



THIRD QUARTER 2022

AUSTRALIA REPORT

CONSTRUCTION MARKET INTELLIGENCE

Australia Construction Activity

Up 1.5% to \$215.1 B in FY 2022



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Cover: Wentworth Point Town Centre, Sydney, Australia

The Australian construction industry is currently at a pivotal point. Unprecedented construction activity is being seen currently across all sectors, and across all states and territories. This activity surge is being fuelled by post COVID-19 legacies such as government funding of home building incentives (both state and federally led), latent commencements of projects put on hold during the lockdown periods and a slowdown in actual output of the industry on the East Coast due to abnormal weather conditions. Other factors influencing cost increases include the lack of skilled workers around the country anecdotally caused by the exit of foreign sourced workers in the early lockdown period of covid and the fall in suitable workers unable to gain access to Australia for almost two years due to the locked borders and the complete restructuring of the supply chains feeding the industry across the country. The industrial shutdowns in China, shipping backlogs and general cost shipping increases all have had significant impacts on the supply and pricing of foreign sourced goods.

As noted within the report, one of the key metrics measured, Work Yet to be Done (WYTBD), gives an indication of the building work yet to have been completed within the industry in Australia. The rapid rise over the past five quarters indicates a high level of work started but not completed. This adds pressure on the already stretched workforce to complete the current undertakings and to provide sufficient resources to new projects commencing.

With already significant levels of work not being completed, the industry's current and future capacity to deliver projects on time, on budget and on specification is a fundamental for all property development decisions, but these principles are now under stress.

Some of the factors that are currently influencing decisions are in summary:

- Levels of current construction work underway across Australia are at record highs
 - Similar levels of activity will be undertaken across Australia in the medium-term (2-3 years)
 - Cost pressures have driven up construction prices during 2021 to levels not seen since the period 1982 to 1986, where double-digit annual rises were seen across almost all major cities across Australia. What was significant in this period is that a major deflationary impact was seen in the years around 1990 where the falls in construction prices offset a significant amount of the rises seen 5 years earlier
- The uncertainty surrounding the best time to commence a project into the future. The external issues currently facing the industry, which are uncontrollable within Australia include:
 - Volatile geo-political fallout from the Ukraine conflict
 - Significant interruptions to supply chains still impacting cost and supply times
 - Increasing pressure on central banks to intervene within the economy to reign in inflationary and currency issues
 - Rising global interest rates
 - Fluctuating foreign exchange movements

Multi-level apartment approvals and commencements across the country lifted during 2021 with a very welcome 20% increase in approval volumes and 16% in dwelling numbers. Commencement values were down though, with a further drop in 2021 of 4%. Houses, on the other hand, saw a 3% rise in commencement values.

The value of work yet to be done within the industry is at record highs (\$187B as at 31/03/22), this is up some 39% from Dec 2020. This value of work yet to be done (cost to complete) has risen by \$41B in the past twelve months. This gives more activity in the “tail” of the current activity surge we have seen in the past twelve months across the country, as all states have contributed to these increases.

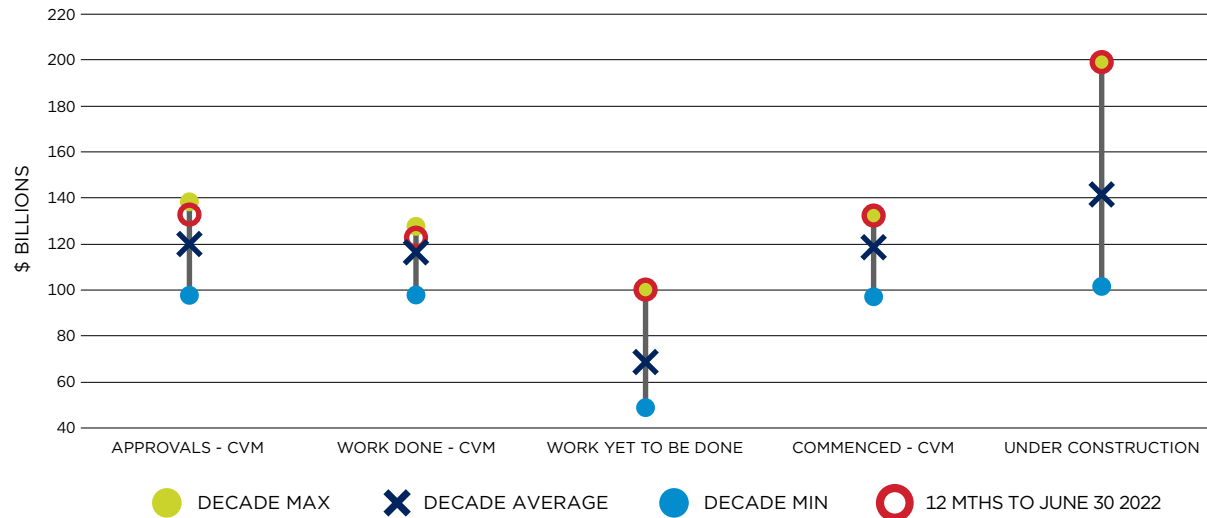
Going forward, approvals in the first six months of 2022 have cooled from the levels achieved in 2021. Total approvals have fallen by 5.0% for the first six months of 2022 when compared to the same period of 2021. Residential approvals fell by 9.5% but non residential approvals rose by 1.1% due to high levels of government spending in education (up \$1B) and health (up \$1.5B). The current value of work yet to be done will ensure that volumes of work during 2022 will not fall backwards if these approvals break ground.

