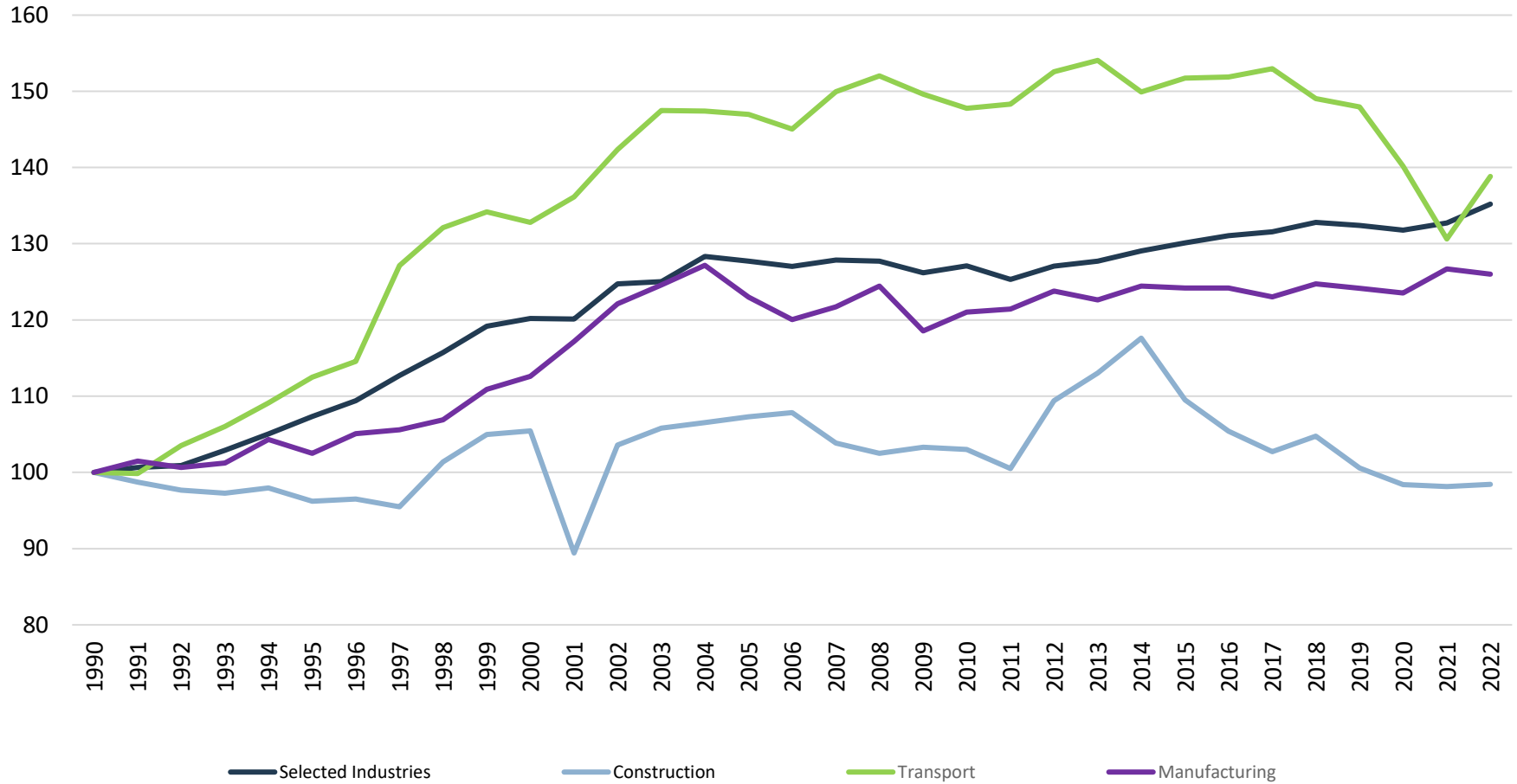


Cost Escalation





Productivity



Year ended June

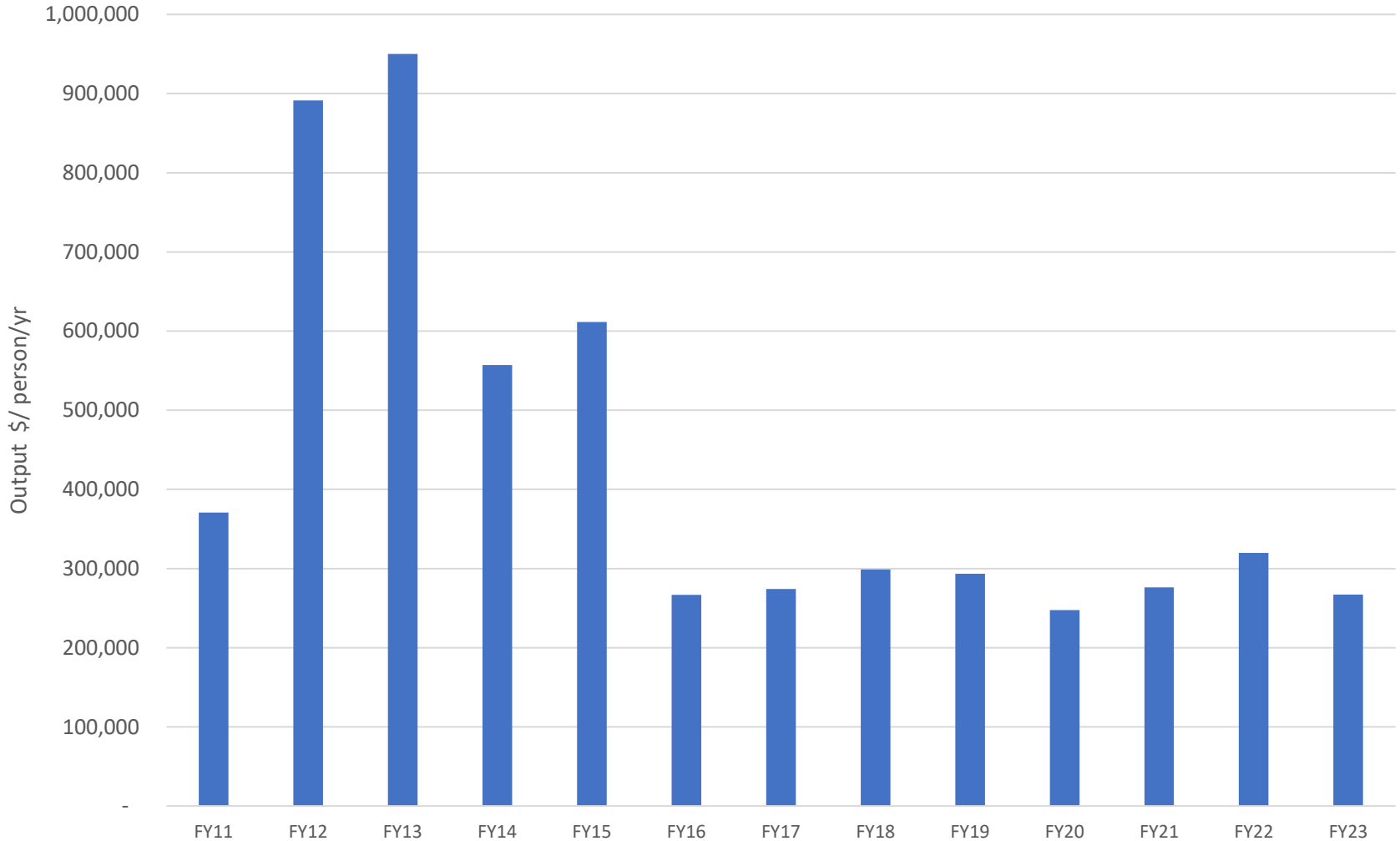
Source: ABS Data

Selected Industries includes the following: Agriculture; Forestry and Fishing; Mining; Manufacturing; Electricity; Gas; Water and Waste Services; Construction; Wholesale Trade; Retail Trade; Accommodation and Food Services; Transport, Postal and Warehousing; Information, Media and Telecommunications; Financial and Insurance Services; Arts and Recreation Services.



