Skills crisis and a record project pipeline need a coordinated response to lift productivity

Australian Constructors Association and Consult Australia partner for change

The scarcity of qualified skilled workers is one of the biggest challenges facing the construction industry and it cannot be solved by migration and training alone. To help the construction, design and engineering sectors build Australia with current resources, the Australian Constructors Association and Consult Australia have joined forces in a new partnership for change initiative to bring forward practical ways for the industry to become more productive.

Kickstarting discussions between government, contractors and consultants, a series of thought leadership papers have been released today to help the industry achieve more with less. The papers provide recommendations to aid the adoption of technology, improve reliance on tender information, streamline design reviews and for government delivery agencies to lead the way.

Consult Australia CEO Nicola Grayson said an additional 105,000 workers will be needed by mid-2023 to deliver the enormous pipeline of work facing the construction industry and we must think differently about how we deliver projects.

"Through our partnership we have identified some clear inefficiencies and addressing the propensity towards multiple design reviews is a good place to start. These are a real barrier to productivity because they slow the process with little to no value add. By streamlining the review process, skilled resources in short supply can focus on other priorities, improving productivity across projects," said Ms Grayson.

Australian Constructors Association CEO Jon Davies said the industry needs to take a more balanced and collaborative approach.

"Tendering practices requiring lowest price at the tender box are driving adversarial behaviours.

Onerous and unnecessary contract terms and conditions further drive these negative behaviours and are more likely to lead to disputes instead of collaborative problem-solving. Our Model Client paper boldly calls on government clients to commit to behaviours that will drive positive cultural change and lead to an uplift in productivity."

"Given the current shortage of resources, it is crazy that a client will engage engineers to prepare design information, such as geotechnical reports, but force multiple bidding contractors to engage their own engineers to verify the information because they are contractually not allowed to rely on it. Provision of documents such as geotechnical baseline reports on which tenders can be legitimately based will not only save resources at tender, but it could also significantly reduce the amount of time spent on disputes," said Mr Davies.

Ms Grayson said despite the emergence of digital tools, the construction industry has become 25 per cent less productive compared to other Australian sectors over the past 30 years.

"To get the greatest benefits from technology we must adopt digital methods across the entire supply chain and the asset lifecycle. The capacity to introduce new digital technologies against the backdrop of national skills shortage requires significant investment and resources to generate meaningful change and sustainable outcomes. Our digital paper provides key actions to set the industry on a transformational course," said Ms Grayson.





JOINT MEDIA RELEASE

With a new look government, now is the time to act and address the long-term reform challenges that are preventing the industry from realising major productivity gains.

Download the *Partnership for Change* papers:

Multiple Design Reviews

Model Client

Reliance Information

Digital Technology

Australian Constructors Association Media Contact: Megan Anderson, 0475 978 478, megan.anderson@constructors.com.au

Consult Australia Media Contact: Nicola Grayson, 0499 878 839, Nicola@consultaustralia.com.au



