

Media Release – For immediate release

CCF NATIONAL OFFICE
ABN 41 639 349 350

Unit 13, Level 3, Engineering House
11 National Circuit
Barton ACT 2600

E ccfnat@civilcontractors.com www.civilcontractors.com

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BENEFITS FROM INFRASTRUCTURE BUDGET CAN BE MAXIMISED THROUGH PROCUREMENT, FUNDING AND SKILLS REFORM

Australia's peak national body for the civil construction sector, Civil Contractors Federation National (CCF) has welcomed the Government's retention of the \$120 billion, 10-year infrastructure program confirmed by the Treasurer in the 2022/2023 Budget.

"CCF welcomes the Government's infrastructure commitments announced in the 2022/2023 budget and calls on it to ensure these commitments are delivered in such a way that maximises the benefits to the economy by allocating the spend in a more transparent and equitable manner across all states and territories and to provide greater opportunities for mid and small tier companies to participate in the infrastructure pipeline," said Chris Melham, Chief Executive Officer of CCF National.

"Prior to the election, the Prime Minister through his 'Buy Australian Plan" committed to debundling projects to allow smaller companies to bid for them. CCF agrees with this policy and encourages the Government to implement it immediately on all federally funded civil infrastructure projects, including roads, bridges, pipelines, drainage, ports and utilities.

"A more sustainable and balanced approach to project allocation across all construction tiers and regions is fundamental to unlocking untapped potential in Australia's civil construction market," he said.

Mr. Melham said a recent survey undertaken by CCF of its members provided evidence that there is latent construction capacity in the civil construction market, particularly lower to mid-tier operators.

Mr. Melham also noted pre-budget comments of the Hon. Catherine King, Minister for Infrastructure, Transport, Regional Development and Local Government, that one of the drivers behind the Government's decision to postpone a number of projects is because of skill shortages in the industry.

"CCF agrees that action is needed to address the skills crisis facing the civil construction industry and CCF continues to advise the Federal Government and its Departments on the adoption of an immediate solution to address it.

"The CCF has advised the Federal Government and the Australian Bureau of Statistics to urgently classify civil construction occupations as trades on the Australian and New Zealand Standard Classification of Occupations (ANZSCO) at a skill level that makes them eligible for being listed on Australian Apprenticeships Priority List and subsequent government funding under the \$2.4 billion federal government Australian Apprenticeships Incentives Program.

"This short-term reform will deliver the necessary financial incentive for new entrants to enroll in civil apprenticeships, encourage existing workers to upskill, VET providers to train more personnel, and employers to take on more apprentices as they will qualify for financial assistance.

"In addition, this measure will also assist civil construction companies to meet the Government's commitment under the Australians Skills Guarantee to have one in ten workers on major Commonwealth-funded projects being an apprentice, trainee or a paid cadet.



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"In closing, the CCF also welcomes last night's announcement by the Treasurer of the Government's national plan to construct 10,000 affordable homes over the five-year period, as well as the 10,000 homes to be built by state and territory governments through its Housing Accord between governments, investors, and the construction sector.

"Civil construction companies around the country provide the essential pre-construction works on residential blocks before above ground works can occur and with the ANZSCO reform we look forward to helping the Government meet this objective," Melham concluded.

For more information, <u>click here</u> for CCF's Advocacy and Policy Priorities.

For further information: Duncan Sheppard, CCF Senior Policy and Communications Advisor, 0438 330 039