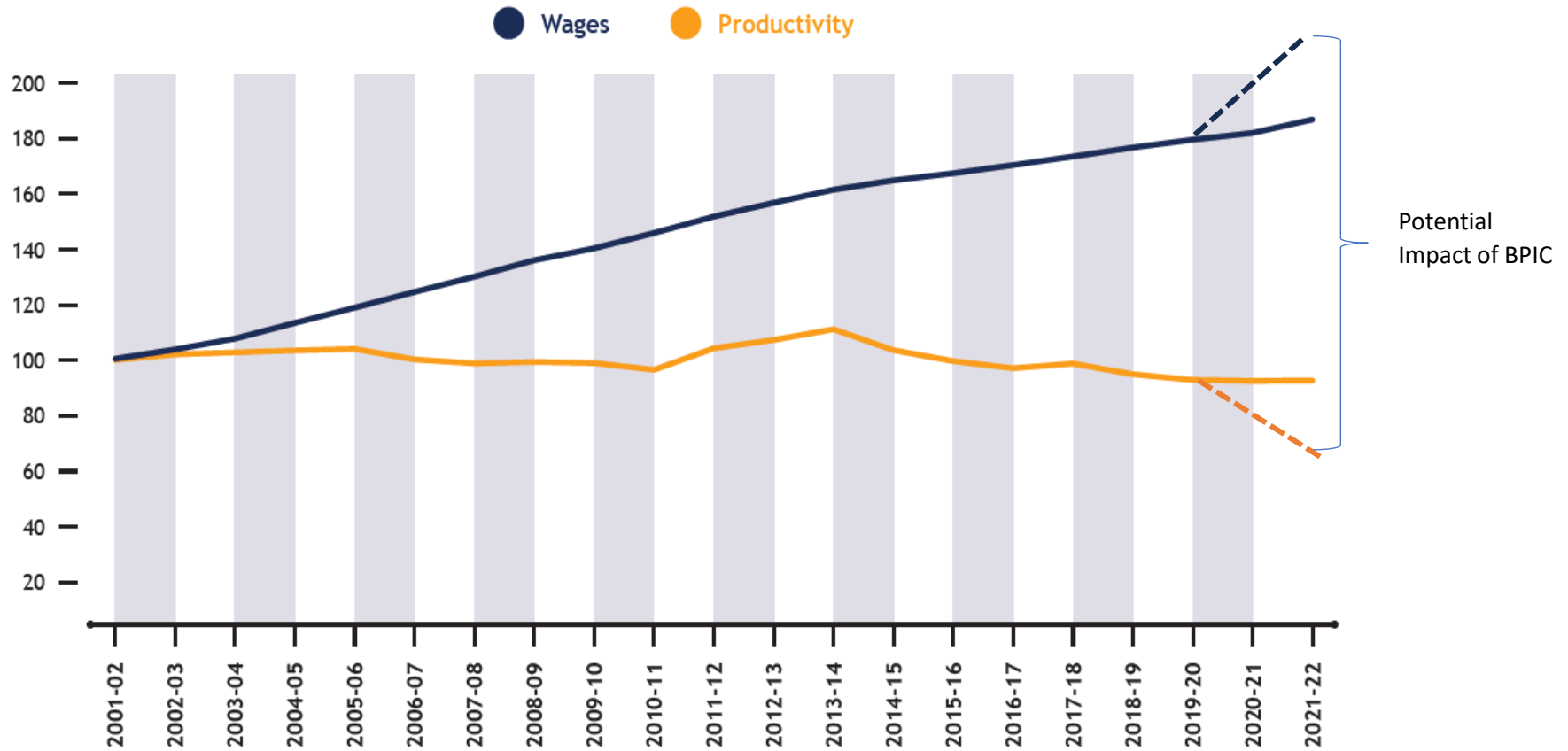
Productivity

Productive Output per worker (QLD Major Infrastructure Works)





Productivity & Industrial Relations



Note: Data indexed (Jun 2002=100); productivity is the annual quality adjusted hours worked GVA-based multifactor measure; wages is the Wage Price Index, total hourly rates of pay excluding bonuses, private and public, Financial Year.

