

Media Release



MASTER BUILDERS
A U S T R A L I A

15 February 2018

Amazon and Aldi Drive Surge In Construction

New retail investment is a key factor underpinning the forecast surge in construction activity.

Forecasts of building and construction activity produced by Master Builders Australia expects the non-residential construction sector to grow by 14.6 per cent in 2017-18 and be valued at \$42 billion.

International Retailers

“Of this, \$6.9 billion is forecast to come from the influx of international retailers into Australia – particularly the arrival of Amazon and expansions by Costco and Aldi. The latter has plans to open another 30 stores around the country in the next 12 months,” Matthew Pollock, Master Builders National Manager, Economics said.

“A positive of the forecast commercial construction surge is that growth is expected to be broad based with construction related to office space and resort and hotel accommodation also making a strong contribution,” he said.

Office Space

“Office space is set to make the biggest single contribution with a strong pipeline of projects supporting an expectation of related construction work to top \$6.8 billion in 2017-18,” Matthew Pollock said.

Tourism – Resorts and Hotels

“Meanwhile, tourist numbers from our neighbours in the Asian region continue to grow and will support a major influx of Asian investment into resort and hotel accommodation,” he said.

“This will be particularly beneficial for the Queensland construction sector as \$9 billion of the \$11.7 billion in projects waiting in the pipeline is allocated to major resort projects in Queensland,” Matthew Pollock said.

Health and Education

Health and education related construction will also boost the construction industry in some states.

“In South Australia the \$247 million Health Innovations Building at the University of South Australia is a case in point, as is the reallocation of the University of Tasmania’s STEM facilities,” Matthew Pollock said.

For further information contact:

Ben Carter, Director Media & Public Affairs, 0447 775 507