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VICTORIAN ROAD CONSTRUCTION BLITZ RECOGNISES BENEFITS OF A BETTER DEAL FOR AUSTRALIAN MID-TIER CONTRACTORS

The breaking up of a \$2.2 billion road construction blitz by the Victoria State Government into 12 priority projects is a strong move which will grow the economy and opportunities for Australian Mid-Tier and smaller contractors.

Peak lobby group Australian Owned Contractors (AOC) has praised the change to the accelerated Suburban Roads Upgrade package as leading the way in innovative but practical procurement reform.

"AOC has consistently advocated for more opportunity on major public infrastructure projects with governments across Australia and is pleased that the Victorian Government sees the multiple benefits," CFO Brent Crockford said.

"We understand that the existing tender process for the Northern and South Eastern Public-Private Partnership packages of road upgrades will be incorporated into the new program approach and this represents a longer-term strategic vision on the part of the Victorian Government."

Mr Crockford said the AOC was heartened that the government had taken stock, and then taken practical steps to 'de-bundle' its major suburban construction works, lifting opportunities for Australian Mid-Tier and smaller contractors.

"This move will inject competition, local know-how and ingenuity into the tendering process on these suburban road upgrade projects across Melbourne," he said.

"It also serves as a leading example to all governments on how to strategically procure major infrastructure projects for genuine economic stimulus and Australian company growth.

"Allowing Mid-Tier Australian contractors these opportunities promotes local experience and skills development and keeps profits in Australia – all good for better project outcomes and value to Australian taxpayers."

Mr Crockford said the AOC's 15 member companies welcomed the Victorian tendering change as an agile and sensible response to promote competition, not only in the COVID-19 context.

Western Australia had also recently innovated with procurement for the pivotal Bunbury Outer Ring Road project, with both efforts working to ultimately create more sustainable State civil construction sectors.

Australian Owned Contractors is made up of 15 local Mid-Tier construction companies across Australia:































Members of Australian Owned Contractors are:

- Majority Australian owned and controlled at least 51% owned by Australian shareholders
- Have revenue in excess of \$250 million
- Companies that have participated in Federal and State Government funded infrastructure

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