Given the significant rise in both commencements and work yet to be done for 2022 across the country, strong activity should be seen in 2022 and into 2023. R&D is currently investigating the correlation between work done, commencements and work yet to be done to attempt to determine the “tail” in the current numbers.

Pressure and volatility on contractor tender pricing continue across Australia. Factors that influenced pricing in 2021 have remained prevalent and pressure increased in the first half of 2022.

Looking forward into the second half of 2022 and into 2023, we assume that the pressure points in supply chains will start to ease as global demands ease with inflationary pressures in all main economies curtail demand. This easing of demand should allow manufacturing and logistics to get back to “normality”. The easing of demand should also see a softening of material prices with the high levels of ‘demand-led price premiums’ reducing due to lessening demand.

BUILDING ACTIVITY VALUES 2013 TO 2022
FINANCIAL YEAR



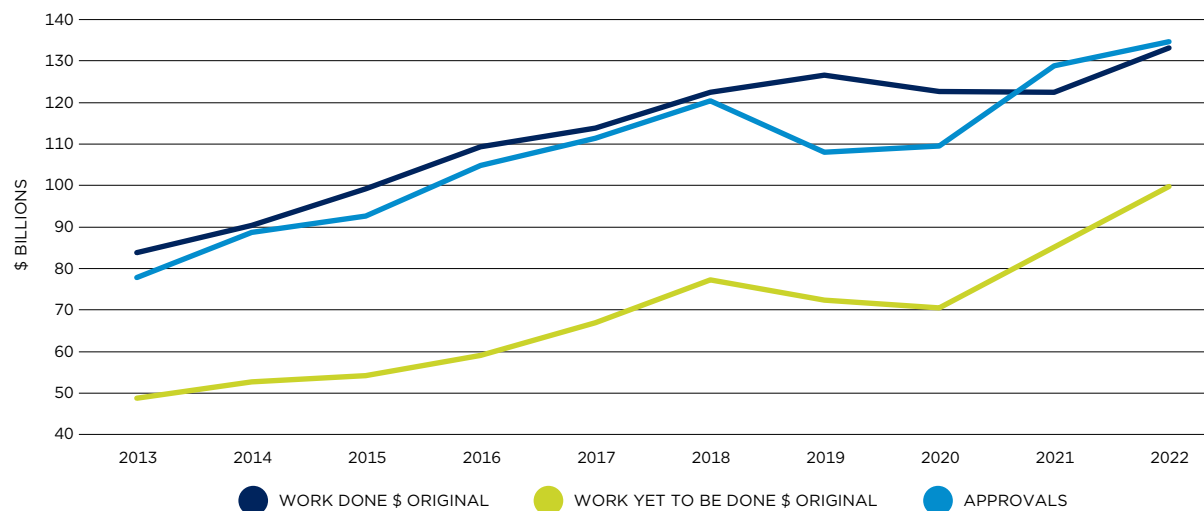
The period since the commencement of the outbreak of COVID-19 across the country has influenced the construction industry greatly. The migration of temporary visa holders in the early stages of the pandemic caused a significant number of skilled trade personnel to leave the country at the behest of the federal government. The lack of skilled migration has not allowed those skills to be replaced or additional skills to be added to the workforce when construction levels across the country were rising. The mandating of vaccines across many government sponsored projects and major contractor companies, has seen a percentage of the workforce unable to work.

All these factors have led to significant pressure on the industry as the number of workers available for work are compromised. As activity has picked up in Australia, it has also in other jurisdictions around the country. The ability of workers moving interstate also was compromised through border closures and sufficient work in their own locale.

The construction workforce age demographics are changing also. In 1985, 3% of the workforce were aged over 59, currently there is almost 10%. The converse is seen in the under 24 age group which has fallen from 20% in 1985 to 15% in 2021.

The changing demographics of the workforce are a factor of many differing circumstances. OH&S practices over the past 20 years has made the industry workforce generally healthier and able to work longer due to the reduction in chronic injuries, the retirement age steadily increasing from 65 to 67 to 68 in the near future, and the changing nature of the workplace, i.e more offsite modular construction and assembly on site. What will be key in the future is that there are sufficient new starts to the construction industry to replace the aging multiskilled and experienced workforce.

