

FF25

FOUNDATIONS AND FRONTIERS

#FROMMETOWE: MAKING PRODUCTIVITY IMPROVEMENT A TEAM SPORT



SHAPE THE DIRECTION DISCUSSION PAPER.

Australia's slowing productivity is one of the biggest threats to our economy - and our way of life. It's a national issue and the construction industry is one of the worst performers.

Over the last 30 years, our industry has lagged the productivity pace set by the rest of the economy. This has resulted in a \$63 billion annual opportunity cost. That is, if construction (multi-factor) productivity growth

had matched that of the rest of the economy over the last 30 years, the nation would now be \$63Bn better off every year! Imagine what we could do with that!

**IN THESE ECONOMICALLY CONSTRAINED TIMES, WE SIMPLY
CAN'T AFFORD TO SIT ON THE BENCH ANY LONGER.**

Failure to act not only affects national productivity and living standards but it will also limit the extent to which Australia will be able to deliver the infrastructure it needs. If we're serious about making housing more affordable, improving national security, accelerating our clean energy future and better connecting our cities and regions—we need a construction industry that's match-fit.

In recent years, the Australian Construction Association (ACA), along with many other industry bodies, has put forward a range of initiatives aimed at lifting productivity. Some are broad reforms and others are targeted. Many of ACA's key proposals can be found in our publications *Disrupt or Die* and *Nailing Construction Productivity*.

Beyond the reports, there are platforms like the National Construction Industry Forum and the Construction Industry Leadership Forum where collaboration is driving a shared focus on the productivity challenge. Here's what we've learned:

- **Everyone agrees there's a problem.**
- **Everyone wants change.**
- **But action is slow or just isn't there.**

WE HAVE THE PLAYERS, THE COACH AND THE STADIUM BUT NO ONE IS KICKING GOALS.

So, here's the challenge we're throwing down ahead of Foundations and Frontiers 2025:

What will it take for us to play as one team - focused on the same goal, running the same plays, at the same time?

We have a unique window of opportunity. Within 24 hours of the 2025 election, Treasurer Jim Chalmers made it clear that productivity will be a priority for the next term of government. **It's time on.**

Let's get on the front foot. Let's shape a reform agenda together. When all the key players agree, it's a lot easier to change the rules of the game.

This year, Foundations and Frontiers is all about shifting from me to we - about working together to lift our game. The FF25 forum will tackle the productivity problem head-on.

HELP SHAPE THE DIRECTION

Visit foundationsandfrontiers.com.au to answer 4 quick questions.

WHAT IS STOPPING US FROM TAKING ACTION, WHY IS NOTHING CHANGING ?

WHAT CAN YOU DO TO TURN THINGS AROUND ?

WHAT DO YOU NEED OTHERS TO DO TO MAKE CHANGE HAPPEN ?

WHAT'S THE ONE THING WE MUST DO TOGETHER TO MAKE PRODUCTIVITY IMPROVEMENT A TEAM SPORT ?