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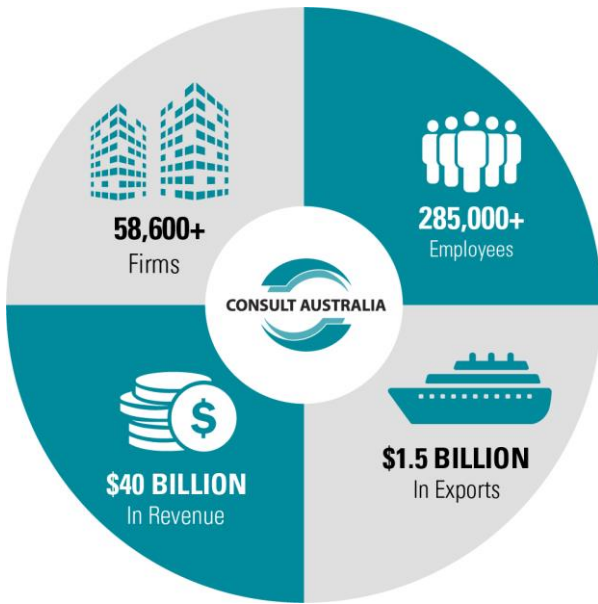
# **Delivering Outcomes and Regional Strengths and Infrastructure Gaps**

**SUBMISSION TO INFRASTRUCTURE AUSTRALIA**

**Consult Australia**

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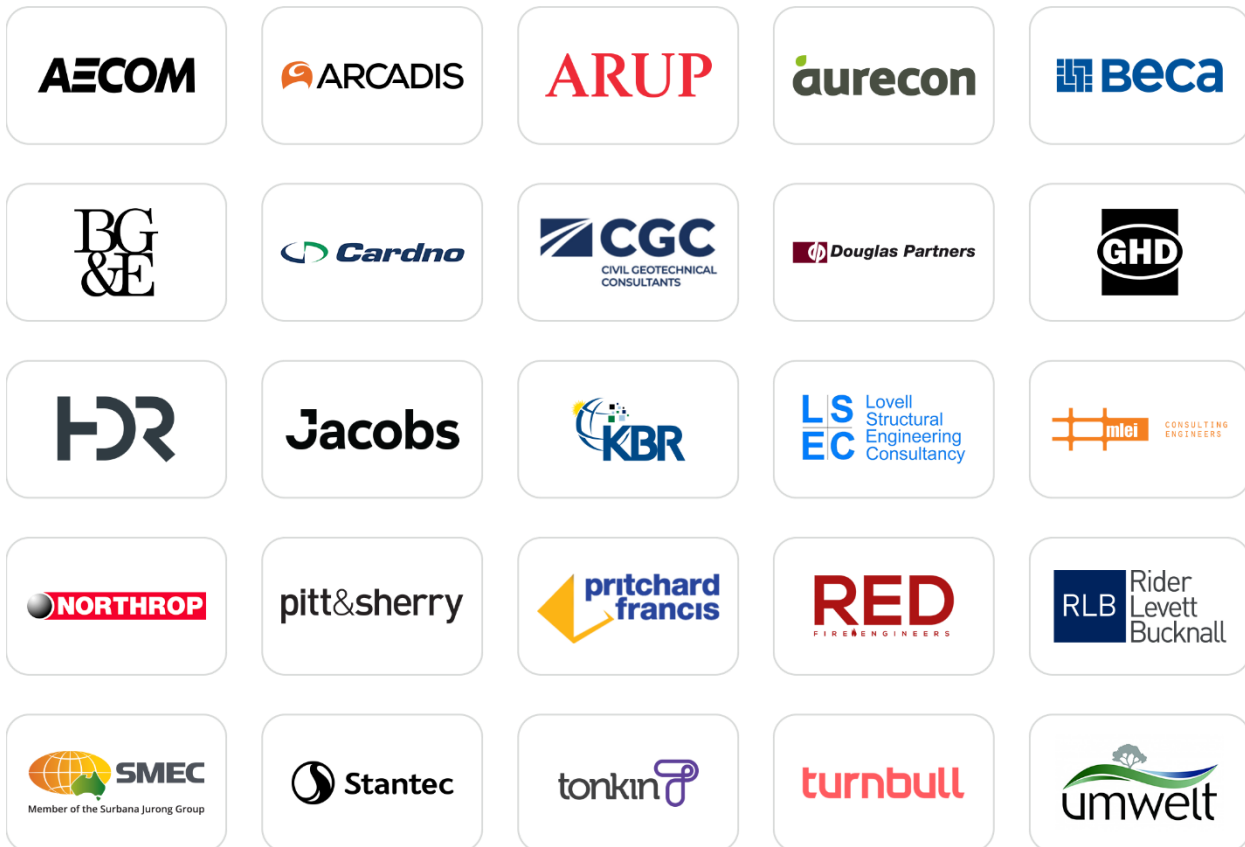
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## ABOUT US

Consult Australia is the industry association representing consulting businesses in design, advisory and engineering, an industry comprised of over 58,600 businesses across Australia. This includes some of Australia's top 500 companies and many small businesses (97%). Our members provide solutions for individual consumers through to major companies in the private sector and across all tiers of government. Our industry directly employs over 285,000 people in architectural, engineering and technical services and many more in advisory and business support. It is also a job creator for the Australian economy, the services we provide unlock many more jobs across the construction industry and the broader community.

### Our members include:



A full membership list is available at: <https://www.consultaustralia.com.au/home/about-us/members>

## INTRODUCTION

Consult Australia welcomes the opportunity to comment on Infrastructure Australia's Delivering Outcomes report, as well as the Regional Strengths and Infrastructure Gaps report. We welcome the two reports as a roadmap to improving the infrastructure sector and uplifting productivity in our industry.

