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2021 YEAR IN REVIEW
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This year was like no other. As with many industries, the COVID pandemic put construction to the test—even more so than the year before. But the test was not limited to keeping the industry open. Tasked with rebuilding Australia's economy, the construction industry is facing a tidal wave of work and failure to deliver is not an option.

We believe COVID provides a once in a generation opportunity for reform. With record investment in infrastructure, the time for change is now. We have responded with speed and agility to fast-track reform initiatives and have built momentum for creating a more sustainable construction industry.

Above all, this year has shown the power of collaboration. The industry as a whole has come together and with government to respond to COVID and unite for reform.

We are on the path to a more sustainable and progressive construction industry.





Highlights

Demonstrated **LEADERSHIP** in reopening construction

following pandemic lockdowns

\$2.4M in media mentions

295% growth in LinkedIn followers: 7600 total LinkedIn following

HIGHEST LinkedIn engagement of any industry association

15 government submissions

Equal PARTNER TO THE NSW AND VICTORIAN GOVERNMENTS

in the Construction Industry Leadership Forum and Construction Industry Culture Taskforce

Represented at **ALL MAJOR FORUMS**—government and industry

Collaboration with **ALL** major industry bodies—submissions and thought leadership

25% growth in membership

86,054 pageviews

53% increase in traffic to our website

29,569 new website users





President's introduction

Cathal O'Rourke reflects on the year industry united for reform and the Australian Constructors Association's role in leading the charge.

Construction matters more than ever

The construction industry has been tasked with rebuilding Australia's economy. This is a privilege—one that many industries do not have. But it also comes with a huge responsibility if the nation is to build back stronger.

Reinvigorated strategy

Committed to creating a more sustainable and progressive construction industry, the Australian Constructors Association's vision remains unchanged. What has changed is our approach. We believe government investment provides a great imperative for change, and it must be matched by reform.

After decades of quiet diplomacy, we have stepped forward to bring construction stakeholders together to influence and advocate for positive change. And we have taken major strides in progressing the change agenda. Our efforts have focused on driving an improved industry culture, creating increased capacity and capability, and ensuring that project commercial frameworks are equitable and align the interests of all parties.

Collaboration

Reform of the magnitude needed will only happen through greater collaboration across all levels of government and in consultation with industry. To top it off, it will take leadership from the Federal Government.

We recognise that industry has an important role to play and remain focused on upholding our 10 industry commitments to help shift the dial and set the industry on a more sustainable path. We are also committed to working with government and industry and have progressed key strategic collaborations with the NSW and Victorian governments through the Construction Industry Leadership Forum and Construction Industry Culture Taskforce. Through these collaborations we are taking a partnership approach to solving the industry's challenges while improving value for money for taxpayers.

These state-based collaborations are just the beginning. The appetite from all—government and industry—is large. Contractors and unions have come together to open construction during the pandemic and keep projects moving. Contractors have been working with government to expedite projects and get boots on the ground. Now we are focused

on addressing the fundamental issues facing the industry that have also undermined our efforts to build capability and capacity. And we have the attention of the Federal Government who have shown a willingness to engage with industry having undertaken an inquiry into government procurement practices this year.

Looking ahead

Government and industry agree on the issues, and we largely agree on the solutions. The challenge is implementing change while the window of opportunity is open.

We remain committed to working collaboratively with the entire industry and all levels of government to achieve meaningful reform. Continuing our journey of bringing stakeholders together, in 2022 we will be increasing our collaborative efforts. Having welcomed new members Ghella, Icon, Seymour Whyte and Calibre Group to the association this year, we hope to create new opportunities for further members. We are also excited to expand our state-based government and industry collaborations with the Queensland Government, and potentially other jurisdictions, joining the Construction Industry Leadership Forum.

Finally, on behalf of the Board, I would like to express appreciation to the Australian Constructors Association team and the many people from across our member organisations who have contributed through participation in our committees and advisory groups. The association's achievements this year have helped set the wheels in motion for a more sustainable and progressive industry that is a great place to work.



Chief Executive Officer's Q&A

Jon Davies answers questions on delivering the record pipeline and priorities for 2022.

What are the biggest challenges facing the industry?

The construction industry is not in good shape, and it hasn't been for some time. Despite being the nation's third largest industry, the construction industry consistently has one of the highest rates of insolvencies in Australia, only 12 per cent of our workforce are women, and workers are six times more likely to die from suicide than a workplace incident.

The lack of diversity in the industry can be attributed in part to the long working hours of the industry and the combative culture. In turn, this can be largely attributed to government buying practices that focus on lowest cost over best value at the tender

box. These procurement models can also be partially blamed for slow adoption of productivity enhancing digital technologies. No wonder attracting and retaining sufficient people to undertake the pipeline of work is a struggle.

How is industry going to deliver the record project pipeline?

Not surprisingly, given the reliance on construction, concerns have been raised about the ability of the construction industry to deliver the project pipeline.

A significant capacity shortfall is predicted, and government is looking to find solutions. Skilled migration has traditionally been the first response but with international borders closed and high demand for workers when

they do open, this cannot be relied upon. Training, while a good investment and necessary for the long-term sustainability of the industry, takes many years and will not solve the immediate constraints.

The answer is simple, government needs to work with the construction industry to drive greater productivity and innovation so it can do more with less. As the second worst performing industry when it comes to digital adoption, technology presents a real opportunity to put the industry on the fast track to improved productivity. But if it was as simple as adopting new technology, we would have done this already. We currently operate in an environment where government practices are stifling the adoption of new technology and holding the industry back. Productivity growth over the last 30 years has trailed other significant industries by 25 per cent. A halving of this gap would generate savings of \$15 billion a year.

What has been the Australian Constructors Association's biggest achievement this year?

There have been many milestones met throughout the past 12 months. The widespread collaboration between industry and government has been a feature

and highlight of this year. The Australian Constructors Association was incredibly proud to spearhead calls for the Federal Government to urgently lead reform.

Commenting on an open letter coordinated by the Australian Constructors Association in response to the Federal Government's Inquiry into procurement practices for government-funded infrastructure, *The Australian* newspaper described the move as 'an extraordinary show of solidarity'. This alliance was just one of many joint letters and collaborations that demonstrate industry is aligned and willing to work together on joint solutions.

A major achievement this year was publicly releasing the industry's first ever culture standard. Incorporating three years of evidence obtained through research and pilot projects, as well as consultation, the culture standard focuses on our industry's most important asset—its people.

If we want to keep our workers safe, attract new talent and keep pace with the growing demand for infrastructure, we need to tackle the big issues that have plagued our industry for decades. That begins with a national standard embedded in every job site that calls out bad behaviour, lifts the low rates of women entering our industry and removes the stigma that surrounds mental illness.

What are the priorities for 2022?

The overarching priority for 2022 is accelerating change that has already started occurring through our state-based government and industry collaborations and our national advocacy efforts. This involves speeding up the outputs under development by the Construction Industry Leadership Forum and Construction Industry Culture Taskforce and broadening industry and government involvement in them. It also involves securing a commitment from the Australian Government in establishing a Federally led government and industry collaborative leadership group.

