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## PEAK BODY FOR CIVIL INFRASTRUCTURE RESPONDS TO INFRASTRUCTURE REVIEW

Civil Contractors Federation National (CCF) looks forward to contributing to the review of Australia's \$120 billion Federal Government Infrastructure Investment Program announced by the Hon Catherine King, Minister for Infrastructure, Transport, Regional Development and Local Government.

"CCF welcomes the opportunity to work with the Government and the review panel to ensure they take into account the current capacity of the civil construction industry as well as other challenges affecting the delivery of projects," said Chris Melham, Chief Executive Officer, Civil Contractors Federation.

"CCF's Pre Budget Submission (<u>click here</u>), advocates for sustained growth of the \$120 billion, 10 year rolling infrastructure investment pipeline, not delays or cut backs, and for Government at all levels to more effectively harness the productive capacity of all tiers of the civil construction sector.

"CCF welcomes the Government's commitment to maintain funding for projects already under construction and to maintain investment for the medium term, as well as their recognition of the importance to the country of the local construction industry and the infrastructure it provides.

"However, it is imperative that the independent review not only takes into account the current capacity of the civil construction industry in delivering the infrastructure pipeline, but also addresses the key issues that continue to hamper our land transport projects including inefficient and under resourced state and territory government procurement agencies.

"Most notably, CCF will bring to the attention of the review panel and participating government agencies the results of CCF's 2023 National Infrastructure Market Capacity Survey (click here), which is currently open for industry input. The Survey will provide valuable information on project and resource capacity in the industry across Australia and the performance of procurement agencies in tender processes.

"In the context of this review, it is important to point out that CCF's previous surveys have found that there is additional capacity among mid-tier companies, a point which has been previously acknowledged by Infrastructure Australia in its 2022 Market Capacity Report.

"The 2022 CCF Market Capacity Survey (<u>click here</u>) found the civil construction sector is not operating at capacity, with a large proportion of companies taking part indicating they can take on additional work.

"A key to activating additional capacity is to smooth the infrastructure pipeline over the long term and bring to market more small/mid-sized infrastructure projects, invested across metropolitan, rural, regional and remote Australia which collectively will increase industry capacity building to deliver our shared nation building objective.

"The economic multiplier for every one dollar spent on civil infrastructure is a return of three dollars to the Australian economy and seven jobs for every \$1 million spent – it would be huge mistake in the current economic climate to reverse engineer the economic multiplier by cutting back on civil infrastructure investment," he said.

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