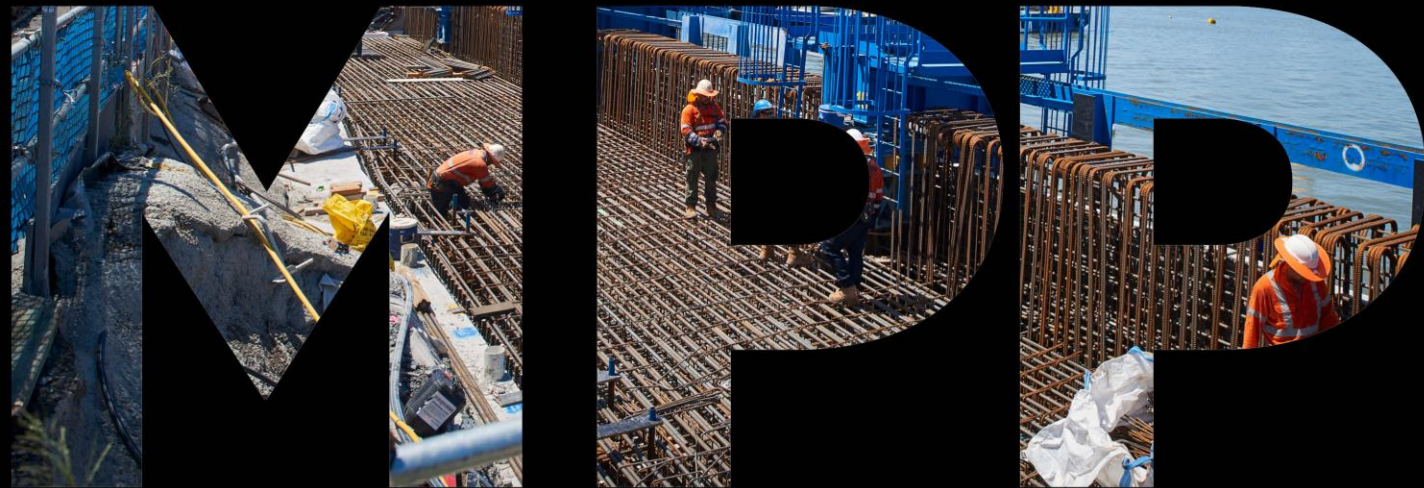




2019 Queensland Major Projects Pipeline



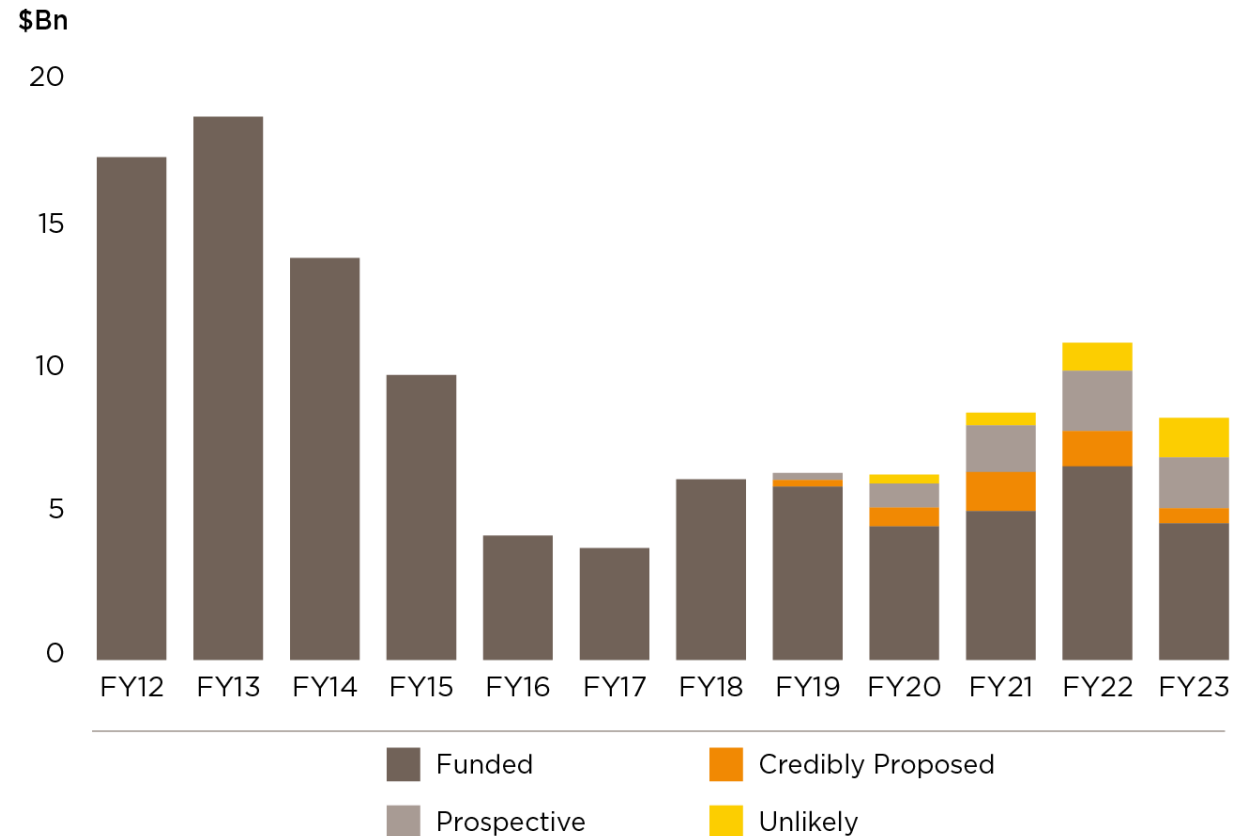
Jon Davies
CEO
QMCA

A JOINT INITIATIVE



Falling funded work in FY20, but potential for growth later on

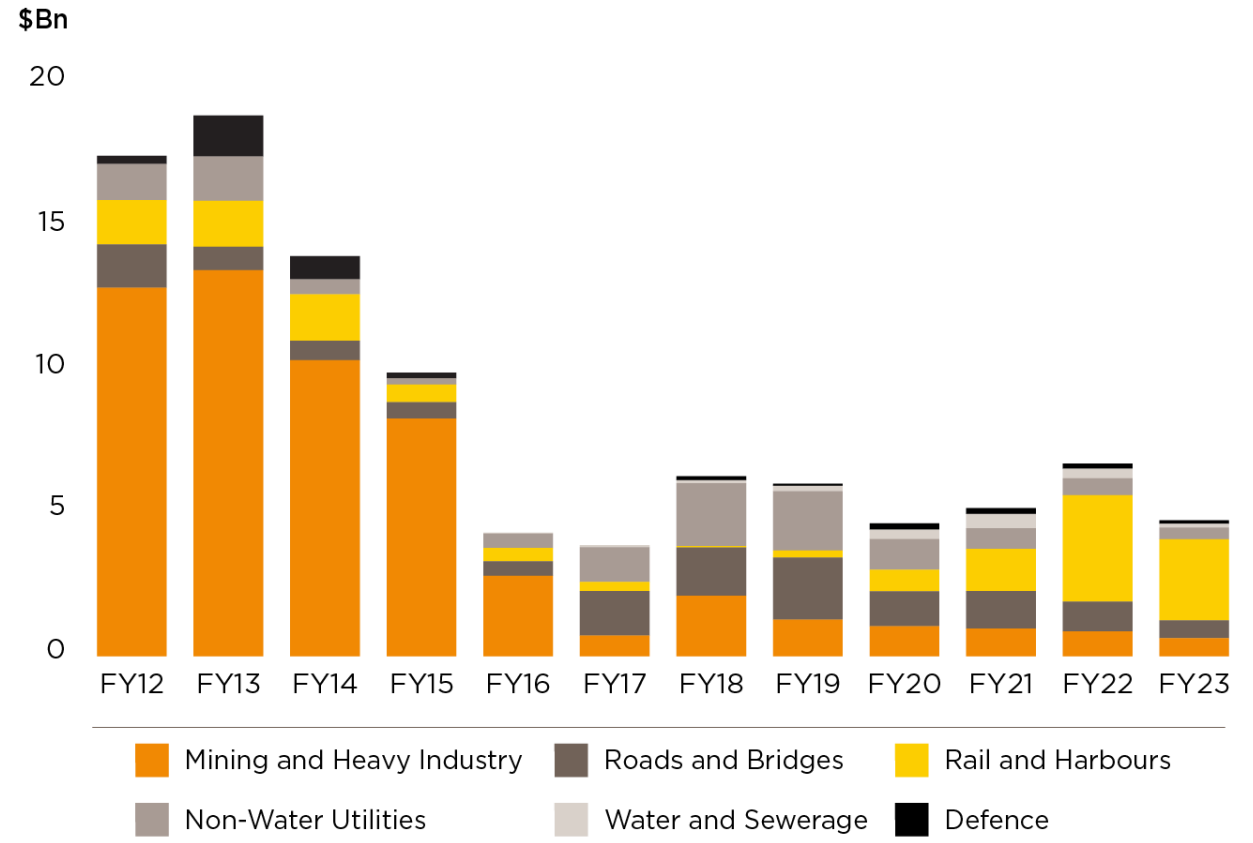
- There is a likely prospect of a 24% decline in major project activity over 2019/20 – led by the completion of projects across roads, electricity, mining and telecommunications.
- Demonstrating the potential volatility in the pipeline, total activity in 2021/22 – included funded and unfunded work – is 70% higher than in 2018/19.