Finally, in keeping with our purpose of bringing stakeholders together, we are delighted to announce the Australian Constructors Association will be launching a national conference in May 2022 to provide further opportunities for industry and government to come together.

Strategic context

All levels of government are relying on the construction industry to lead the economy forward on the basis that every dollar spent on infrastructure has a \$3 kick on to the wider economy. But the very industry tasked with this critical role is operating in an unsustainable manner.

Despite being the nation's third largest industry, construction consistently has one of the highest rates of insolvencies in Australia. Productivity growth over the last 30 years has trailed other significant industries by 25 per cent and only 12 per cent of our workforce are women. Most shockingly, workers are 6 times more likely to die from suicide than a workplace incident.

If we do not address these issues we will struggle to attract and retain enough people to undertake the pipeline of projects ahead of us—and the pipeline is huge. Major public infrastructure activity is expected to double over the next three years, peaking at \$52 billion in 2023 and employment in the infrastructure sector will need to grow from 183,000 people today to more than 288,000 in 2023¹.

Infrastructure Australia rightly declares the challenge for the industry as being the need to drive a step change in infrastructure productivity and innovation which the independent advisor says is a shared responsibility between government and industry. If we could just halve the gap in productivity growth between the construction industry and other industries over the past 30 years, we could construct an extra \$15 billion of infrastructure every year

for the same level of expenditure and employ an extra 15,000 people. This saving will be vital in a post COVID world with high levels of government debt but no less of a requirement for infrastructure.

The ability to bring about change resulting in a more productive and sustainable industry is predicated on government and industry working together. That is why, as stated in our Strategic Plan, our purpose is to bring construction stakeholders together to influence, advocate and generate a sustainable and progressive construction industry, while being a trusted partner and voice for the industry.

'The challenge is driving a step change in productivity and innovation.'

Priorities

The Australian Constructors Association has identified that there are three key pillars to a sustainable construction industry:

- · improved industry culture
- · sufficient capability, capacity and skills
- · equitable and aligned commercial frameworks.

The challenge with strengthening these pillars is that they are all interlinked. Improvement in one requires improvement in all.

Sustainable Construction Industry Sustainable Construction Industry Capability Capability Capability

Culture

The construction industry's poor culture is costing the economy over \$8 billion every year². This figure comprises \$6.1 billion associated with lost wellbeing from work-related fatalities, injuries and illnesses; \$708 million associated with the productivity cost of employees consistently working overtime; \$643 million from mental ill-health; and \$533 million associated with the cost of higher incidence of male construction worker suicides compared to other industries.

Capability and capacity

While the record investment in the construction of infrastructure creates new opportunities, it presents a major risk for the capacity of the market to meet this growth in investment. Already there are shortages of various occupations within the sector and now is the right time to incentivise training, upskill and attract the other half of the working population who currently choose not to work in construction—women.

Commercial frameworks

How projects are procured and delivered are major contributors to the sustainability problem. The construction industry operates in an environment where a focus on lowest cost at the tender box and the shifting of risk to the contractor are stifling investment in new technology and holding the industry back from realising major productivity gains. Further, these frameworks are driving an adversarial culture that is impacting on our ability to attract and retain the people we need to deliver the pipeline of work ahead of us.

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Infrastructure Australia (2021) Infrastructure Market Capacity Report, October 2021. Accessed at: https://www.infrastructureaustralia.gov.au/sites/default/files/2021-10/Infrastructure%20Market%20Capacity%20Report%20%281%29.pd

Oxford Economics (2021) The Cost of Doing Nothing Report, May 2021. Accessed at: s://cultureinconstruction.com.au/wp-content/uploads/2021/09/The-Cost-of-Doing-Nothing-Report.pc



Reform

In September 2021, the Australian Constructors Association welcomed Infrastructure Australia's 2021 Australian Infrastructure Plan. The Infrastructure Plan detailed good recommendations that closely align with the three pillars of a sustainable construction industry. If enacted, these recommendations will improve industry culture, create increased capacity and capability, and ensure that commercial frameworks are equitable and align the interests of all parties.

Recognising that we all have a role to play, and we need to act now, the Australian Constructors Association issued a response to the Infrastructure Plan detailing specific activities for industry to undertake to support government in implementing reforms. Many of these activities are underway through our collaboration with the NSW and Victorian Governments through the work of the Construction Industry Leadership Forum and Construction Industry Culture Taskforce.

Plan recommendation: deliver greater return on investment

reforms with a unified and central vision for Australian

Establish a government and industry leadership group to expand and promote reforms and best practices.

Create a common national infrastructure vision. Report against the Infrastructure Decision-Making Principles.

Bring forward the establishment of the National government and industry leadership group with a clear mandate to implement reforms.

Industry and government to agree and document best practice.

Plan recommendation: improve industry productivity and value for money

Industry is a sector of choice for employees and meets workforce demands by embracing diversity and inclusion.

Develop and implement an infrastructure industry culture commitment.

Embed the infrastructure culture commitment through existing procurement frameworks and pre-qualification schemes. Improve productivity and attractiveness of the sector by promoting a five-day

working week and working hour limits.

Adopt the construction industry Culture Standard developed by the Construction Industry Culture Taskforce.

Deliver a workforce attraction and retention strategy. Empower public sector project professionals and incentivise organisation leadership

Expand the work of the Construction Industry Leadership Forum to develop national attraction and retention strategy.

Plan recommendation: reduce uncertainty for industry and improve value for money

Use best practice commercial arrangements and standard contract forms used and supported by a culture of genuine innovation.

Develop a procurement decision-making tool to more effectively understand and allocate scope in line with project fundamentals.

· Develop and implement nationally consistent contract suite to support a spectrum

· Utilise more collaborative commercial models that facilitate value for money and smaller engagements directly with contractors and consultants.

Align innovation criteria in bid assessment with project and organisational needs. Conduct constructability, operability and maintainability reviews on projects and repeat at multiple stages of the project's lifecycle.

Kick-start digital by default in infrastructure by verifying all federally funded projects adopt innovative approaches across their lifecycle, including Building Information Modelling, digital engineering, embedded sensors and digital asset management. Strengthen nationally consistent guidance, tools and templates to match these objectives.

Industry and government to develop:

across iurisdictions.

guidance to define value for money, including performance metrics harmonised common commercial terms

a Collaboration Framework

guidance on procurement models and packaging strategies

Government and industry to work together to develop performance based

specifications on major road projects and innovation criteria harmonised



Construction Industry Leadership Forum

One of our most significant and strategic collaborations is the Construction Industry Leadership Forum—a collaboration between the Australian Constructors Association and governments of NSW and Victoria. The purpose of the forum is to improve the effectiveness and value of the procurement and delivery of government infrastructure programs. Through this forum, government and industry are working together to set a common agenda for change, share knowledge and set a program of activities to resolve commercial and contractual issues and address capability and capacity constraints. The forum operates with three workstreams focusing on: value for money, procurement reform and capability and capacity.