Source: ABS, ACA



Opportunities



Opportunities

- Adoption of greater technology and innovation including:
 - Innovative construction techniques
 - Sustainable construction techniques and solutions
- Program level partnering
- Training and upskilling
- Funding security through co-investment
- Collaborative procurement and delivery:
 - Understanding and management of risk
 - Strengthening of local industry
 - Embedding innovative solutions



Reccomendations

Recommendations

- Increasing supply:
 - Housing
 - Materials and supply chain
 - Labour and skills
 - Plant and equipment
- Funding:
 - Co investment
 - Asset recycling
 - Private sector financing and operations
- Boosting productivity:
 - Collaborative procurement and contracting
 - Digital engineering and technology (AI, automation, digital models and support systems)
 - Use of alternative approaches and materials
 - IR frameworks that work and don't inhibit delivery





CAN WE BUILD IT?

YES WE CAN!

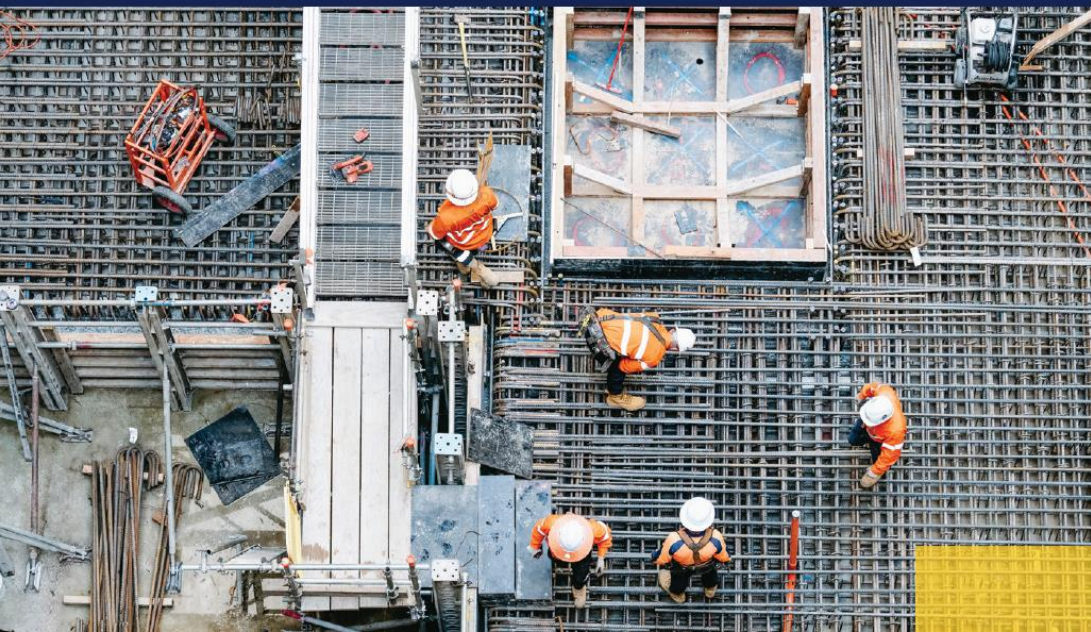


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Panel Session

- Kim Hetherington – CSQ
- Keiran Cusack – QLD Hydro
- Matthew Mackey – Arcadis
- Melanie Gibson – WeBuild
- Alex Miller – CBUS

- Moderator: Leann Webb – Aurora Marketing





Get your Copy

- Grab your copy of the Executive Report & Pipeline on the way out
- Head to the following site for the full report:



The cover of the report features a dark blue background with several images and logos. At the top left is the 'CSQ' logo. At the top right is the 'QMCA' logo. Below the CSQ logo is the title 'Queensland Major Projects Pipeline 2023'. To the right of the title is a smaller version of the QMCA logo. The central image shows a construction site with workers in orange safety gear and hard hats working on a large structure. Below this image is a yellow rectangular block. To the right of the yellow block is an orange square. Below the orange square is a green square. At the bottom right is a photograph of a worker in an orange safety vest and blue hard hat standing on a metal structure inside a large, blue-tinted dome. At the bottom left is a blue rectangular block. At the bottom right is the website address 'www.qmca.com.au'. At the bottom left, in small text, it says 'With support from Oxford Economics'.

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