AUSTRALIA - FINANCIAL YEARS
BUILDING WORK YET TO BE DONE VS WORK DONE, \$ ORIGINAL



CONSTRUCTION WORK DONE - AUSTRALIA

\$M	2018	2019	2020	2021	2022
NEW HOUSE	38,048	38,385	35,372	37,906	40,491
APARTMENTS	33,697	32,955	28,263	24,937	21,820
ALTER. & RENOVATIONS	9,213	9,463	9,310	10,646	11,479
TOTAL RESIDENTIAL	80,958	80,802	72,945	73,489	73,790
COMMERCIAL	1,988	2,130	1,893	2,857	4,019
EDUCATION	6,927	7,236	8,015	7,873	6,925
ENTERTAINMENT & REC.	3,531	3,480	3,574	3,572	3,999
HEALTH	5,524	5,071	5,890	5,295	5,194
HOTELS	3,649	3,433	3,703	3,269	2,576
INDUSTRIAL	5,650	6,504	7,715	7,086	8,459
OFFICES	7,862	8,326	9,416	8,298	8,145
OTHER NON-RES	3,321	4,027	3,461	3,663	3,956
RETAIL	6,632	6,341	6,090	5,612	5,361
TOTAL NON-RESIDENTIAL	45,085	46,549	49,758	47,524	48,635
TOTAL BUILDING WORK	126,043	127,351	122,703	121,013	122,424
BRIDGES, RAIL & HARB.	9,819	10,065	10,726	12,544	13,454
ELECTRICITY & PIPELINES	15,917	16,119	14,535	13,396	15,591
HEAVY INDUSTRY	44,334	24,880	24,348	25,503	22,780
RECREATION & OTHER	6,483	5,742	5,516	6,659	6,252
ROADS AND SUBDIVISIONS	22,952	20,882	19,946	19,594	21,681
TELECOMMUNICATIONS	11,347	10,072	8,710	6,267	5,954
WATER, SEW. AND SUPPLY	6,723	6,339	6,882	6,947	6,968
TOTAL ENGINEERING	117,575	94,098	90,663	90,911	92,679
TOTAL CONSTRUCTION	243,618	221,449	213,366	211,924	215,103
% CHANGE - YEAR ON YEAR	12.3%	-9.1%	-3.7%	-0.7%	1.5%

CONSTRUCTION WORK YET TO BE DONE - AUSTRALIA

\$M	JUN-18	JUN-19	JUN-20	JUN-21	SEP-21	DEC-21	MAR-22	JUN-22
NEW HOUSE	11,857	10,937	9,780	17,904	19,804	21,178	21,075	22,064
APARTMENTS	30,896	26,166	23,612	25,442	28,152	29,570	30,376	30,584
ALTER. & RENOVATIONS	2,966	2,836	2,825	3,863	4,159	4,270	4,271	4,573
TOTAL RESIDENTIAL	45,720	39,939	36,216	47,209	52,115	55,019	55,722	57,222
COMMERCIAL	1,059	1,735	1,596	3,834	4,252	3,962	5,317	4,874
EDUCATION	4,437	4,947	4,799	5,363	4,817	4,917	5,418	5,438
ENTERTAINMENT & REC.	2,785	2,088	3,149	2,722	3,141	3,173	3,538	3,273
HEALTH	4,223	4,435	4,974	5,349	6,240	7,274	7,019	7,219
HOTELS	3,720	3,811	4,112	2,965	3,538	3,712	3,502	3,362
INDUSTRIAL	2,977	3,695	3,505	4,095	5,109	4,976	4,485	4,613
OFFICES	6,255	6,793	6,277	6,876	6,830	7,499	6,831	6,745
OTHER NON-RES	3,483	2,317	3,026	3,984	4,065	3,552	3,476	3,465
RETAIL	2,644	2,554	2,767	2,811	2,851	3,316	3,468	3,637
TOTAL NON-RESIDENTIAL	31,582	32,375	34,206	38,000	40,844	42,381	43,052	42,625
TOTAL BUILDING WORK	77,301	72,314	70,423	85,210	92,959	97,399	98,774	99,847
BRIDGES, RAIL & HARB.	14,006	14,363	18,599	17,627	16,792	16,166	17,238	16,017
ELECTRICITY & PIPELINES	7,628	9,277	6,794	10,870	10,688	9,920	11,505	10,993
HEAVY INDUSTRY	21,159	28,242	23,783	20,408	20,827	23,372	26,314	27,471
RECREATION & OTHER	892	792	1,121	1,355	1,411	1,810	1,427	1,648
ROADS AND SUBDIVISIONS	17,771	18,854	15,392	15,794	17,054	18,367	24,046	23,210
TELECOMMUNICATIONS	133	264	95	250	80	127	79	363
WATER, SEW.AND SUPPLY	2,885	2,568	4,382	5,915	6,526	6,535	7,628	7,836
TOTAL ENGINEERING	64,474	74,360	70,167	72,219	73,378	76,298	88,237	87,537
TOTAL CONSTRUCTION	141,775	146,674	140,590	157,429	166,337	173,697	187,011	187,384

Source: Australian Bureau of Statistics, 8752.0 Building Activity, Australia.



