

POWERFUL CIVIL CONSTRUCTION LOBBY CALLS FOR URGENT INFRASTRUCTURE FUNDING SUMMIT

The Civil Contractors Federation of Australia (SA Branch) is calling on the major political parties to commit to a summit of infrastructure financing experts, should they win the election, to discuss alternative funding options for transport and other infrastructure in South Australia.

The Federation believes that the parlous position of the State's finances means that relying on traditional sources of funding will result in a further slump in public investment in infrastructure.

With the major infrastructure projects (Adelaide Oval, Superway, Southern Expressway) now in their final phase, the Federation is concerned that there is nothing of scale 'shovel ready' to sustain the sector going into the future.

The arm wrestle between the Weatherill (State) and Abbott (Federal) Government's remains at an impasse over where to invest in a major upgrade to the South Road (Darlington or Torrens Road).

Compounding the problem, Federation members (civil contractors) are seriously affected by a marked downturn in private investment in infrastructure in South Australia. The sector is experiencing a 20 year low point.

The Chief Executive Officer of the South Australian Branch of the Federation, Phil Sutherland says that the Federation is getting on the front foot.

"We are not prepared to leave the future of our industry entirely in the hands of government.

"It's become very clear that the state doesn't have the money to invest in public infrastructure like the way it may have done in the past.

"Building infrastructure is the life blood of our sector. Public investment in infrastructure is only a part of the answer. We have to get both the public and private sector working together on solutions - with the experts.

"A summit involving people from across Australia and overseas, expert in financing infrastructure, with Government and Industry to consider alternative funding models that are likely to be effective in South Australia may be just the answer.

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“Getting the best infrastructure financing brains in our country in the same room with Government and Industry to come up with the cleverest approach to financing South Australia’s infrastructure requirements is now critical.

“I don’t think Canberra will take too kindly to a South Australia regularly turning up with a begging bowl for road and other infrastructure funding if we are not doing what we can to look after ourselves.

“The idea of a summit of infrastructure financing experts looking at South Australia’s unique economic, geographical, demographic and fiscal circumstances would have to go down well with the Federal Government.

“We know that there are trillions of dollars for infrastructure investment to stimulate global economic growth and create jobs. This includes the giant Singapore Sovereign Wealth Fund and Canadian Pension Funds. How can South Australia realistically unlock some of this?

“We also that infrastructure investment is critical to promoting stronger growth and making the economy more resilient against shocks.

“Private sector financing is being held back by a number of impediments that must be addressed.

“We can anticipate that an Infrastructure Funding Summit would consider all of these matters and examine a number of the better known funding mechanisms including private funding, public/private partnerships, joint ventures, user pays, taxation incentives, government subsidies, public debt, sale of public assets and reinvest proceeds into productive public infrastructure, and various market financial instruments.” Mr Sutherland said.

ABOUT THE CIVIL CONTRACTORS FEDERATION:

The Civil Contractors Federation (South Australian Branch) has 500 company members who in turn employ up to 20,000 South Australians. Members are involved in a variety of projects and activities (from small to very large) including the development and maintenance of civil or “horizontal” infrastructure such as roads, bridges, sewer, water and drainage pipelines, dams, wharves, commercial and housing land development. Members are also involved in the preparatory works for mining and other resource developments.

South Australia’s prosperity is dependent upon functional, efficient and cost effective civil infrastructure. Healthy, well-functioning and productive countries depend on infrastructure that civil contractors construct and maintain.



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Civil contractors play a prime role in working with both public sector and private sector clients in infrastructure delivery. This is the business of civil construction which has historically played a pivotal role in the growth and prosperity of South Australia.