Source: BIS Oxford Economics, QMCA and IAQ member knowledge

...with growth in rail work offsetting falling funded work elsewhere

- Funded major project rail work grows from \$150m in 2018/19 to a peak of \$3.75bn in 2021/22.
- By contrast, over the same period
 - Funded road works fall 52% to \$1bn
 - Funded electricity works fall 90% to \$115m
 - Funded mining and heavy industry works fall 32% to \$880m
 - Funded telecommunications work falls 48% to \$475m



Source: BIS Oxford Economics, QMCA and IAQ member knowledge

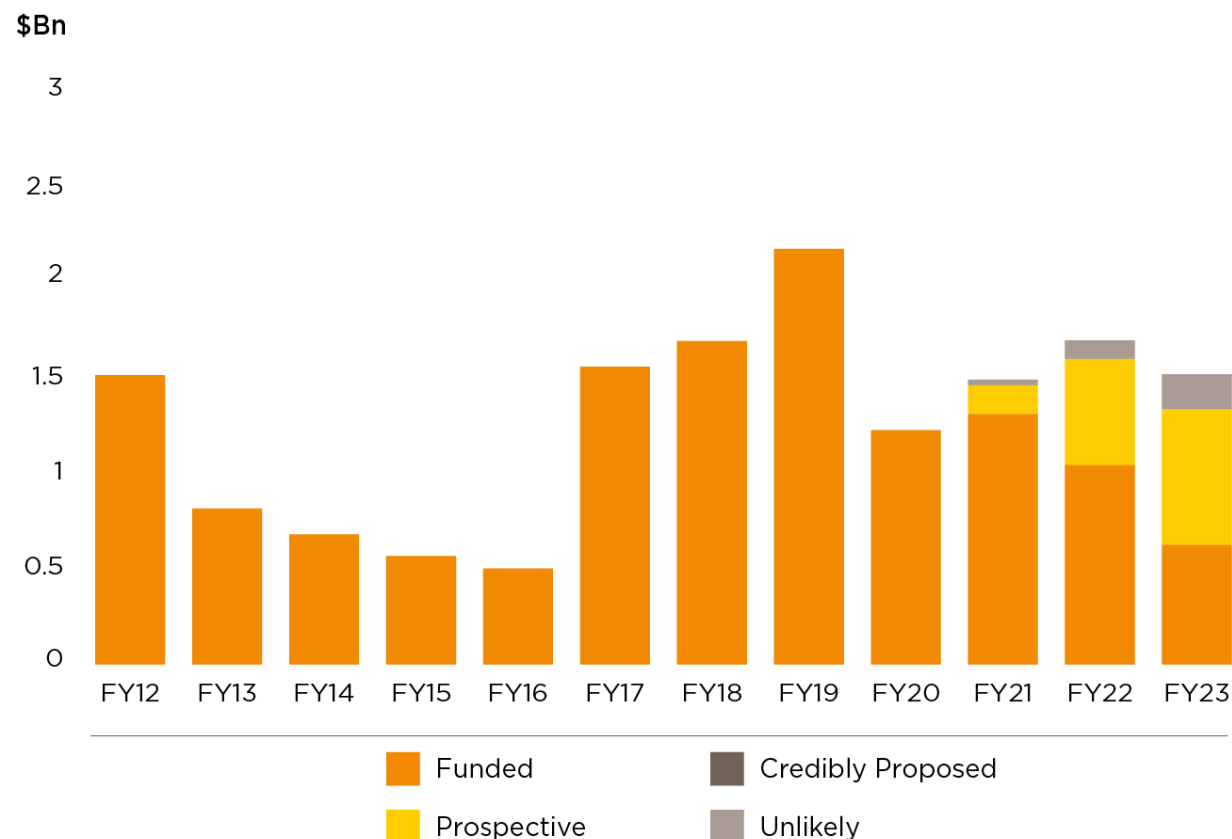
Roads activity has peaked

Major Projects Funded and Commencing

- Bruce Hwy: Sarina-Cairns (\$515m) – FY19
- Brisbane Metro (\$994m) – FY20
- Bruce Hwy: Pine River-Caloundra (\$662m) – FY20
- Bruce Hwy: Cooroy-Curra Section D (\$1bn) – FY20
- Pacific Mwy: Eight Mile Plains-Daisy Hill (\$749m) – FY21
- Pacific Mwy: Varsity Lakes to Tugun (\$1bn) – FY21

Major Projects Completing

- Toowoomba Range Second Crossing (\$1.6bn) – FY19
- Logan Motorway Enhancement (\$512m) – FY19
- Gateway Upgrade North (\$1.142bn) – FY20
- Brisbane Parallel Runway (\$800m) – FY20
- Kingsford Smith Drive (\$650m) – finishing FY20
- Ipswich Mwy Rocklea-Darra Stage 1 (\$400m) – FY20
- Mackay Ring Road Stage 1 (\$417m) – FY20

