2021 AUSTRALIAN INFRASTRUCTURE PLAN



Consult Australia's Advocacy Highlights

INDUSTRY PRODUCTIVITY AND INNOVATION

Consult Australia welcomes the launch of the 2021 Australian Infrastructure Plan, which includes a landmark reform agenda to ensure successful delivery of Australia's future infrastructure needs.

Infrastructure Australia (IA), the leading source of advice for governments on nationally significant infrastructure needs, has listed Consult Australia in the Plan as an agent of change in driving industry productivity and innovation. This is in acknowledgement of our advocacy and thought leadership on procurement, pipeline, people, and practice. We have had extensive engagement in the development of the chapter on industry innovation and productivity, noting that a member of our policy team was seconded to Infrastructure Australia to assist with the Plan for the first three months of this year.

Thank you to all our members that have contributed through our forums, committees, roundtables, and working groups to shape our policy and advocacy campaigns, we are pleased to see this work come together and be reflected in the recommendations of the Plan (see below for details).

The challenge now is to realise the ambitious reform agenda. Consult Australia will continue to take a solution led approach to work with governments around Australia to implement the reforms and deliver real change for the benefit of all.

ADVOCACY HIGHLIGHTS



Adopting the Model Client Policy

IA calls on governments to champion 'model client behaviour' by embracing collaboration opportunities, appropriately distributing risk as opposed to avoiding risk, and using standard form contracts that consider the extent of the roles and responsibilities of contracting parties. This reflects Consult Australia's Model Client Policy and related work. We welcome the opportunity to explore with agencies how model client behaviours can be imbedded in government procurement policies.



De-risking the professional indemnity insurance market

The 2021 Plan highlights the current crisis in the professional indemnity (PI) insurance market. IA has confirmed our call to action that governments must work with industry to de-risk the market through appropriate risk allocation. Importantly, IA has emphasised the severity of the insurance crisis, with many businesses being excluded from participating in the market without changes to risk management. In addition to addressing risk allocation and contract terms, Consult Australia continues to advocate for civil liability and Australian Competition Law reform.



Addressing the systemic skill shortage

IA recognises the systemic skills shortages facing the infrastructure industry, which we have evidenced is exacerbated in a hot market when infrastructure spend is high. IA recommends the establishment of long-term partnerships informed by the future pipeline of projects. Consult Australia is keen to continue working with governments to recognise and promote emerging occupations. Governments can positively influence in this area by supporting non-linear career paths and encouraging different ways of entering the industry.



Building positive culture

IA calls out Consult Australia's <u>Champions of Change</u> initiative as a clear example of how committed our membership is to lead on creating and sustaining a positive industry culture. We support IA's comment that 'the economic and societal benefits in creating a positive culture across the industry are clear.' In our engagement with governments across Australia, Consult Australia is committed to collaboration and policy that drives collaborative behaviours.

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Striving for mentally healthy workplaces

The 2021 Plan emphasises the significant mental health challenge faced by the infrastructure industry and calls on governments and industry to invest in mental health programs. Consult Australia has demonstrated its willingness to lead on mental health, with our Striving for Mentally Healthy Workplaces report, Mental Health Ambassadors Network and Working Group, and Mental Health Knowledge Hub. Our initiative is included as a case study in the Commonwealth Government Mental Health Commission's National Workplace Initiative. Addressing the mental health challenge requires continuous commitment from all stakeholders.

$|\checkmark|$ The future is now – digital by default

We have successfully made the case that for too long digitalisation has been treated as optional rather than a default, and that we've missing out on the opportunity it provides for greater collaboration, risk mitigation, and innovation. Consult Australia support's IA's proposal to have 'digital by default' because without the firm commitment of government, business, particularly small businesses, cannot confidently invest in digital technology (it must be an investment not an unrealised potential).

'Going slow to go fast' for pipeline planning and delivery

In line with Consult Australia's call for a smarter approach to pipeline planning, IA is calling on governments to have a networked focus and to produce better sequencing of works. We have called for Australian governments to introduce five-yearly investment strategies for infrastructure sectors such as roads, rail, and water, focusing on a more strategic approach to investment decisions. We have also promoted asset recycling, which is also noted in the 2021 Plan.

NEXT STEPS

Consult Australia is proud to have our advocacy highlights reflected in the chapter on industry innovation and productivity. We also welcome the recommendations covered in the broader report, which include:

- place-based outcomes for communities
- sustainability and resilience
- transport
- energy
- water
- social infrastructure
- waste.

We will be working closely with our members through our forums, committees, roundtables and working groups to unpack the recommendations and how we support them through our ongoing advocacy agenda.

We welcome any direct feedback from our members on the reform agenda.