Pressure and volatility on contractor tender pricing continue across Australia. Factors that influenced pricing in 2021 have remained prevalent and pressure increased in the first half of 2022.

The key internal and external influences on current escalation within the industry are visually represented on the treemap visual below.

Head contractors have reported volatile pricing from the subcontract market, difficulty in pinning down pricing, and sub-contractors being selective in committing to tenders, as many are at capacity or unable to secure the appropriate levels of labour. Supply chain instability, shipping costs and the battle to secure appropriate levels of skilled labour are also all set to remain constant obstacles to the industry as we see out 2022 and move into 2023.

Significant surges in tender pricing have been experienced in all states, where escalation uplifts for 2022 are well above the levels forecast in the last publication. Suppliers are unable to hold pricing and guarantee availability when tendering. While material price increases have been a risk contractors and subcontractors historically have navigated and managed, tenders are specifying supply rates for key materials as a condition of tender pricing, resulting in “rise and fall” price adjustment mechanisms being considered and now being negotiated into contracts.

Looking forward into the second half of 2022 and into 2023, we assume that the pressure points in supply chains will start to ease as global demands ease with inflationary pressures in all main economies

curtail demand. This easing of demand should allow manufacturing and logistics to get back to “normality”. The easing of demand should also see a softening of material prices with the high levels of ‘demand-led price premiums’ reducing due to lessening demand.

With the levels of approvals dropping and issues surrounding current cost increases, supply chain uncertainties and labour availability, there will be potentially a slowdown of activity in 2023 to some extent which will be compounded by the rising interest rates from the Reserve Bank of Australia (RBA) and the forecast general slowdown of the economy.

While generally within expected ranges, builder’s margins are moving upwards, and are dependent upon contractors’ appetite for a particular project.

RLB TENDER PRICE ANNUAL % CHANGE AS AT Q3 2022

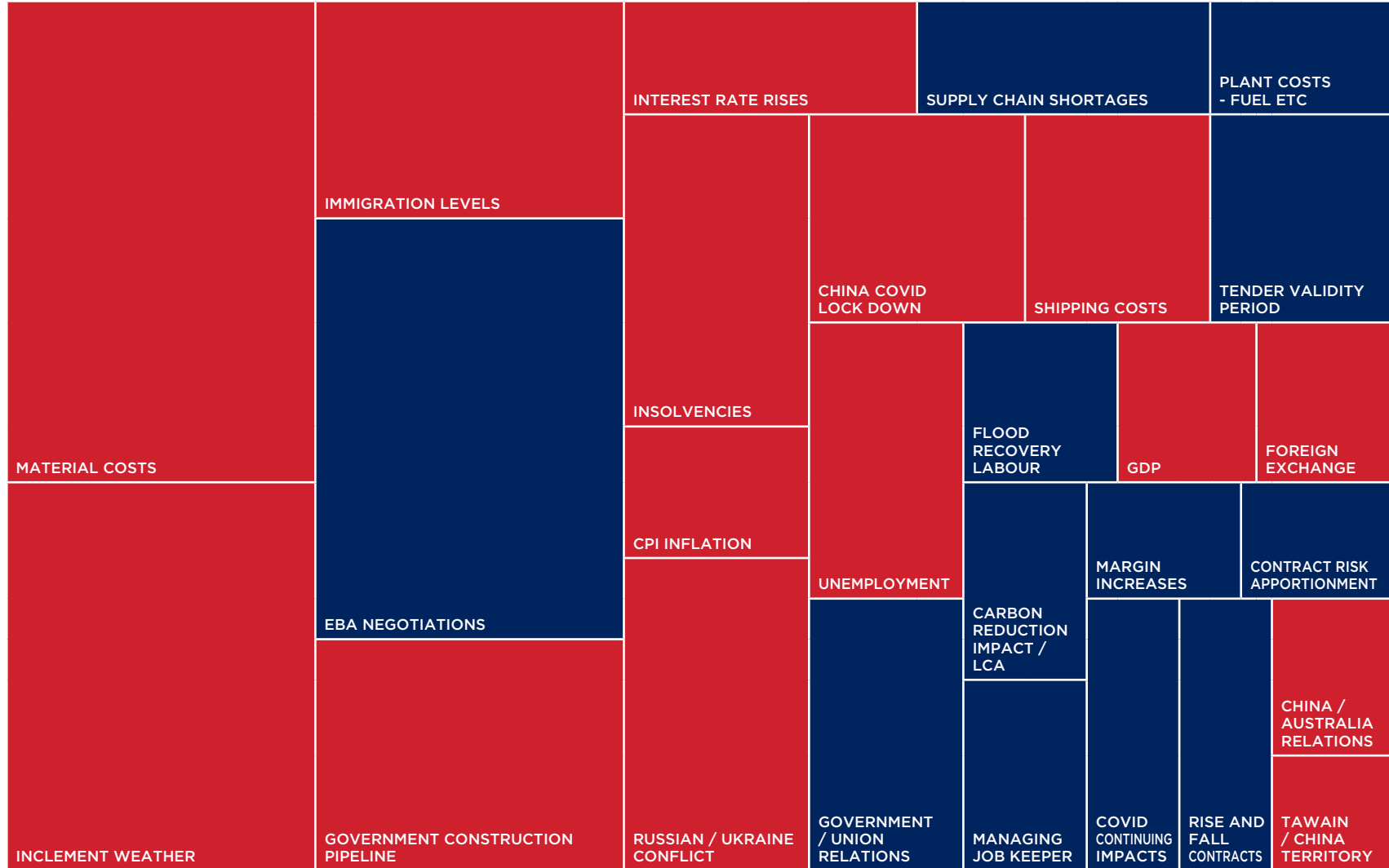
	2022		2023		2024		2025	
	Q1 22	Q3 22	Q1 22	Q3 22	Q1 22	Q3 22	Q1 22	Q3 23
ADELAIDE	4.0%	4.8%	3.0%	3.8%	3.0%	3.0%	3.0%	3.0%
BRISBANE	5.1%	10.5%	4.1%	5.1%	3.0%	4.1%	3.0%	3.0%
CANBERRA	3.8%	5.0%	3.3%	4.0%	3.0%	3.5%	3.0%	3.5%
DARWIN	4.0%	4.0%	5.0%	5.0%	4.0%	4.0%	4.0%	4.0%
GOLD COAST	6.7%	11.5%	4.1%	5.5%	3.0%	3.0%	3.0%	3.0%
MELBOURNE	4.0%	8.0%	3.5%	4.0%	3.5%	3.5%	3.5%	3.5%
PERTH	8.0%	9.0%	4.7%	5.0%	3.2%	4.0%	3.0%	3.5%
SYDNEY	5.6%	6.9%	3.7%	3.9%	3.5%	3.5%	3.5%	3.5%
TOWNSVILLE	8.2%	12.6%	4.0%	8.0%	3.0%	4.0%	3.0%	3.0%