Forum's achievements

A successful outcome of the Construction Industry Leadership Forum has been the conversion of the North East Link Project (NELP) in Melbourne from a traditional Public Private Partnership (PPP) to one with an Incentivised Target Cost model at its core. Had it not been for the improved awareness of industry issues through this forum, this change would not likely have occurred.

In NSW, Sydney Metro and the Construction Industry Leadership Forum undertook a trial to deal with risk more transparently during the tender phase. It was considered a great a success and Sydney Metro has since adopted the process for procurement of other packages. Other delivery agencies and jurisdictions are now considering implementing the process during procurement of major projects.

Construction Industry Culture Taskforce

Recognising the importance of the industry's culture, the Construction Industry Leadership Forum launched the Culture in Construction initiative in 2021 through a new arm known as the Construction Industry Culture Taskforce. Led by the Australian Constructors Association and the NSW and Victorian public sectors, the taskforce has developed a draft Culture Standard. Drawing on research and data from a range of pilot projects, the Culture Standard puts everything on the table from reducing excessive work hours, improving diversity, attracting new talent and making mental health a priority.

Once finalised, governments will be called upon to incorporate compliance with the Culture Standard into their standard procurement requirements.

Taskforce's achievements

In October 2021, the Taskforce launched the construction industry's first ever Culture Standard for public consultation. The public consultation was supported by an extensive engagement program with government and industry stakeholders and widespread media coverage.





 $^{\prime}$

Advocacy

The Australian Constructors Association has pivoted from years of quiet diplomacy to become a more vocal advocate for change. Using our thought leadership as a springboard for public advocacy, we have demonstrated agility in remaining focused on the end game of a more sustainable industry, while rallying quickly to capture opportunities and respond to issues such as the shutdown of construction sites in response to the pandemic.

Our advocacy efforts have targeted

- · Crisis support
- · State reform
- · Federal leadership.

Crisis support

A feature of 2021 has been the way government and industry have come together to not only respond to COVID but unite for reform. A broad coalition of individuals, associations, organisations and government agencies have sought to leverage the opportunity COVID presents to create a more sustainable industry and we are extremely proud to be part of this movement.

The Australian Constructors Association has tirelessly advocated for the construction industry to remain open throughout the pandemic. Where shutdowns occurred, we worked collaboratively with government and industry to develop solutions to fast-track the reopening. We know the construction industry has a very long tail and we have worked hard to support all parts of the industry.

Commencing with the further tightening of already comprehensive COVID operating protocols and procedures, a gamechanger in NSW was the introduction of rapid antigen testing.

Our members spearheaded rapid antigen testing by running pilots on sites across Sydney which led to the approval by the Chief Health Officer of a broader rollout across the NSW construction industry. The NSW Government subsequently released a Framework to guide the delivery of high quality, safe and appropriate rapid antigen screening for COVID.

With safety top of mind, the Australian Constructors Association applied the learnings from the NSW experience and called for a full re-opening of construction sites in Melbourne and the ACT, while also working to promote and facilitate vaccination. Our members ran toolbox information sessions with medical experts to inform workers about the different vaccines available and the protection that they offer. Further many of our members offered paid time away from work to get vaccinated.

Submissions

- Call for action to reopen the NSW construction sector

 NSW Government
- Disruption to infrastructure projects:
 Call for agreed commercial principles

 NSW Government
- Further reopening of NSW construction sector for major infrastructure projects

 NSW Government

Joint letter calling for full reopening of NSW construction sector NSW Government

State reform

The Australian Constructors Association has been successful in facilitating knowledge transfer across private and public sectors and setting a program of activities to implement agreed change. Propelled by our partnership with the NSW and Victorian governments through the Construction Industry Leadership Forum and Construction Industry Culture Taskforce,

our relationship with state agencies and infrastructure bodies flourished this year.

This year we provided various submissions to state agencies on projects, procurement practices, infrastructure strategies and policies. Our most successful activity was convening a joint contract workshop with Infrastructure NSW, delivery agencies and their external legal counsel to discuss ways in which amendments to standard

contracts can be minimised, contract complexity reduced and alignment to the 'NSW 10 Commitments to the Construction Industry' improved. Collaboration is not a form of contract, but contracts can play a big part in facilitating collaboration and aligning the interests of all parties to achieve improved project outcomes.

Submissions

- Best Practice Principles

 Queensland Government
- Ethical Supplier Mandate
 Queensland Government
- Coffs Harbour Bypass procurement process

 NSW Government
- Submission on draft State Infrastructure Strategy Infrastructure WA

- Submission on draft State
 Infrastructure Strategy
 Queensland Government
- Melbourne Airport Rail Link procurement method

 Victorian Government
- Joint letter hold on procurement activity over Christmas/new year Delivery agencies nationwide
- 2021 Updated PPP Guidelines

 NSW Government

Give the gift of time.

Pause procurement activity

over the festive season to support a mentally healthy and sustainable industry.

Federal leadership

While the outcomes of the Australian Constructors Association's advocacy efforts targeting the Federal Government are yet to be known, major progress has been made in raising awareness of and generating support for Federal leadership.

Through our joint submissions and direct engagement with the Federal Government, we are optimistic that in 2022 we will see the Federal Government perform a more active role in leading reform.

Submissions

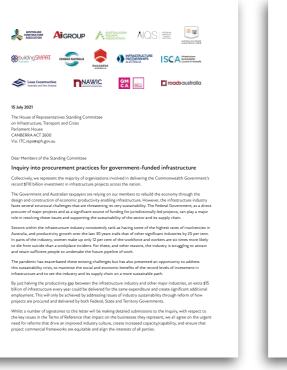
- Inquiry into skilled migration

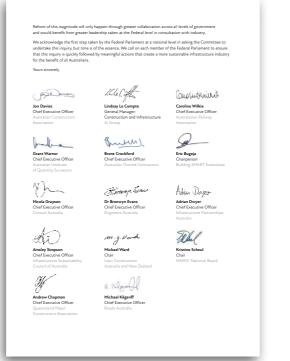
 Australian Government
- Greenfields Agreements of the Fair Work Amendment (Supporting Australia's Jobs and Economic Recovery) Bill 2020

 Australian Government
- Inquiry into procurement practices for government-funded infrastructure

 Australian Government
- 2021 Australian Infrastructure Plan united call for Federal Government to establish a collaborative leadership group Federal Government







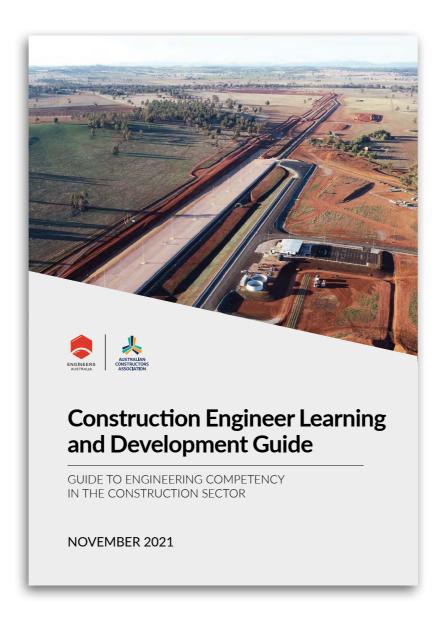


Thought leadership

Recognising our alignment on key issues with peer industry associations, the Australian Constructors Association has collaborated with several industry bodies to reach a large audience of key stakeholders to influence change.

