

FORTUNES DIVIDED AMONGST SMALL AND LARGE BUSINESSES IN RESPONSE TO THE PANDEMIC

Consult Australia's industry health check on COVID-19 impacts and the outlook for design, advisory, and engineering businesses

Consult Australia has released its latest Industry Health Check Report highlighting a divide amongst small and large businesses. Whilst small businesses are struggling with the impacts of the pandemic and experiencing a downturn in work, larger businesses are challenged by an upswing in work causing capacity constraints to deliver the pipeline of projects. Both issues are impacting the mental health and wellbeing of our industry's employees.

The Health Check measures the current business impacts from the pandemic on design, advisory, and engineering businesses, and the anticipated six-month outlook. Our industry is made up of 48,000 businesses and 240,000 professionals across Australia.

The results found that the biggest issues impacting confidence across businesses are:

- Mental health and wellbeing, with 62% naming it the most significant challenge faced, compared to 45% in April 2021. Concerns about work/life balance have also increased to 51% from 38% in April 2021.
- The availability and affordability of professional indemnity (PI) insurance, with the majority of businesses seeing reduced coverage and increased premiums. 85% of businesses have experienced significant premium increases over the past 12 months.
- Workforce capacity to deliver the expected volume of work over the next six months. Related to that, 36% of businesses reported an increase in voluntary turnover.

Concern will continue to increase over the next six months regarding the ability to resource the volume of work coming into the market and the availability and affordability of insurance.

Nicola Grayson, Chief Executive of Consult Australia, said:

“Skill shortages and limited access to migration is continuing to impact the ability to deliver the significant pipeline of infrastructure projects. Continued onerous risk transfer and disputation in the industry is exacerbating the hardening in the PI insurance market. This is particularly damaging for small business.

“Consult Australia continues to advocate for a more collaborative approach to procurement, commercial terms and conditions, and legislative reforms to address the issues in the PI Insurance market.

“We also call on all governments to smooth the pipeline of work to create a transparent and sustainable pipeline of projects that will support businesses of all sizes to be productive through a balanced and more collaborative way of working together”.

“Our economic recovery is underpinned by a strong eco system of productive businesses, across companies of different sizes, helping to sustain a strong and vibrant consulting sector”.

MEDIA STATEMENT

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NOTES TO EDITOR

1. About Consult Australia

Consult Australia is the industry association representing consulting businesses in design, advisory and engineering. Our industry comprises some 48,000 businesses across Australia, ranging from sole practitioners through to some of Australia's top 500 companies, providing solutions for individual consumers through to major companies in the private sector and across all tiers of government. Our industry is a job creator for the Australian economy, directly employing 240,000 people. The services we provide unlock many more jobs across the construction industry and the broader community.

2. Industry Health Check

Consult Australia launched its Industry Health Check pulse survey in 2020 in response to the outbreak of the COVID-19 pandemic, four surveys have been run. The Results Report for the survey run in September 2021 is available [here](#).

3. About Nicola Grayson

Nicola Grayson is the Chief Executive of Consult Australia. Nicola is responsible for implementing the organisation's strategy, building ongoing external relationships, and for leading Consult Australia's advocacy and government relations agenda on behalf of member firms.

Nicola is a government relations specialist, and has represented industry associations in the United Kingdom, the European Union, and Australia. Nicola has worked across a range of sectors including general insurance, consumer finance, alcohol, and education, in addition to consulting engineering. She has an Honours Degree in Law from the United Kingdom and was previously Consult Australia's Director of Policy and Government Relations.

4. For interview

For more information and to arrange an interview, please contact Nicola Grayson directly on +61 (0)499 878 839 or email nicola@consultaaustralia.com.au.