Q1 2022 column represents the previous TPI uplift percentage as at Q1 2022

Q3 2022 column represents the current TPI uplift percentage as at Q3 2022

EXTERNAL AND INTERNAL IMPACTS ON AUSTRALIAN CONSTRUCTION ESCALATION

RED = EXTERNAL, BLUE = INTERNAL



CURRENT MARKET CONDITIONS

Construction activity in South Australia experienced a very healthy 11% lift during FY22, with over \$14B worth of construction work done. Encouragingly, this was seen across all three residential, non-residential, and engineering sectors. Of note are the industrial sector (construction activity increasing by 67.1% over FY22), other non-residential (64.8%), recreation (53.4% increase, and heavy industry 34.3% increase). All these mentioned sub-sectors now sit at near-term peaks.

Residential activity across both houses and apartments all rose in terms of work commenced, as well as work to be finished. While the former has seen approvals dip slightly in terms of approval value and dwellings approved (about 1,700 fewer houses, and just under \$150m worth of houses), the latter has seen exactly half a billion dollars' worth of apartments approved, translating into an extra 400 dwellings compared to FY21 levels.

South Australia sits at, or at least near, decade high levels across all indicative measures. However, with the value of work under construction (\$11B), as well as commencements (\$8B) mostly outweighing other measures such as approvals, it appears construction activity will likely slightly temper in the short term as projects get 'finished off'. One silver lining is that with the value of approvals in FY22 sitting strongly at \$9B, it is likely that construction activity will immediately pick up again as these approvals get translated into work on the ground.

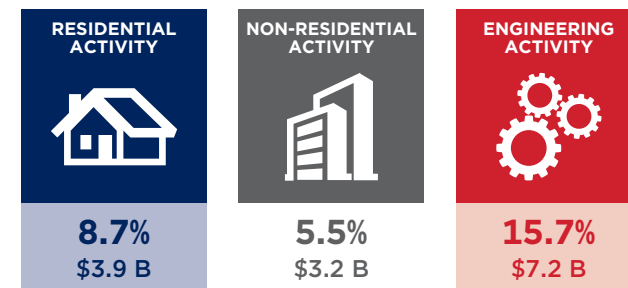
CONSTRUCTION ESCALATION

There has been limited movement in wages in the last quarter. However, there have been increasing labour shortages, resulting in further price pressure. Industrial union action following our recent elected Labour government is putting pressure on wages effecting two major commercial office towers currently under construction.

State Government has implemented 'rise and fall' provisions on all government projects to assist subcontractors against future material price increases.