Learning and development guidance

The scale of demand for skills across the construction industry is starting to exceed capacity, particularly in engineering occupations. To address the challenges and gaps around career progression and development of construction engineers, the Australian Constructors Association and Engineers Australia have collaborated to develop a new *Construction Engineer Learning and Development Guide*. This industry-led initiative seeks to improve consistency in the training and development of engineers across the construction sector and to pave a pathway for construction engineers to be globally recognised in their area of expertise.



Net zero

The Australian Constructors Association partnered with Autodesk, Consult Australia and Infrastructure Sustainability Council in developing the paper A Net-zero Future Delivered Through Our Infrastructure Pipeline. The paper sets out options and enablers that can be used to map the path to Net Zero in infrastructure. The pathway considers the lifecycle of the assets and industry change to be successful.



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Partnership for change

The Australian Constructors Association and Consult Australia joined forces to bring forward sector-wide reform proposals through the Partnership for Change initiative. The initiative demonstrates a solutions-based approach to improve productivity and address challenges in the built environment.

The first paper published from the series featured adoption of technology within the construction and consultant sectors. Further papers will be released in 2022.

Partnership for Change papers:

- · Digital technology
- · Model client
- · Multiple design reviews
- · Reliance on information.



Government and industry working groups

The Australian Constructors Association has a seat on many working groups and actively contributes to discussions focused on strengthening the sector. Our participation in such forums includes:

- · Dispute Resolution Board Foundation
- · Transport and Infrastructure Council
- · Australian Broadband Advisory Council
- · Wellness in Infrastructure
- · Infrastructure Australia Sustainability Roundtable
- · Women in Transport
- · Federal Safety Industry Reference Group
- · Australian Construction Industry Forum
- · NAWIC Industry Leaders Collaboration Roundtable.



Communications

Broadcast media

In gearing up for our advocacy efforts, at the start of the year the Australian Constructors Association undertook a proactive media campaign to raise awareness of the industry's challenges and the opportunity COVID presents. This proactive media campaign resulted in the publishing of opinion pieces across the Australian Financial Review and various trade press publications.

The Australian Constructors Association has emerged as the preeminent voice for the construction industry.



Let's build on gender balance



rstandable.

Be ready for projects boom

and, with the sector being relied value. In terms of efficiency, if we could just halve the gap in productivity

settings key for boom in projects'

kely to reopen for some time, w to focus instead on increasing cularly by women, and to fine his will require greater use of

ation. It will also require a review CEO. Australian Constructors

AFR Friday 30 April 2021 www.afr.com | The Australian Financial Review

Now is not the time to take the peda ent of the GDP.

year for the same level of expendit has a part to play in achieving this outcome, the federal gover needs to take a more active role in defining and incentivising the use of

The Construction Playbook, recently published by the British governmen

Australia's construction sector is in need of more diversity.

CAN WE BUILD IT?

productivity was brought into the public domain.

Major projects face skill squeeze

COST blowouts hitting major

he hardest hit by loomir

arts will also bite hard

migration playing a signif

But given that a third of er

that governments have not The report says co-ord

In mid-2021, we changed tack and united our industry peers in

calling for urgent reforms to address the industry crisis. Led by the

Australian Constructors Association, 14 industry bodies supported an open letter in response to the Federal Government's Inquiry

into procurement practices for government-funded infrastructure

Securing an exclusive with *The Australian* (valued at over \$45,000),

the opportunity national leadership presents in driving greater

lack of women in the industry

some cases, no bids at all".

Shortages threatening construction boom

Australia lacks the skills equir ecedented nublic infrastr

tivity and competes with private workers, IA notes, globally, 75 pe 218bn in taxpayer-funded cor IA chief executive Romil

on manage capacity constraints and provide confidence and pertainty for both industry and government".

"While infrastructure invest-ment is rightfully a key com-ponent of our national Covid-19 iplier of public works. IA found

alled by an apprehensive industry, will produce a two-thirds ris in demand for plant, labour, equipment and materials over the coring five years, with one-quarter of "The challenge of driving a ductivity and innovation is a shared one – it cannot be solved by The federal government's k adviser also highlights how borde

into a sector where only 12.7 acerbated skills shortage By 2023, there will be 105,00 eensland and Tasmania, wit address the looming deficits in-

"Just halving the productivi extra \$15bn every year from t on and first ministers in March ast year, the report will dampen are-election claims of a homeunemployment, and the economy is larger

Published on Wednesday, the eport says Victoria, Queensland

three states will require a work As well the report said m

THE AUSTRALIAN •

and across time will impede prosperity and

wage rises. The skills shortages have been

of three Western Sydney Airports. Australian Constructors Association

he Morrison government's

ore jobs and an extra \$15bn of

nt to the cost of three Western

According to the signatories

owouts and delays in Victoria

Jobs strong but more skills needed

Few nations can match our post-Covid economic performance

lockdowns in our two largest cities, the spread of the Covid-19 Delta variant and the nace of the vaccine rollout Thursday's labour market figures underlined the resilience of the Australian economy. The igures reflect a performance matched by few other nations. The latest Australian Bureau of Statistics data shows anemployment dropped to 4.9 per cent in June, its lowest level since June 2011. The 51,600 full-time jobs created last month

prompted the leaders of 14 bodies from the were offset by a 22,500 decline in part-time crisis-prone sector to write to a federal employment. Young people are benefiting from the rebound, with youth unemployment declining half a percentage point to 10.2 per cent – its lowest level since 2009. The nation's recovery has produced suggest, could create an extra \$15bn of infrastructure a year - equivalent to the cost

y the

problems, including workforce issues. exacerbated by the pandemic as lack of Whatever the limits of the quarantin immigration and international border stem, falling unemployment and restrictions have left industries short of the nortages of skilled workers in construction staff they need. Woeful productivity in the construction sector, Tom Dusevic writes on Friday, is putting the Morrison government's \$110bn infrastructure pipeline at risk of delays and cost blowouts, to the skill shortages. The ABS figures show the detriment of taxpayers. The problems have underemployment rate – which measures

parliamentary committee calling for urgent action on productivity-enhancing reforms Effective skills training will be vital for practices. The right reforms, the signatories

maximising the skilled workforce and productivity, and boosting opportunities fo

the proportion of workers with jobs but

Builders' infrastructure reform plea: 'it'll pay off in spades'

local industry "has slipped from leader to laggard on construction

Colacino said.

