



AUSTRALIAN ROAD FORUM

MEDIA INFORMATION

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LESS TALK MORE ACTION ON ROADS AND INFRASTRUCTURE, SAYS LEIGHTON CHIEF

Leighton Holdings Chief Executive, Wal King, has called on state and federal governments to stop talking and start delivering major infrastructure projects such as roads.

Addressing 200 road industry leaders at the Australian Road Forum annual lunch in Sydney this week, Mr King sounded a timely warning to the Federal and state governments ahead of next week's COAG meeting.

He said lack of action on the backlog of infrastructure projects, coupled with poor co-ordination between governments on the scheduling of these projects, was a significant roadblock to prosperity and job security.

"The backlog in investment in water, energy, land transport and other major infrastructure that CEDA puts at \$25 billion is denying us higher productivity and wealth creation," Mr King said.

"Our nation and our industry is busy delivering infrastructure in arrears."

Mr King said more than 160 key infrastructure projects had been identified, including Sydney's M4 East and the F3 - M2/M7 connection, the Pacific Highway upgrade, and Melbourne's East - West growth corridor integration.

"The M4 has been planned since 1992 and there's still no firm timetable for getting it done," he said.

"Planning is not the issue. Implementation is the issue."

Mr King said despite the current skills crisis, the construction industry could muster the necessary skills to deliver these projects.

"The problem is not a lack of capacity in the construction industry, but the lack of co-ordination between state and federal governments to ensure that as each stage of a major project is completed - from the bid to construction to delivery - another is ready to go," he said.

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“For example, at one stage in NSW we had three mega projects at once - the Cross City Tunnel, the M7 and the Epping to Chatswood railway. Now there is not one major project in Sydney.”

Mr King welcomed the Rudd Labor Government’s appointment of the country’s first Infrastructure Minister.

He said an important task for the new Minister should be to get the states on board and smooth the way to further real investment in infrastructure from the public or private purse.

“I believe we’ll also see more PPPs and alliances as the burden is shared more equitably and more opportunities open up for a cooperation approach to project delivery and long-term arrangements.

“I hope we will also see more sensible procurement processes to shortlist bidders earlier in the process to reduce bid costs and, ultimately, project costs.”

Australian Road Forum President, Ray Fisher, said next week’s COAG meeting was a perfect opportunity for the Rudd Labor Government to set a new course in the planning, funding and delivery of major road infrastructure.

“We would like to see the Federal Government establish the platform for a more bipartisan approach to road funding and planning across all level of Government - one that puts the national interest ahead of parochialism and short-term budget cycles,” Mr Fisher said.

“In particular, we would encourage the Federal and state governments to use next week’s meeting to finalise an early timetable for infrastructure commitments to ensure skills and equipment can be maintained and marshalled most effectively.”

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NOT TO EDS: The Australian Road Forum (ARF) is recognised by the Federal Government as the national peak body for Australia’s road transport stakeholders. It is a not-for-profit, non-political industry association which champions the interest of a vital national asset, Australia’s road transport system, and provides a forum for policy development, networking and communication. For more information, www.roads.org.au