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Business Uncertain and Lacking Confidence

Confidence remains low in the Queensland professional services sector, as many firms working in the built and natural environment sector struggle with flat demand in an increasingly cost conscious market, a new survey has found.

The 2014 Qld Industry survey, completed by industry association Consult Australia, suggests an increased focus on price competitiveness is squeezing firms who are struggling to build their pipelines of work, leading to headcount reductions at many larger firms.

Consult Australia's Queensland State Manager, Stacey Rawlings said on average, firms had only 3-6 months of secured work for less than half their workforce and less than 1-3 months of secured work for more than 80% of their workforce.

"With the short pipeline of work, retention of qualified personal is a huge concern, she said."

"The survey found that more than 40% of firms have continued to decrease in size over the last twelve months – most by 9 – 16%. This is a further reduction on top of last year's average reduction of 30%. Most of the recent reductions have come from firms employing over 100 people," Ms Rawlings said.

In response to the survey results, Ms Rawlings called on the various political parties to commit to establishing and resourcing an independent statutory body (modelled on Infrastructure Australia) to provide expert and transparent advice to government and industry.

"While any infrastructure announcements are welcomed by Queensland firms in our industry, all decisions on infrastructure need to be prioritised based on a thorough cost benefit analysis to ensure the right infrastructure is being delivered at the right time."

"We remain concerned that Queensland is at risk of losing a substantial part of an industry fifteen years in the making," she said.

"Some of the state's best engineers, architects and other built environment professionals are relocating interstate or overseas, and getting them back here when the pipeline of work eventually picks up will cost the state more than trying to retain them now."

"We also risk losing the status as a great home to these businesses, which has us the envy of advanced economies across the world."

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“Whichever party is elected to Government on the 31st of January needs to work to stop this ever growing tide, through a wide and varied range of strategies, to give Queensland businesses a new competitive advantage,” Ms Rawlings said.

Ends

For further information or to arrange an interview, please contact Consult Australia’s QLD Manager, Stacey Rawlings on 0404 123 896 or via email at Stacey@consultaustalia.com.au

About Consult Australia

Consult Australia is the industry association that represents consulting firms operating in the built and natural environment sector. These services include design, engineering, architecture, technology, surveying, legal and management solutions for individual consumers through to major companies in the private and public sector including local, state and federal governments.

We represent an industry comprising some 48,000 firms across Australia, ranging from sole practitioners through to some of Australia’s top 500 firms with combined revenue exceeding \$40 billion a year.

Our member firms include: AECOM, Aurecon, Calibre Consulting, Golder Associates, Kellogg Brown & Root, Opus International Consultants, Parsons Brinckerhoff, Rider Levett Bucknall, URS Australia and WorleyParsons.