"This will involve adopting

Alexander, the chair of the Hous

and cities, the 14 signatories said the industry "faces several struc-

"Sectors within the infrastruc-Last month Barnaby Joyce re

rastructure, Transport and

nes more likely to die from su ndustry is struggling to attract with the job of bringing togethe industry and all levels of gover-

The signatories are lodging eir own submissions to the in-Consult Australia chief exe

Ms Gravson said reform

COVID outbreaks posed a major threat to the industry and for the first time since the pandemic, construction sites closed in Sydney closed on 16 July. The Australian Constructors Association quickly assembled to lead public commentary. Throughout the two-week lockdown and over the following period to the full reopening of construction sites across Sydney, Australian Constructors Association CEO Jon Davies participated in extensive interviews with television, radio, print and online media valued at over \$2.4 million.

'Industry urges swift end to nation's first construction lockdown'



'Brick by brick, construction reopens but the roadmap is complicated'





'Another recession not on cards, just yet'

Vaccination only way forward for construction

breathed a sigh of relief this week with work recommencing on sites across Greater Sydney, albeit with 50 per cent cap on peak workforce levels. But many construction work-

dustry — and all industries for that to get vaccinated.

fully reopening the construction in- To do this we need more Australians available and the protection that they yet been vaccinated to visit the NSW tracking technology and most rematter. Vaccination is a choice and, to Speaking on behalf of Australian nation is for them, many of our mem-receive a jab. When it comes down to Jon Davies is the CEO of the Australian Conbe clear, construction workers have a Constructors Association members, bers are offering paid time away from getting the jab, I can happily say I structors Association

believe that the best way to work to get vaccinated and we are ex- have played my part having received achieve this is to encourage and facili- ploring opportunities with the NSW two doses of AstraZeneca. I am cognitate vaccination. We think that equipping workers with information that on construction sites.

to vaccinations will help the construction industry rise up and lead the nation clinic at Sydney Olympic Park ing risk and the construction industry ers, particularly those under 40, are choice. Workers who choose not to charge in rebuilding the economy, this weekend, this time for constructions and one everything imaginable to nderstandably left wrangling with vaccinate simply follow the rules that In a practical sense, our members tion workers. It follows last week's make worksites safe having impleare running toolbox information ses- successful Super Sunday for super- mented COVID-safe management The holy grail, however is putting sions with medical experts to inform market and food supply workers. plans that include staggered starts, Vaccine hesitancy is a barrier to an end to restrictions and lockdowns. workers about the different vaccines I encourage those that have not sectioned zones, OR codes, Bluetooth

offer. For those who decide vacci- government website and to register to cently rapid antigen testing

As the nation's third largest industry and the industry tasked with fuelling the economy, our story is not limited to industry stakeholders. The construction industry impacts the lives of all Australians. We welcome engagement with the media, as a conduit to the public, to raise awareness of our industry. In launching the draft Culture Standard for public consultation, the media performed a critical role in sharing the significance of the health and wellbeing of the construction workforce.

\$2.4M in media mentions **34** media statements

Our media statements

- · Finalists for the 2021 Australian Construction Achievement Award Announced
- · Industry reform required to deliver record level of infrastructure investment
- · IR Omnibus Bill needs to be passed this week
- · Now is not the time to pause on major projects
- · Improving public infrastructure investment outcomes
- · Budget 2021 asserts the value of infrastructure investment
- · Construction needs collaboration not conflict
- · National leadership to unlock massive productivity savings from construction
- · Ghella joins Australian Constructors Association
- · Icon joins Australian Constructors Association
- · Seymour Why joins Australian Constructors Association
- · Intergenerational Report highlights urgent need for reform
- · Industry leaders sign on to open letter calling for urgent industry reform
- · Sights set on reopening Sydney construction
- · Moving towards reopening Sydney construction sites
- · Gamechanger to leave legacy for Queensland
- · More to be done to reopen construction
- · Construction to remain shut down unless key workers authorised to travel

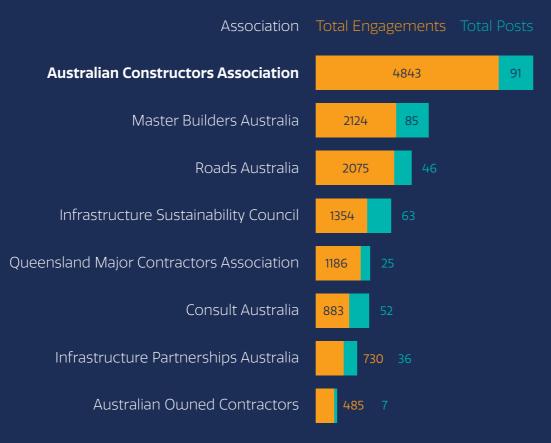
- · Construction to reopen and nothing left to chance
- · Vaccination the only way forward for construction
- · New Museum for WA & SA Water's Zero Cost Future win top Australian Construction Award
- · Infrastructure plan welcomed but national action needed now
- · Construction industry's cultural issues cost \$8 billion annually
- · WA draft State Infrastructure Strategy
- · NSW construction the exemplar industry
- Strategic plan outlines vision for construction industry
- · Entries now open for the 2022 Australian Construction Achievement Award
- · Victoria's construction sector set to reopen
- · Federal Government called upon to lead construction industry reform
- · Buv Australian Plan will not increase local content
- · Productivity problem must be addressed to deliver project pipeline
- · Calibre ioins Australian Constructors Association
- · Under construction: Building new industry standards
- · Industry to recharge before delivering massive infrastructure pipeline.

Social media

We have an enormous enthusiasm for the construction industry, and we use social media to share our views broadly and to harness the views of others.

This year we focused on building our LinkedIn presence. Regularly posting our views and insights, we successfully provided content for the industry to engage with and share. We also expanded our social media presence by creating a YouTube channel for video content. YouTube is earmarked to perform an important role in our communications in 2022.

LinkedIn follower metrics



1M+ LinkedIn impressions

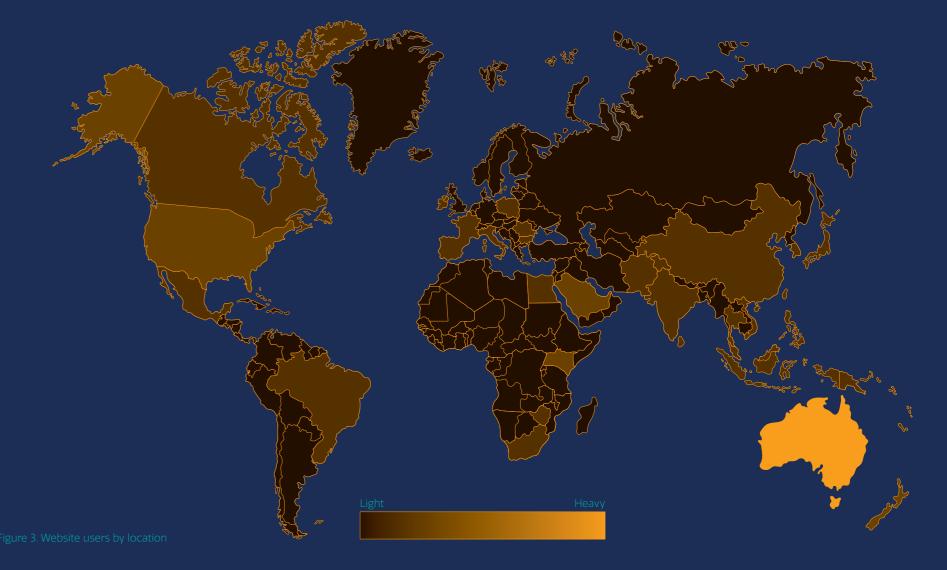
5000 new LinkedIn followers; 7600 total LinkedIn following