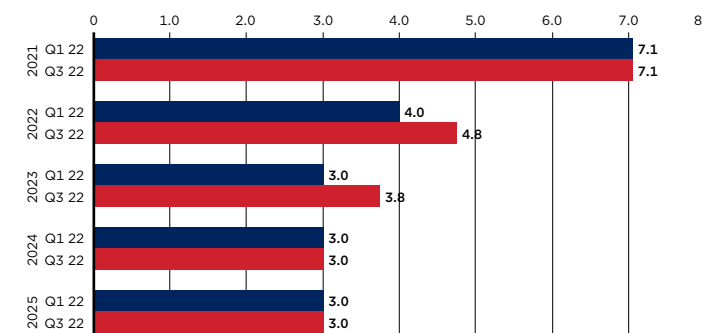
There have been continual increases in material prices, particularly associated with reinforcement, structural steel and roofing products. The supply cost of insulation and plasterboard has also increased, price increases were experienced during the December 2021 quarter.

The number of projects in the market remains steady. This continues to provide an abundance of works for subcontractors and all trades, resulting in price increases.



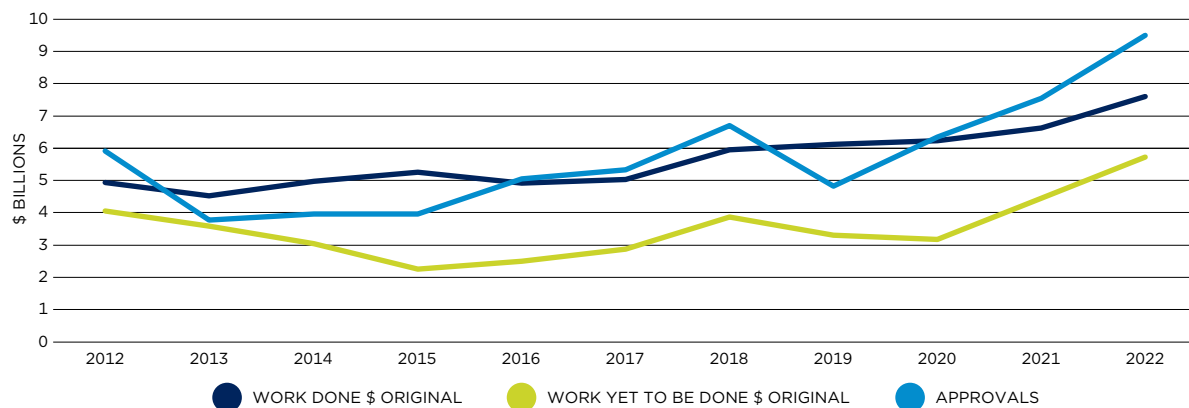
Percentage change in work done in FY 2022
Total value of work done FY 2022

RLB TENDER PRICE INDEX ANNUAL % CHANGE

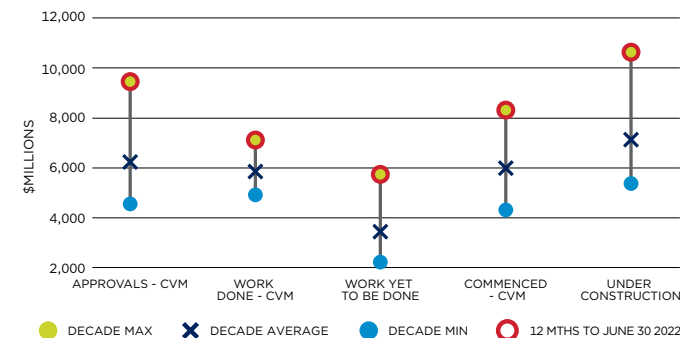


Blue line - previous TPI uplift percentage as at Q1 2022
Red line - current TPI uplift percentage as at Q3 2022

