

Media Release – For immediate release

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CIVIL CONTRACTORS FEDERATION WELCOMES REPORT INTO THE PROCUREMENT OF GOVERNMENT’S \$120 BILLION INFRASTRUCTURE INVESTMENT

Civil Contractors Federation National (CCF) today welcomed the release of the report [“Government Procurement: A Sovereign Security Imperative”](#) which was tabled in the House of Representatives today.

This report is incredibly timely given the allocation of a record level of taxpayer funded infrastructure investment of \$120 billion over the next ten years as announced by the Federal Treasurer in the 2022 Federal budget.

“I congratulate the House of Representatives Standing Committee on Infrastructure, Transport and Cities, and in particular the Committee Chair, John Alexander OAM, for an in-depth and detailed report into the procurement of Government funded infrastructure,” said Chris Melham, Chief Executive Officer of Civil Contractors Federation National.

“The Committee’s recommendations directly address many of the key challenges and opportunities in the procurement of government funded infrastructure, and in many respects, they pick up on a number of recommendations CCF provided the Committee in our [submission](#).

“In particular, CCF welcomes the Committee’s recommendation:

“The Committee sees that increasing the access of tier two and three companies, and related Australian small and medium enterprises, to projects in the Australian infrastructure pipeline as key to enhancing Australia’s sovereign industry capacity.” (Recommendation 6).

And for the Australian Government to consider:

- *providing opportunities in procurement and contracting to engage local industry and utilise local content*
- *ways to break up projects into packages of less than \$500 million to increase competitiveness by tier two and three companies*
- *making as a condition of Australian Government funding for major infrastructure projects over \$500 million industry sustainability criteria within the early stages of procurement design that encourage tier one contractors to partner/joint venture with a non-tier one company in the head contract*
- *education and training for government officials to support these objectives*
- *reviewing market conditions for infrastructure insurances and the impact on small and medium enterprises.* (Recommendation 6)

“CCF’s submission to the Committee highlighted the need for a more sustainable level of project allocation for Tier 2, 3, 4 and below, and in so doing, deliver additional benefits to the community including jobs, increased and upskilled local workforce and higher economic growth in the local community,” he said.

The Civil Contractors Federation is the peak national representative body for the Australian civil construction industry comprising over 1,900 civil construction companies across the construction supply chain.

“Throughout the enquiry, CCF also advocated for a more balanced approach to the tender process to support industry sustainability and the broader national interest by maximising the return to the Australian economy of taxpayer funded civil construction projects.

“I therefore applaud the Committee’s strong commitment to improving Australia’s sovereign capability,” he said.

Mr Melham said CCF also welcomed the Committee’s recommendation for the Australian Government to:

*“...investigate, in consultation with state, territory and local governments, and relevant industry bodies and stakeholders, how to facilitate better planning and coordination of the infrastructure pipeline.”
(Recommendation 1)*

“CCF’s [supplementary submission](#) to the Committee stressed the need for a formal consultative mechanism involving key civil industry representative bodies, federal and state government infrastructure and policy agencies.

“As acknowledged by the Committee, there would be significant value in establishing a formal mechanism, such as a ‘Civil Infrastructure Consultative Forum’ to facilitate a two-way dialogue between industry and government on critical civil infrastructure matters such as investment, procurement and enhanced skills development and training.

“I am pleased therefore that the Committee has embraced CCF’s recommendation to improve industry and government collaboration.

“It is imperative that this report does not gather dust on the shelves like so many others that have come before it on the necessary steps to improve how government funded infrastructure is procured and delivered.

“We call on all tiers of government to work with industry to progress the Committee’s infrastructure procurement reforms which are critical to building a stronger, more sustainable civil construction industry,” Melham said.

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