HIGHEST LinkedIn engagement of any industry association

Website

Our website is continuing to evolve with our priorities. Traffic to our site has increased by 53 per cent per cent over the past 12 months with 29,964 users reported. This increase reflects the growing

interest in creating a more sustainable construction industry and awareness of the Australian Constructors Association both nationally and internationally.



inkedIn analytics - 14 August 2020 - 5 November 202

Women of the ACA

Supporting the culture pillar of a sustainable industry, and more specifically promoting greater gender diversity, this year we introduced a new initiative called the Women of the ACA. Through this initiative we are profiling the career paths of women from across our membership to inspire others to join the industry and to encourage those already working in the industry to continue to progress their careers in construction.

The Women of the ACA initiative has received strong support from government and industry stakeholders and is a driver of traffic to our website.



Ioana Chereji

Channari Penh



Annabel Crookes

Rosemary Rice



Adelina Dal Pra

Roberta Selleck



Bonney Emmett

Rikki Toms





Winnie Zhu



Samantha Johnson



Ellen McInerney

Gosia Suchorska



To build on our discussions with industry stakeholders and share our views on topical issues, this year we introduced a new blog to our website. The blog has provided a strong base for LinkedIn engagement with topics addressing culture, collaborative contracts tiers, productivity, innovation and more.

While primarily used as a platform for the Australian Constructors Association to candidly share views, we were delighted to share a guest blog written by one of the authors of the Australian NEC4 suite of contracts. Further blogs by guest authors are planned for release in 2022.



53% increase in traffic to our website

29,569 new website users



12 OCT 21: Tiers no more—simple solutions to the problems of a complex system



6 SEP 21: The time to act is now – not in 5. 10, 15 years!



25 AUG 21: Limited window of opportunity for procurement reform



12 AUG 21: Vaccination only way forward for construction



one arm

4 AUG 21: You can't the helm pour concrete with



Events

Australian Construction Achievement Award

We are proud to partner with Engineers Australia in co-presenting the construction industry's most prestigious award—the Australian Construction Achievement Award (ACAA). Recognising the best of the best in construction, the award is fiercely contested by the largest construction and engineering businesses operating in Australia whose projects must first qualify to be finalists and then submit to the most rigorous assessment by an independent panel of experts.

With much of the South Eastern seaboard in lockdown from COVID, this year's ACAA winner announcement was like no other. Both 2020 and 2021 winners were announced online for the first time in the ACAA's 24-year history. While the industry was disappointed to forego an opportunity to come together and celebrate industry achievements, a positive of the online announcement was the opportunity to showcase elements of the award ceremony online to a broader audience.

ACAA Winners

2020 winner - New Museum for WA by Multiplex 2021 winner - Zero Cost Energy Future by Enerven







Perth industry breakfast

In support of our strategy of bringing construction stakeholders together to influence, advocate and generate a sustainable and progressive industry, the Australian Constructors Association held its first networking event on 6 August in Perth. Sponsored by Clough, the event saw 35 of the state's senior government and industry leaders discuss the opportunities for the construction industry following the release of the draft State Infrastructure Strategy. We were delighted to have the Hon Rita Saffioti, Minister for Transport and Phil Helberg, CEO of Infrastructure WA speak at the event.

ictured left to right: Peter Bennett – Clough; Phil Helberg – Infrastructure WA ohn Galvin – Clough; and John Flecker – Multiplex.









Key speaking engagements

The Australian Constructors Association is represented at most major industry forums and events by our CEO Jon Davies. The CEO undertook an extensive speaking engagement program this year with involvement in most major conferences including:

- Engineers Australia Infrastructure Thought Leaders Series (March)
 'Stimulus and recovery funding'
- Canadian Construction Association Global Connectedness
 Conference (March) 'International challenges in construction'
- Sydney Morning Herald Infrastructure Summit, (April)- 'Construction Playbook'
- · Critical Infrastructure Summit: State of Play (April) 'The last six months in the infrastructure industry'
- Canadian Construction Association Virtual Annual Conference
 (May) 'Global connectedness: Construction industry insights from around the world'
- · Queensland Transport Infrastructure Summit (May) 'Construction Playbook'
- · ISCA Connect Conference (May) 'Technology, regional growth, climate risk and workforce wellbeing'
- · Future of Construction Summit, (May) 'Adoption of technology in construction'
- Infrastructure Australia Market Capacity Report launch (October)
 'Capacity and shortages'
- · AFR Infrastructure Summit (November) 'Capability and capacity'

In addition, the CEO participated in a range of speaking engagements targeting specific issues and audiences. These included speaking engagements with APPEA, La Camara Spanish Australia Chamber of Commerce, Dispute Resolution Board Foundation, the #Hardconvo social media initiative, University of Technology Sydney, Queensland University of Technology and more.

