

## **Media Release**

## Master Builders announces industry reforms

November 11, 2022

Master Builders Association of Western Australia (MBA WA), the peak body representing the WA building and construction industry, has today released its Building Industry Reform Package 2022 for the commercial construction sector.

In consultation with its members, Master Builders has developed a series of key reforms culminating in 18 core recommendations, to ensure a more sustainable and diverse building and construction industry in WA.

Executive Director of MBA WA, John Gelavis says MBA WA are calling on the Federal, State and Local Governments, private sector developers and industry stakeholders to support these recommendations so the building industry can feel confident engaging in future contracts knowing risk is shared more equitably and fairness is applied.

"Considering the State Government is one of the largest principals in WA, we are calling on them to take a leadership role in supporting a more sustainable building industry by adopting these recommendations across all State Government projects in 2023.

"Master Builders WA's bold reform measures are outlined in three critical areas including Procurement Reform to model and process, Contract Format Rationalisation to address risk sharing and industry jobs and skills.

"The WA building and construction industry has 127,279 workers, representing 8.7 per cent of the states total workforce, including 18.1 per cent female representation, which we would like to increase diversification in a bid to recruit and retain construction workers. One such recommendation is the universal adoption of a 5-day work week for the commercial sector", says Mr Gelavis.

"Since the COVID-19 pandemic, the State Government has backed the \$30 billion WA building and construction industry by ensuring it remained operational throughout. The industry has built housing, critical state and private sector infrastructure, created jobs and been a driving force in the powerful State Economy.

"The industry has been heavily impacted by massive price escalations, material and supply shortages, skilled labour limitations and global supply chain disruptions as countries around the world are using construction to rebuild their economies post the COVID-19 pandemic.

"These factors, coupled with the imbalanced contractual risks of modern contracts, builders are extremely cautious in engaging in future contracts in both the public and private sector. The risks associated with the current framework and extreme regulatory environment that exists at present are far too onerous.

"Contract reform is critical, as many contracts place excessive risk on to builders, so we would like to see the risk apportioned to reflect fairer levels for all parties.

"Master Builders WA look forward to working with the State Government and all stakeholders in adopting these reforms and building a stronger and more sustainable construction industry", Mr Gelavis concluded.

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Appendices: (<u>Building Industry Reform Package</u> 2022 and <u>WA Building and Construction</u> <u>Snapshot</u>)