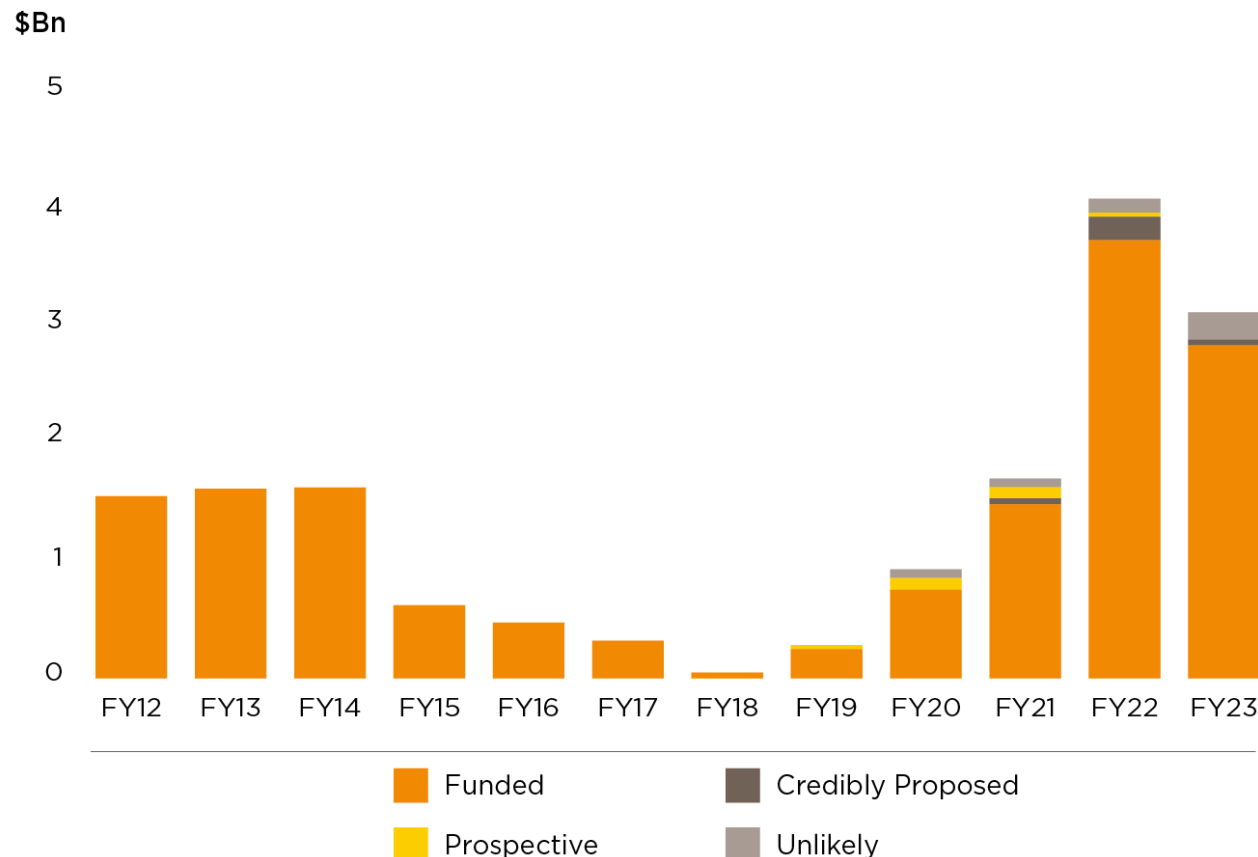


Source: BIS Oxford Economics, QMCA and IAQ member knowledge

But the boom in rail just beginning

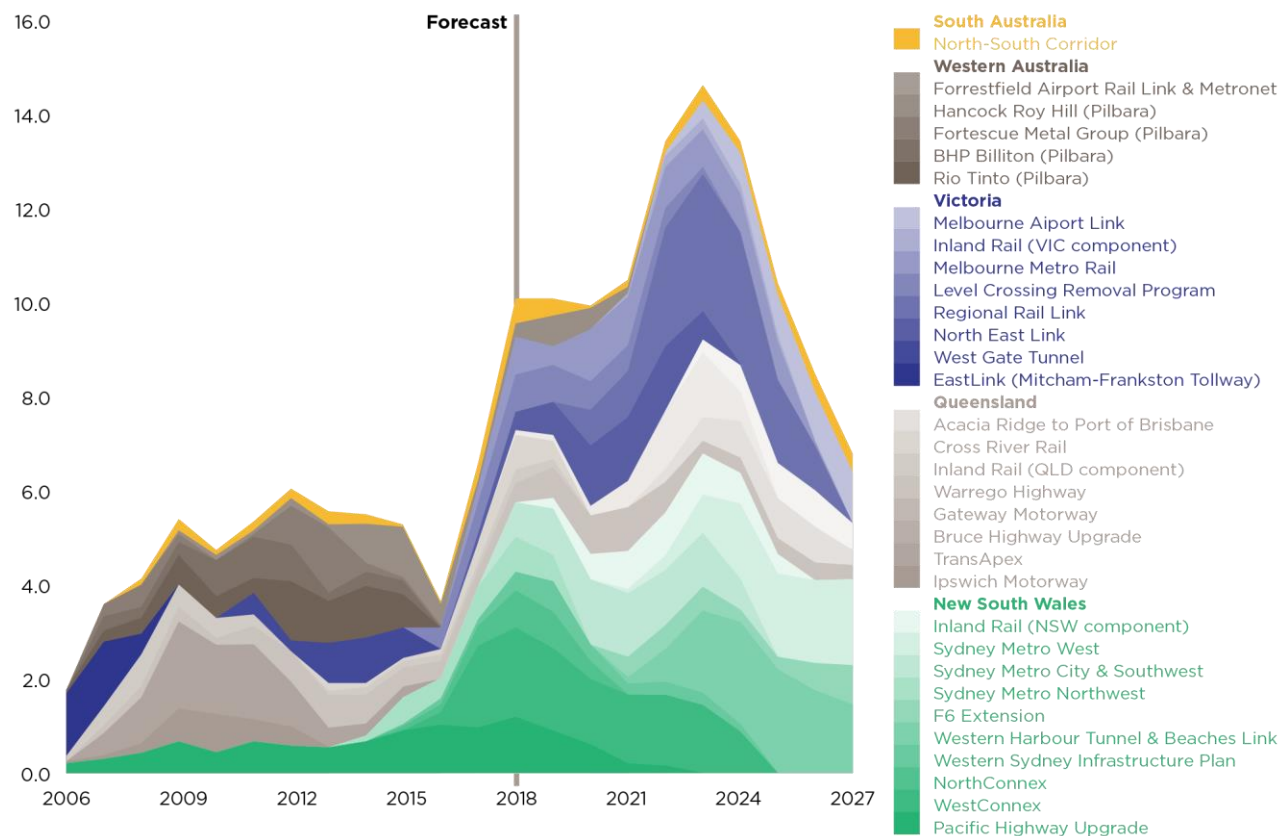
Major Projects Funded and Commencing

- European Train Control System (\$634m) – from FY19
- Cross River Rail Packages (\$4.6bn) – from FY20
- Inland Rail: Gowrie to Kagaru (\$3.5bn) – from FY20
- Galilee Basin Rail (\$1bn) – from FY20
- Townsville Port Channel Upgrade (\$197m) – from FY20
- Inland Rail: QLD Border to Gowrie (\$1.6bn) – from FY22