Pictured: Jon Davies at the Sydney Morning Herald Infrastructure Summit





About

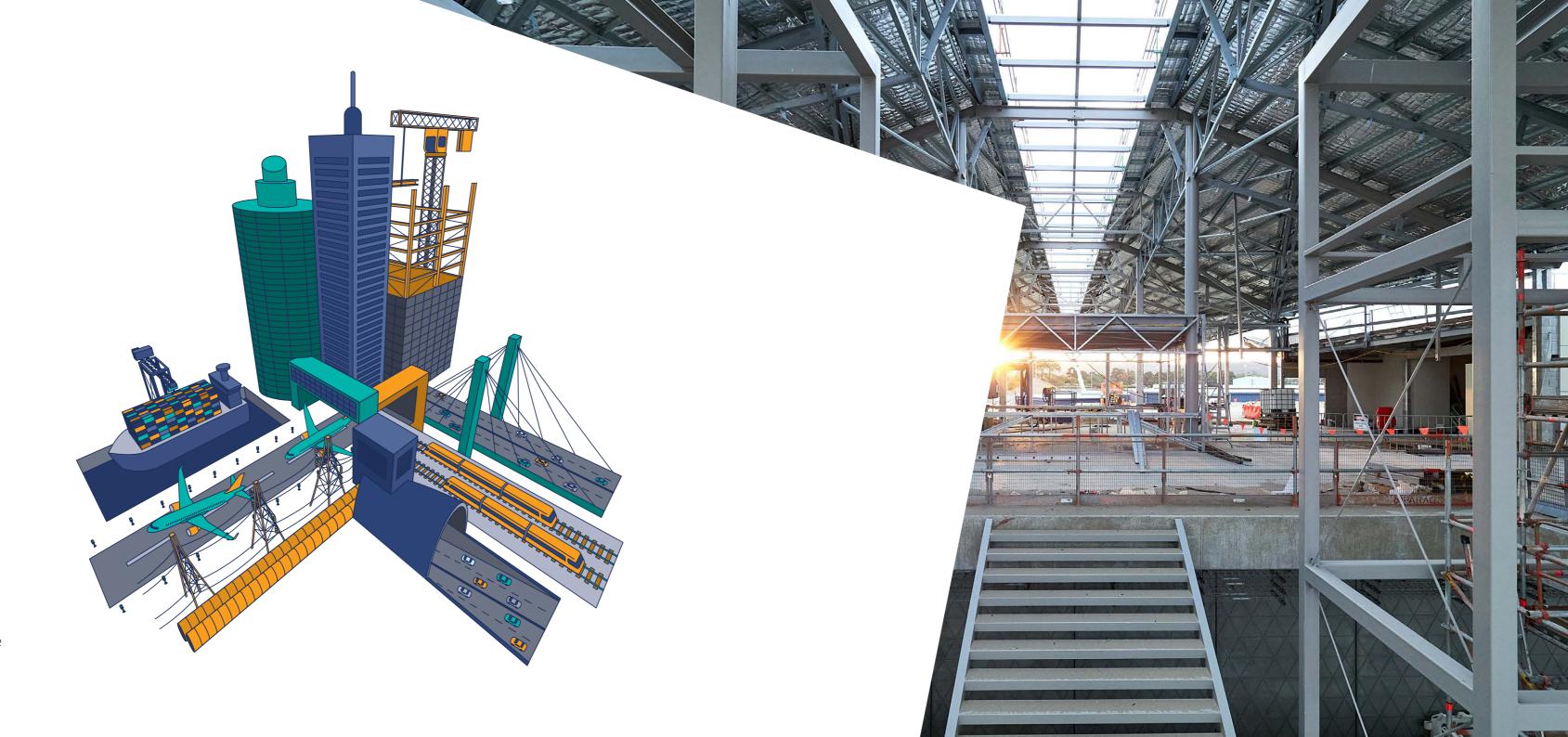
The Australian Constructors Association represents leading construction and infrastructure contracting companies responsible for delivering over 90 per cent of the nation's major infrastructure projects.

Established in August 1994, the Australian Constructors Association is a trusted voice for industry.

We collaborate extensively across the sector and represent the views of industry leaders to help shape government policies to ensure Australian communities receive high-performing assets and services from the infrastructure, building, resources and energy industries.

Our goal is to create a more sustainable construction industry for the benefit of all. We believe that a sustainable construction industry is built on the three key pillars of equitable and aligned commercial frameworks, a positive industry culture, and sufficient capability, capacity and skills to execute the projects it is called upon to deliver.

It is an ambitious goal but an achievable one if the sector pulls together.



Board



Cathal O'Rourke PRESIDENT, ACA Managing Director. Laing O'Rourke Australia Construction Ptv Ltd



Pilar Gomez Human Resources Director, Acciona Infrastructure Australia



Julie Stanley Executive General Manager, Professional Services, Calibre Group



VICE PRESIDENT. ACA Chief Executive Officer. McConnell Dowell Corporation Limited

Scott Cummins



Bede Noonan Managing Director, Acciona Infrastructure Australia



Peter Bennett Chief Executive Officer and Managing Director, Clough Ltd



VICE PRESIDENT, ACA Executive Director - General Counsel, Australia & India, Multiplex



Adelina Dal Pra General Counsel Legal Director, Bouygues Construction Australia Pty Ltd



Roberta Selleck Health Safety Security & Environment Manager -Corporate, Clough Ltd



Duncan Gibb TREASURER, ACA CEO Australian Construction, Fulton Hogan Ltd



Seved Robin Chief Executive Officer, Bouygues Construction Australia Pty Ltd



Jason Spears Managing Director, CPB Contractors Ptv Ltd



Annabel Crookes COMPANY SECRETARY, ACA General Counsel. Executive Director, Laing O'Rourke Australia Construction Ptv Ltd



Peter Massey Managing Director & Chief Executive Officer, Calibre Group



Mark Mackay Head of Infrastructure Projects, Downer EDI



Carolyn Richards Senior Legal Counsel, Downer EDI



View our Board member's bios on our website: www.constructors.com.au/about-us/board-members

Sarah Marshall General Manager – People, Safety and Sustainability, Fulton Hogan Ltd



Managing Director, Ghella



Dale Gilbert Director, Ghella



Evan Byrne Chief Executive Officer and Managing Director, Icon



Sarah McDonald Group HR Manager, Icon



Joe Barr Chief Executive Officer, John Holland Group Pty Ltd



Jayne Whitney Chief Strategy Officer, John Holland Group Pty Ltd



Samantha Johnson Executive General Manager Health & Safety, Environment

& Quality, McConnell Dowell

Corporation Limited



Managing Director, Building, Lendlease Building Pty Ltd



John Flecker Global Chief Executive Officer, Multiplex



John Kirkwood Managing Director and Chief Executive Officer, Seymour Whyte



Steve Lambert General Manager, Southern Region, Seymour Whyte



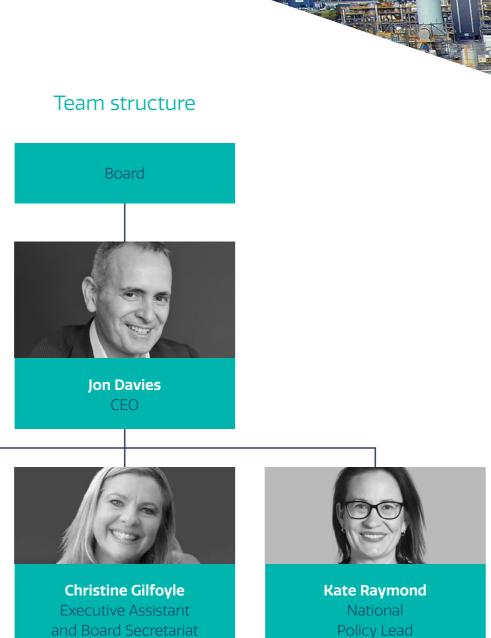
Doug Moss Managing Director, UGL Limited



Marco Assorati Executive Director, Webuild

Our operating model

The Australian Constructors Association is a modest association operating with four full-time employees including our CEO. To deliver our large agenda, our members dedicate considerable time and resources to our Board Committees and Advisory Groups. These forums are the engine room of our association and help drive our agenda.





Megan Anderson National Communications and Stakeholder Manager

Policy Lead



Board committees

The Australian Constructors Association operates three Board Committees:

- · Culture Board Committee
- · Capability and Capacity Board Committee
- · Commercial Board Committee.

These Committees reflect our strategic priorities, also known as the three pillars of a sustainable industry. Our Board Committees harness the collective expertise from across our membership to shape the development of our major research, initiatives and policy positions around these priorities.

