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Construction problems require a FAIR dinkum solution

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The construction industry's workforce shortage is expected to peak in less than 18 months with a shortfall of 105,000 workers, posing a major risk to the delivery of Australia's infrastructure pipeline. Skilled migration and training will provide some relief, but only a major industry shake up targeting productivity and the overall sustainability of the industry will fully solve the problem.

Australian Constructors Association CEO Jon Davies said the industry's challenges are widely understood and solutions known but positive action has been piecemeal at best and lacking coordination.

"Until now there has been no mechanism to ensure reforms proposed by expert bodies like Infrastructure Australia are implemented—let alone expedited," said Mr Davies.

"The Australian Constructors Association has worked with government and industry to develop that mechanism—it is a new ratings initiative called the Future Australian Infrastructure Rating (FAIR)."

FAIR is designed to rate government funded projects on how well they performed against a range of key reform areas such as improved productivity and increased innovation.

"It is an initiative that will help improve the sustainability of the construction industry and ensure taxpayer money is well spent," said Mr Davies.

"Federally funded projects undertaken by state government delivery agencies would be given a rating that would be published on a website leading them to strive for increasingly better outcomes for their stakeholders.

"Just like people who look at restaurant ratings, contractors, wanting the opportunity to demonstrate their capabilities, rather than their willingness to accept increasing levels of unquantifiable risk, would look at state government agency ratings when choosing where to focus their best resources, providing another reason for government delivery agencies to collaborate with industry to drive improved project outcomes.

"Ratings drive results. FAIR builds on the success of ratings schemes like NABERS, Green Star, the IS Rating which have all been linked to significant industry improvements.

"There is no reason why these existing rating schemes could not be broadened to bring forward a step change in productivity and innovation across the construction industry.

“If implemented, the initiative would see governments address the industry’s skills shortage and reduce sector insolvencies while unlocking productivity gains in the vicinity of \$15 billion annually. That is enough money to build an additional new school and hospital in every state and territory every single year!

“FAIR is about driving innovation, improving productivity, building capability and capacity and improving the culture of the Australian construction industry so that it is an industry of choice, able to deliver the infrastructure that Australia needs—when it needs it—and for a price that it can afford.”

The construction industry is of vital importance to Australia as the third largest employer and accounting for approximately 7 per cent of GDP. FAIR is a policy that all sides of politics can support in the lead up to the next election.

For more information visit: www.constructors.com.au

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