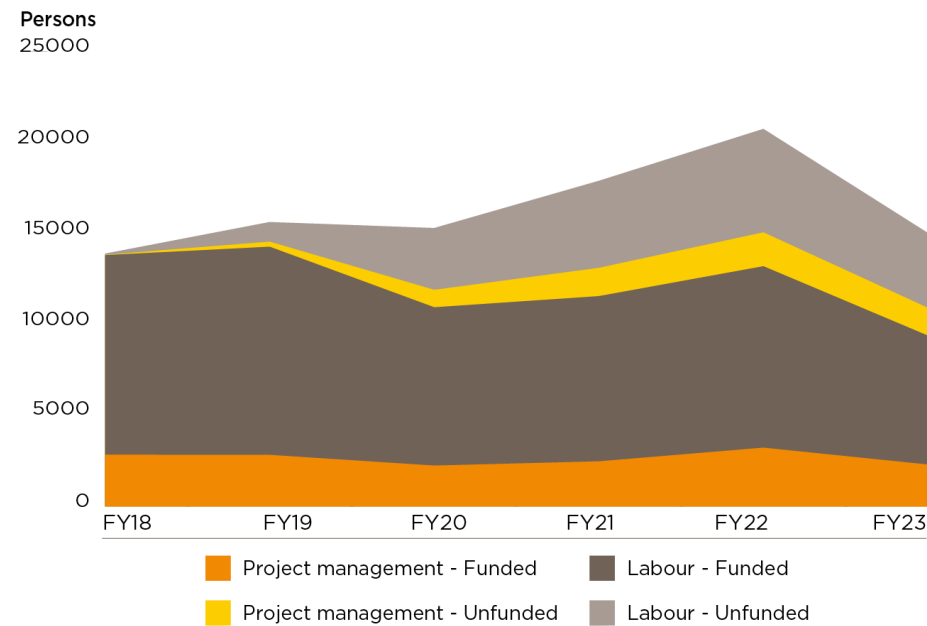


Source: BIS Oxford Economics, QMCA and IAQ member knowledge

Challenges: Capacity and Skills



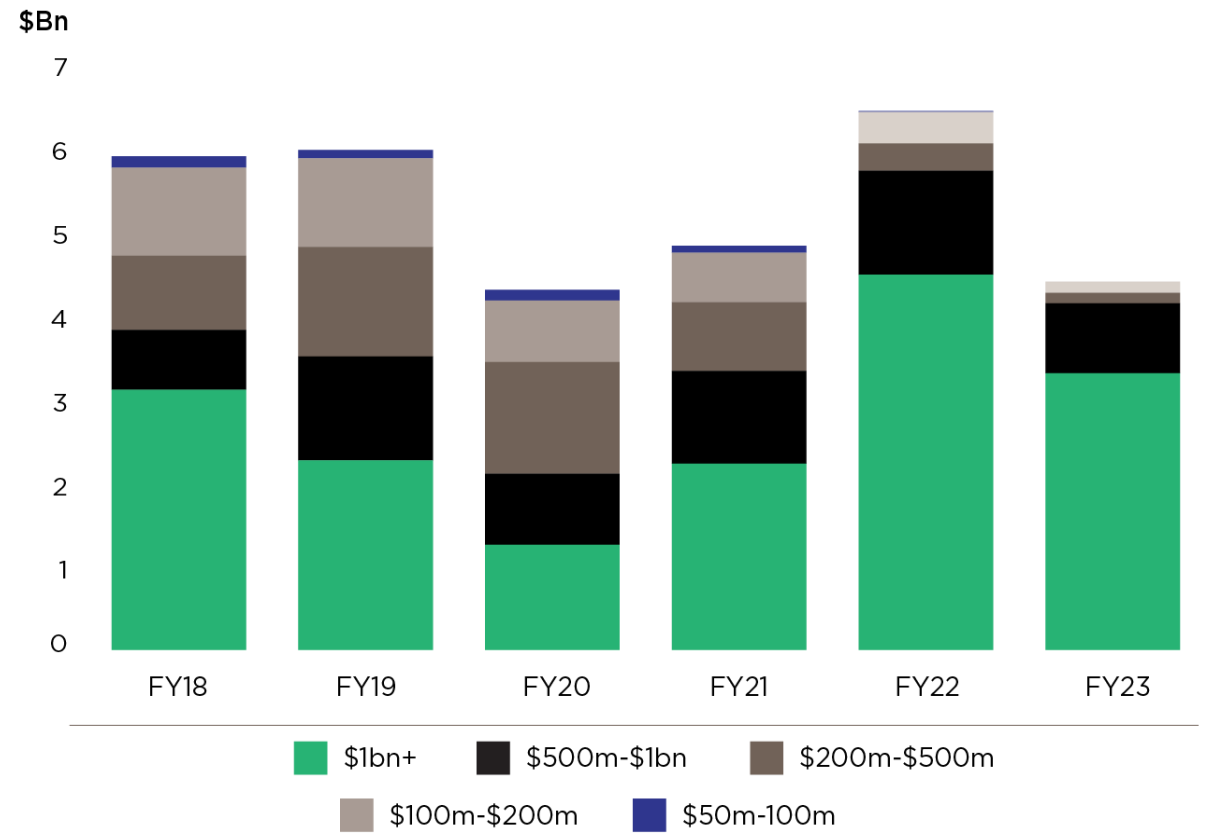
Source: BIS Oxford Economics



Source: BIS Oxford Economics, QMCA and IAQ member knowledge

Challenge: Rising “Megaproject” Concentration in Funded Work

- In 2018/19, 19% of project work is in projects valued at \$5m to \$200m, whilst another 22% is in projects valued at between \$200m to \$500m.
- However, by 2021/22, 89% of major funded project work is in projects with a value of over \$500m.



Source: BIS Oxford Economics, QMCA and IAQ member knowledge

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