Members

Culture Board Committee	Capability and Capacity Board Committee	Commercial Board Committee	
David Paterson	Sarah Marshall	Annabel Crookes	
(Executive Sponsor, Lendlease)	(Executive Sponsor, Fulton Hogan)	(Executive Sponsor, Laing O'Rourke)	
Emma Hassett (Acciona)	Dene Macleod (Acciona)	Rebecca Dickson (Acciona)	
Xavier De Beaulaincourt (Bouygues)	Chris Pracy (Acciona)	Tony Griffiths (Bouygues)	
Haley Lee (Calibre Group)	Xavier De Beaulaincourt (Bouygues)	Kate Terry (Bouygues)	
Rhonda McSweeney (Calibre Group)	Haley Lee (Calibre Group)	Sarah Roach (Calibre Group)	
Paul Farris (Clough)	Rob Blaze (Clough)	Christian Ainslie (Clough)	
Cathy Hayes (CPB	Natasha Adamsas (CPB)	Stuart McKenzie (CPB)	
Andrew Nolan (CPB)	Trudy Dyer (CPB)	Carolyn Richards (Downer)	
Peter Scicluna (Downer)	Adam Leary (Downer)	Robert Ioffrida (Fulton Hogan)	
Andrew Ross (Fulton Hogan)	Toni Bailey (Fulton Hogan)	Matthew Senescal (Fulton Hogan)	
Lucy Wallace (Ghella)	Romy Short (Fulton Hogan)	Peter Steur (Fulton Hogan)	
Sarah McDonald (Icon)	Sarah McDonald (Icon)	Matteo Piva (Ghella)	
Sarah Jordan (John Holland)	Tom Laslett (John Holland)	James Ellisdon (Icon)	
Holly Hynes (Laing O'Rourke)	Taneal Sultana (Laing O'Rourke)	Gian Barritt (John Holland)	
Ann Austin (Lendlease)	Sandra Lovaas (Lendlease)	Adrian Huett (John Holland)	
Diana Burgess (Lendlease)	Skye Stanistreet (Multiplex)	Martin Webster (John Holland)	
Skye Mason (Lendlease)	Rachel Surgeon (Multiplex)	Matt Frazer (Laing O'Rourke)	
Harriet Christopherson (McConnell Dowell)	Courtney Hoops (Seymour Whyte)	Joseph Game (Lendlease)	
Caitriona Comerford (Multiplex)	Mike Evans (UGL)	Matt Meakin (Lendlease)	
Alanna Herbst (Seymour Whyte)	Katherine McPherson (UGL)	Gary Clarke (McConnell Dowell)	
Meg Abaldonado (UGL)		Meg Redwin (Multiplex)	
Fabio Intorre (Webuild)		Matt Kilpatrick (Seymour Whyte)	
		Tim Page (Seymour Whyte)	
		Michael Moffett (UGL)	
		Frank Leahy (Webuild)	

Advisory groups

To support the Australian Constructors Association in responding to contemporaneous issues, we operate four Advisory Groups:

- · Communications
- · Health and safety
- · Workplace relations
- · COVID.

Again, harnessing the collective expertise from across our membership, our advisory groups provide advice on matters of strategic importance to support the association's purpose of generating a more sustainable and progressive industry.

Members

Communications	Health and safety	Workplace relations	COVID
Dene MacLeod (Acciona)	Mark Mackay (Board Sponsor, Downer)	Martin Monro (Australian Constructors Association Advisor, Chair)	Paul O'Connell (Acciona)
Mulenga Banda (Bouygues)	Paul O'Connell (Acciona)	Vasuki Paul (Ai Group)	Ritchie Green (Bouygues)
Monique Roberts (Calibre Group)	Ritchie Green (Bouygues)	Stephen Smith (Ai Group)	Mark Stumer (Calibre Group)
Cynthia Calderon (Clough)	Mark Stumer (Calibre Group)	Mark Greenhill (Bouygues)	Giuseppe Gaudiello (Clough)
Natasha Adamsas (CPB)	Roberta Selleck (Clough)	Haley Lee (Calibre Group)	Roberta Selleck (Clough)
Michael Samaras (CPB)	David Bond (CPB)	Dean Sparshott (CPB)	David Bond (CPB)
Mitchell Dale (Downer)	Nathan Kiepe (CPB)	Mark Mackay (Downer)	Joshua Jamieson (CPB)
Michael Sharp (Downer)	Graeme Silvester (CPB)	Damien North (Downer)	Nathan Kiepe (CPB)
Meredith McAuley (Fulton Hogan)	Jo Flitcroft (Downer)	Steve Schofield (Downer)	Graeme Silvester (CPB)
Maria Ruocco (Ghella)	Marc Meers (Downer)	Raul Baonza (Fulton Hogan)	Jo Flitcroft (Downer)
Samantha Wolany (Icon)	Dean Bingham (Fulton Hogan)	Matthew Borghesi (Fulton Hogan)	Marc Meers (Downer)
Ashley Jarquin (John Holland)	Tim Marsh (Fulton Hogan)	Leon Izmiritlian (John Holland)	Dean Bingham (Fulton Hogan)
Matthew Vane-Tempest (John Holland)	Cornelius Buitendag (Ghella)	Trent Smith (John Holland)	Tim Marsh (Fulton Hogan)
Sarah Conway (Laing O'Rourke)	Lou Raunik (Icon)	Dane Bates (Laing O'Rourke)	Cornelius Buitendag (Ghella)
Aleisha Young (Laing O'Rourke)	Michelle Nation (John Holland)	Darren Nelson (Laing O'Rourke)	Lou Raunik (Icon)
Eliza Newtown (Lendlease)	Martin Smith (John Holland)	Jeremy Hanrahan (Lendlease)	Rob Evans (John Holland)
Megan Elkhouri (McConnell Dowell)	Richard Coleman (Laing O'Rourke)	Sandra Lovaas (Lendlease)	Michelle Nation (John Holland)
Peter Worcester (McConnell Dowell)	Ross Trethewy (Lendlease)	Amnon Kelemen (McConnell Dowell)	Martin Smith (John Holland)
Natalie Goodrick (Multiplex)	Sumesh Singh (McConnell Dowell)	David Ghannoum (Multiplex)	Pat Cashin (Laing O'Rourke)
Seppe Embrechts (Seymour Whyte)	Anthony Richards (UGL)	Terry Elliott (UGL)	Richard Coleman (Laing O'Rourk
Mike Evans (UGL)	Don Aroney (Multiplex)		Kirsten Edwards (Laing O'Rourke
Michelle Cali (Webuild)	Dennis Else (Multiplex)		Diana Burgess (Lendlease)
Gaia Milanesi (Webuild)	Tony Vaile (UGL)		Chris Sofatzis (Lendlease)
			Ross Trethewy (Lendlease)
			Sumesh Singh (McConnell Dowe
			Don Aroney (Multiplex)
			David Ghannoum (Multiplex)
			Dennis Else (Multiplex)
			Warwick Johnson (Multiplex)
			Meg Redwin (Multiplex)
			Des Rowley (Seymour Whyte)
			Anthony Richards (UGL)
			Tony Vaile (UGL)

1300 540 133 Level 3 · 51 Walker Street North Sydney NSW 2060 constructors.com.au AUSTRALIAN CONSTRUCTORS ASSOCIATION