SA - FINANCIAL YEARS
BUILDING WORK YET TO BE DONE VS WORK DONE, \$ ORIGINAL



SA BUILDING ACTIVITY VALUES - 2013 TO 2022
FINANCIAL YEAR



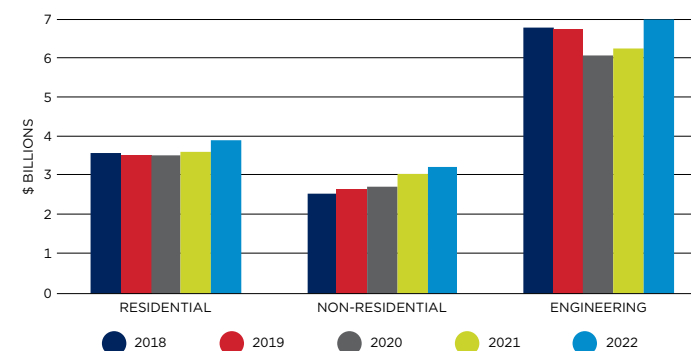
KEY SECTOR COMMENTARY

AGED CARE	Aged Care remain steady with some Aged Care providers now looking to defer new projects.
APARTMENTS	Strong demand for apartments in Adelaide fuelled by high house prices is creating new projects.
COMMERCIAL	Commercial work remains steady, despite caution regarding office demand in the future. Developers remain optimistic, with 2 large office towers currently under construction.
HEALTH	The new Women’s and Children’s hospital will provide stable activity over the next four years when construction commences.
HOTELS	The sector has seen new development commence for the Vibe Hotel and Tryp Hotel developments. Hotel demand remains strong in SA.
HOUSING	The housing market remains strong with government grants helping to bolster the sector and create new projects. Material supply shortages remain, particularly in relation to timber.
INDUSTRIAL	The Industrial sector is experiencing steady growth, with increasing technology-based developments.
INFRASTRUCTURE	The South Australian Government is increasing its investment expenditure compared to previous programs to provide an expanded pipeline of projects into the future, in line with the government’s infrastructure program. The focus of the 2020-21 South Australia budget was centred on providing \$4 billion in state economic stimulus to help the state recover from the 2020 Bushfires and COVID-19.
RETAIL	Retail developments remain subdued due the impact of COVID-19 and the long term retail trends. Burnside Shopping Centre has since been committed with construction commence due shortly.

SA - VALUE OF WORK DONE
(ORIGINAL CVM, \$'000)

FINANCIAL YEARS	RESIDENTIAL				NON RES TOTAL	BUILDING TOTAL	ENGINEERING TOTAL	TOTAL CONSTRUCTION
	NEW HOUSES	APARTMENTS	OTHER	TOTAL				
2016	1,953,579	666,487	458,237	3,078,303	2,126,671	5,205,973	5,196,781	10,402,754
2017	2,030,482	690,481	455,493	3,176,456	2,081,822	5,260,049	5,529,402	10,789,451
2018	2,174,990	932,152	456,252	3,563,394	2,538,719	6,103,122	6,791,835	12,894,957
2019	2,131,901	911,935	481,641	3,525,477	2,646,126	6,171,766	6,737,126	12,908,892
2020	2,166,637	871,596	476,577	3,514,810	2,718,346	6,233,155	6,061,790	12,294,945
2021	2,396,713	690,242	516,839	3,603,794	3,054,695	6,658,488	6,242,716	12,901,204
2022	2,638,918	704,320	562,562	3,905,800	3,217,722	7,123,522	7,193,424	14,316,946

CONSTRUCTION WORK DONE
FINANCIAL YEAR CVM





CURRENT MARKET CONDITIONS

Queensland’s construction activity saw a rise of 3.0% for FY22, aided strongly by the industrial and electricity sectors (73.5% and 48.2% growth respectively). The amount of construction activity increased sharply for new houses by just under \$0.6B (8.2% increase relative to FY21), although coincided with a slight slowdown in apartment and alterations work completed.

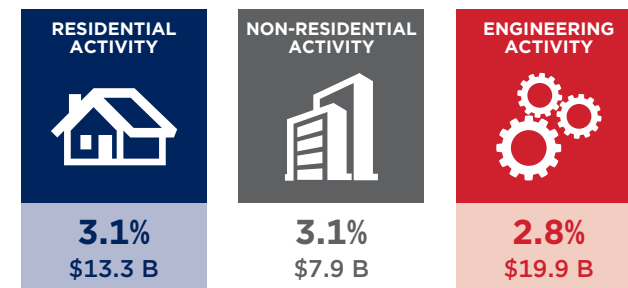
The value of buildings approved climbed significantly over FY22 by around \$4B, or 18%. This is on top of a 16% increase in approvals in FY21 relative to FY20, which now brings to near decade peaks. Much of this increase was driven by the non-residential sectors (particularly hotels, offices, and commercial), although positively all residential sub-sectors also saw dwelling approval values increase.

However, it is key to note that Queensland’s residential construction industry has been rather tumultuous over recent times evidenced by many high-profile insolvencies of home builders. This appears to have been reflected through the number of dwellings approved; although the value of approvals increased by 2.5%, the actual number of new homes approved dropped 15.9%. This appears to be continuing currently with the first quarter of FY23 seeing a 0.6% drop in value of approvals, but a steep 17.3% drop in number of new houses approved so far.

