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GOOD SIGNS FOR THE FUTURE OF BUILDING AND CONSTRUCTION

“On his third state budget I congratulate the Treasurer of Victoria for making significant strides forward for infrastructure delivery as well as preliminary small investments that look to safeguard the importance of the building and construction sector for the Victorian economy into the future,” Master Builders Association of Victoria CEO Radley de Silva said.

“Our members have been asking for a community awareness campaign about our industry and the diversity of careers and opportunities available. The small initial investment of \$500,000 to promote the sector is a just a step on a long journey.

“It is only a matter of time before our state suffers from a shortage of skilled building and construction workers, and much more needs to be done over future budgets to promote our industry as a first choice for young people choosing their careers.

“At a time when Victoria is the fastest growing state in the nation, I am glad to see a number of smart investments in Victorian infrastructure in the 2017-18 State Budget, on average \$9.6 billion each year over the next four years—nearly doubling the annual expenditure of close to \$5 billion per year over the decade to 2016,” Mr de Silva said.

“I welcome commitments of \$300 million for the Mordiallic Bypass, \$800 million for expanding the level crossings removals, \$271 million for Melbourne park redevelopment, \$700 million for the M80 upgrade and funding for the Homes for Victorians package, which goes some way to addressing housing affordability. We also support the \$10 million commitment to explore a Melbourne Airport rail link and \$100 million to plan the North East Link,” he said.

“The building and construction industry continues to make a huge contribution to our state’s revenue coffers,” Mr de Silva said. “Our sector continues to deliver big money— over 45 per cent of the state’s income; we are the second-largest full-time employer and host the largest number of businesses —clearly spelling out the importance of our sector to the economic health of Victoria. We will continue to monitor the impact of recent announcements such as the removal of off-the-plan stamp duty concessions for investors on vital supply of housing in our sector.”

“We welcome payroll tax initiatives that might provide a boost to businesses given our industry has the greatest proportional number of businesses of any sector. Regional payroll tax initiatives are predicted to assist about 4000 regional organizations. Bringing forward payroll tax cuts from last year’s budget will benefit approximately 38,000 businesses across Victoria.



“With new technology and building techniques changing the landscape, investment in pilot programs and assistance for start-ups is crucial. The additional \$1.5 million investment to boost the Future Industries Construction Technologies Sector Strategy, particularly if it is able to increase pre-fabrication technologies in Victoria, is a good first step. However, future construction technologies will require considerable further investment in the future.

“Despite our substantial economic contribution, the success of this budget will be measured on four crucial issues for our industry and Victoria’s economic wellbeing: a shortage of skilled construction workers, spiraling planning delays, housing affordability and underinvestment in building technology,” Mr de Silva said.

“As a matter of priority, Victoria needs a Minister for Building and Construction. We need the leadership of a minister responsible for building and construction who can bring about the much needed changes to our sector and the community: to make comprehensive investment to increase awareness about the careers in the industry, reform the planning process, invest in building technology, jobs, skills and training.

“The 2017-18 Victoria State Budget is a good step towards essential investment in the building and construction sector, but there is much more required to deliver a sustainable industry for our state,” Mr de Silva said.

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