



Engineering Construction in Australia

Engineering construction is the largest component of Australia's building and construction market, with over \$95 billion in work done during 2015/16. While the boom in resources-related engineering construction continues to unwind, public sector funded infrastructure spending is on the rise, providing new opportunities for construction contractors and industry suppliers. Sharp differences remain by region and segment, however, requiring a strategic approach in targeting the next waves in work.

Market Segmentation

The report service provides detailed data, forecasts and analysis. Our unparalleled database on this sector, stretches back to the 1970s, predating the start of full ABS coverage by 16 years. We provide the following breakdowns of engineering construction activity:

■ By Sector:

■ Transport

- Roads
- Railways
- Bridges
- Harbours

■ Utilities

- water storage and supply
- sewerage and drainage
- electricity generation, transmission and distribution
- pipelines
- telecommunications

■ Other engineering construction

- recreation
- other

■ Mining and heavy industry

- Oil, gas & other hydrocarbons
- Bauxite, alumina & aluminium
- Coal & coal handling
- Other minerals
- Other heavy industry
- The database



New 2018 timing/format

For more timely/accessible info for our subscribers, we're implementing these improvements:

- NEW more useful **Slide Deck format report** (PDF) with charts, explanatory text and commentary (rather than the text-heavy annual report). We examine market conditions, status of major projects and Government funding levels. Also NEW:
 - Arranged by sector (state forecasts within), rather than by state
 - Data / forecasts for Mining and Heavy Industry (5 sub categories) now included.
- Chartbook with graphs from Slide Deck (PPT)
- NEW **Quarterly Updates of the Slide Deck**, Databank, Excel datasets, and Chartbook (April, July, Oct 2018 and Jan 2019) with latest ABS engineering construction data. Fully revised forecasts in October.

- **NEW Databank Functionality** – download quarterly work done historical data / forecasts by sector, state, funding source, and who does the work (public/private). Enables users to generate on a CY basis.
- **Data and Forecasts** – detailed forecasts of engineering construction work done annually to 2022, and two five year averages to 2032, for every sector, by state, by ownership and who does the work. Additional spreadsheets for each state, split by sector.
- **Subscriber Enquiry Service** – As a subscriber, you can speak directly with our team of economists and analysts to go through the forecasts and discuss specific issues affecting your business.



Supplementary Reports

Detailed Engineering Construction Splits: 2018 – 2022

Individual sector reports provide detailed construction data estimates and forecast breakdowns by asset type for sub-sectors of:

- Mining & Gas
- Electricity
- Rail
- Ports & Harbours
- Water & Sewerage

Refer to separate report flyer for more detail of asset type splits and service inclusions.

Tailored Reports

We can provide tailored reports providing detailed forecasts of engineering construction activity for a particular state or segment, including BIS Oxford Economics' estimates and forecasts of sub-segment activity based on our industry knowledge.

Other customised services include cost escalation forecasts, trade and labour forecasts, regional analysis, demand forecasting models, cost-benefit analysis and expert reports for IPO's, prospectus or tender documents.

Presentation/Workshop

We can work with clients in a presentation or interactive workshop forum to discuss current and forecast market conditions, emerging issues and examine implications for client business.

Methodology

The general methodology used for this study is the product of many years experience forecasting the economy and building and construction activity.

Our forecasts are derived from the combination of a 'bottom up' approach involving desk research and an extensive survey, and a 'top down' approach incorporating the implications of our economic and demographic forecasts. Our desk research involves the following:

- analysis of federal and state government budget papers
- analysis of annual reports of government business enterprises and planning information of government departments
- study of various published listings of investment projects, and
- incorporation of reported information regarding construction projects.

We conduct a comprehensive survey of public authorities, government departments and private companies to collect information on planned future spending on engineering construction.

BIS Oxford Economics' highly regarded economic forecasts are an important input into our forecasting process. Insights into the likely developments in government capital funding levels and priorities are a critical factor. We incorporate the effects of the economic cycle on capital expenditure at the state and federal level. The outlook for private sector funded work is influenced significantly by expected business conditions, world economic conditions, interest rates, commodity prices and population movements.

Our long-term historical database allows us to gain an understanding of how these various influences have affected engineering construction activity over the past 40 years.

Contact us

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