

# Media Release



**MASTER BUILDERS**  
A U S T R A L I A

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## **Company Tax Cut Needed As Resource Construction Dips To Seven Year Low**

The value of resource and civil construction (engineering construction) has fallen to its lowest level since March 2009 confirming the need for policy reforms to aid the economy in getting over the construction phase of the mining boom.

“Engineering construction activity fell by 4.5 per cent in December 2016 showing that policy reforms such as the Government’s Enterprise Tax plan must be fully supported to ensure we can attract the non-mining investment which is urgently required,” Denita Wawn, CEO of Master Builders Australia said.

“Our company tax rate is uncompetitive and means we are not getting our fair share of international and domestic investment. We cannot rely on the mining sector to attract investment anymore,” she said.

“Master Builders is calling for Budget settings that promotes broader based investment such as productivity enhancing infrastructure to fill Australia’s \$700 billion infrastructure shortfall, which hurts jobs and wages, and puts a speed limit on economic growth,” Denita Wawn said.

“Master Builders expects the deterioration in total engineering construction work to continue in 2016-17, as the last of the major LNG projects reach the production phase. The majority of this will come from major project completions in Western Australia, where \$107 billion worth of LNG projects are to be completed by mid-2018. The recent uplift in commodity prices is good news for WA, but is unlikely to encourage a new round of resource related investment,” she said.

“As the nation’s second largest industry and largest consumer of capital, the building and construction industry needs company tax settings that are internationally competitive and support attracting new investment,” Denita Wawn said.

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