With the record investment in infrastructure projects across Australia, the demand for consulting services is greater than ever. However, there are many challenges that impact on industry productivity and the ability to realise infrastructure investment, which Infrastructure Australia have identified throughout the reports.

We thank Infrastructure Australia for including elements that have been central to Consult Australia's advocacy for many years, including:

- embracing the **go slow to go fast** mentality to improve pipeline planning and delivery
- adopting **digital by default** across all stages of infrastructure assets
- prioritising **Model Client** behaviours to deliver best infrastructure projects.

There are areas within the reports we would like to learn more about, and others which we feel could be discussed in more detail including **skills, digitalisation** and **improving communication upfront**.

## SKILLS

The Delivering Outcomes report does not identify reforms required to alleviate the critical skills shortage in our industry, which is disappointing as **thinking smarter about skills** is one of Consult Australia's priority areas. However, we note that skills challenges were highlighted in the Infrastructure Australia Market Capacity report. The Regional Strengths and Infrastructure Gaps report also highlights the critical skills shortages experienced by some of the regional economies mainly in the service sectors. However, it recognises access to further education and skills training as important to help address skills shortages and develop emerging industries.

Reform is vital to support the productivity and sustainability of Australia's infrastructure industry. Our **thinking smarter about skills** reform priority calls on government to invest in a range of initiatives such as developing a national workforce plan, simplifying skills and occupation lists, investment in education and upskilling and supporting businesses to navigate the migration system.

Our [2020 Skill Shortages Pulse Survey](#) provides an overview of the skill shortages in the current market including occupations most difficult for businesses to recruit. Skills shortages have a negative impact on the economy. Addressing this will allow businesses the potential to hire more skilled people and uplift industry productivity.

We also see the need for a focus on mental health across the broader industry and welcome the recommendations by Infrastructure Australia on the role of industry leaders and improving work patterns to support and promote health, safety and wellbeing of the workforce. This in line with our reform priority, **striving for a mentally healthy industry**, which calls on government to champion model behaviours to support the health and wellbeing of our people in delivering projects.

## DIGITISATION

We support the recommendations of the Delivering Outcomes report on digital transformation and prioritisation, particularly developing a common national framework. Our members report challenges with making **digital by default** in the domestic landscape, practices are fragmented and not streamlined. We also agree that digital connectivity will encourage growth and innovation in regional areas as highlighted in the Regional Strengths and Infrastructure Gaps report.

We suggest further emphasis on a coordinated approach be undertaken to streamline digital practices across all state and territory governments. Our recent submission to the [Productivity Commission \(March 2022\)](#) provides a case study on the importance of digital by default and how investing in resources and skills required by businesses can drive innovation. We are eager to see governments commit to digital practices by prioritising these in projects and working together across the jurisdictions to develop a coordinated approach to digital practices. In turn, Australia will have the opportunity to realise the benefits of digitalisation in terms of cost efficiency and improved productivity.

## IMPROVING COMMUNICATION UPFRONT

We are interested in the proposed statement of intent focused on creating trust-based relationships at the onset of all infrastructure projects and programs in the Delivering Outcomes report. We also support the Regional Strengths and Infrastructure Gaps report focusing the need for greater proactive planning to deliver infrastructure needs of regional Australia. This could have real benefits across multiple Consult Australia focus areas including **Model Client**, **de-risking for delivery**, **collaboration as culture** and **go slow to go fast**.

Both proposals align with our advocacy, and we can see that it could dramatically reduce project disputes and have significant positive impacts on industry productivity and the wellbeing of people. Given the recent impacts of the COVID-19 pandemic and the adversarial nature of our industry, we are eager to see practical steps like those proposed in the two reports.

## CONSULT AUSTRALIA GLOSSARY

In this submission, we have relied on several our reform priorities, below we explain what each means:



### De-risking for delivery

*This means identifying ways to de-risk the market to reduce the level of disputation and therefore burden on professional indemnity insurance. The aim is to bring some balance back to the professional indemnity insurance market.*



### Collaboration as culture

*This means embracing and embedding collaboration as the cultural norm in contract design and tendering approaches. The aim is to reduce the imbalance between contracting parties and provide a more collaborative, productive environment with all parties focussed on successful project delivery.*



### Go slow to go fast

*This means investing time at the start to define project deliverables and aspirations ensuring best practice in due diligence. The aim is to deliver better projects and minimise cost and time over-runs that currently mar projects, particularly infrastructure projects.*



### Smarter pipeline of projects

*This means adopting and supporting an approach to the pipeline of projects that provides certainty to the industry and increases accessibility for small to medium businesses. The aim is to deliver benefits to productivity (both industry and government), workforce planning and regional participation.*



### Digital by default

*This means driving innovation by committing to and pushing for digital investment at all stages and on all projects so businesses, particularly small businesses, have the confidence to do the same. This will deliver benefits for both government and industry.*



### Thinking smarter about skills

*This means thinking more broadly about the skills challenge. We need a range of initiatives to tackle the deepening skills shortage in engineering and related professions. The aim is to maintain world class design, engineering and advisory services for Australia and boost productivity by job growth and high employment participation.*



### Striving for a mentally healthy industry

*This means championing model behaviours to support the vitality of our industry. The aim is to ensure we have sustainable businesses with healthy and productive people at the heart.*



### Model Client

*This means embracing all of the reforms above and is further defined in Consult Australia's [Model Client Policy](#).*

## **NEXT STEPS**

Consult Australia is keen to help implement the reforms suggested by Infrastructure Australia. Please let us know how we can be of further assistance to drive real action. Please feel free to contact:

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