

Short-term pipeline uncertainty undermines long-term infrastructure delivery

The release of Infrastructure Australia's *Infrastructure Market Capacity 2024 Report* today highlights the urgent need for greater certainty and confidence to support Australia's \$213 billion five-year pipeline of major public infrastructure.

Consult Australia has welcomed the report's insights while raising concerns about the short-term volatility in the infrastructure pipeline, which continues to undermine business confidence, investment and workforce planning.

Jonathan Cartledge, Chief Executive of Consult Australia, says: "The report's findings will come as no surprise to the industry. Businesses are grappling with a challenging environment where changes to previously committed projects are forcing firms to restructure and make redundancies. This volatility is particularly alarming in areas where we already face long-term skills and capability gaps, such as engineering and professional services."

Now in its fourth year, the *Infrastructure Market Capacity 2024 Report* shows an 8% decline in the value of previously committed projects compared with projections from the same period last year.

Transport infrastructure remains the largest expenditure category, accounting for 59% of the major public infrastructure pipeline, but with a significant \$32 billion reduction compared to the previous year's forecast.

"The reduction in transport infrastructure investment, particularly in Victoria and New South Wales, is creating a 'two-speed economy,' with regional areas and northern Australia seeing greater growth while metropolitan areas bear the brunt of project delays and cost changes," Mr Cartledge says.

Infrastructure Australia's report notes that these delays and project reviews have shifted projected investment peaks further into the future. While the report suggests the market may be struggling to deliver an overly ambitious pipeline, the issue lies with governments' inability to deliver confidence and certainty, Mr Cartledge adds.

"Businesses need pipeline continuity to invest in capability, skills and workforce development. Without it, we risk further undermining Australia's long-term capacity to deliver the infrastructure we need."

The report also underscores the critical importance of improving construction productivity, pointing to the need for better risk allocation in contracts and a more collaborative approach to project delivery.

"We welcome Infrastructure Australia's focus on construction productivity and look forward to working across government to support reforms through the National Construction Strategy. By adopting Model Client behaviours, Digital by Default approaches and cultural reform, we can attract and retain the skills required to deliver Australia's next generation of infrastructure."

MEDIA STATEMENT

**FOR RELEASE:
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Download the [Infrastructure Market Capacity 2024 Report](#).

Read Consult Australia's [Continuity & Confidence Report](#), [Enabling Digital by Default](#) white paper and [Model Client Policy](#).

About Consult Australia

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