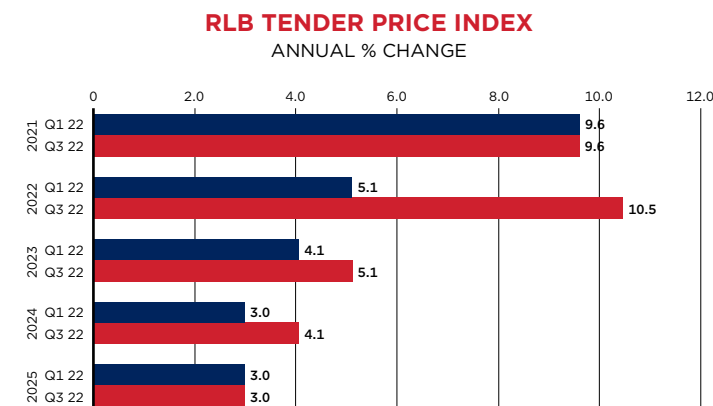
CONSTRUCTION ESCALATION

Construction costs continue to rise however an expected slowdown in the residential sector should ease the skilled labour shortage. High construction costs and increased interest rates have resulted in a number of major residential projects being placed on hold however there is lag on this being reflected in tender pricing.

The significant Government capital expansion programs in Health (\$9.8bn), Corrections (\$5bn) and Education (\$2bn) over the next 5 years will increase demand particularly for the tier 1 Contractors and Sub-contractors. In addition the major infrastructure projects are resulting in increased costs for plant and equipment, concrete, reinforcement, pre-cast concrete and steel.

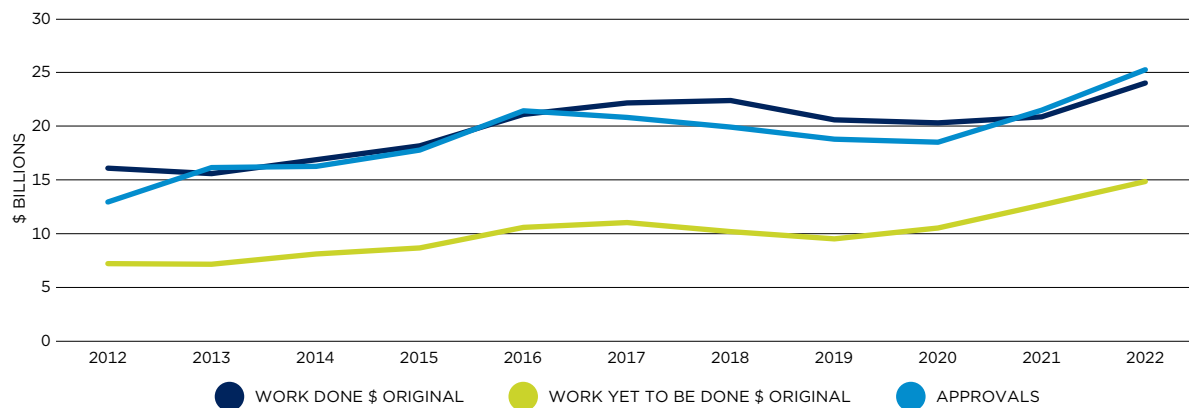


Percentage change in work done in FY 2022
Total value of work done FY 2022

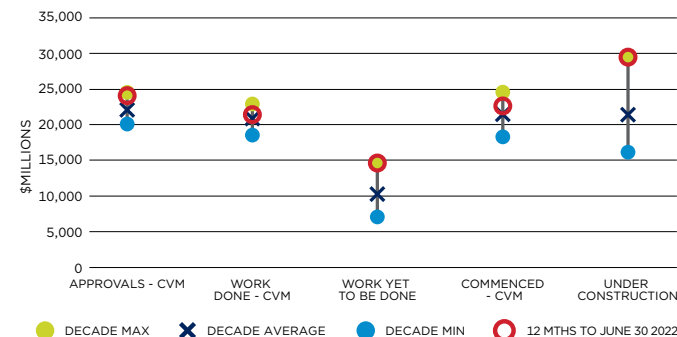


Blue line - previous TPI uplift percentage as at Q1 2022
Red line - current TPI uplift percentage as at Q3 2022

QLD - FINANCIAL YEARS
BUILDING WORK YET TO BE DONE VS WORK DONE, \$ ORIGINAL



QLD BUILDING ACTIVITY VALUES - 2013 TO 2022
 FINANCIAL YEAR



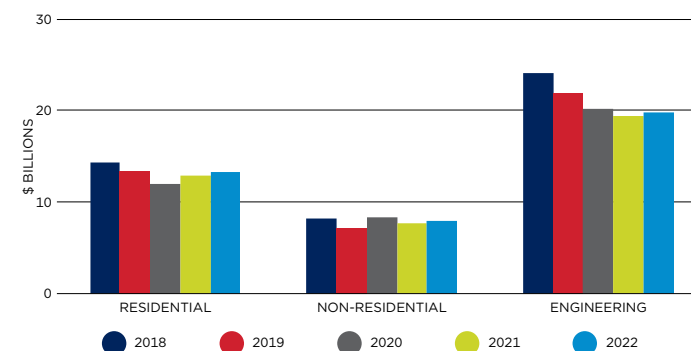
KEY SECTOR COMMENTARY

- AGED CARE** Activity in Aged Care remains reasonable with significant pent-up demand however this is held back by staffing shortages and the revenue model.
- APARTMENTS** Apartment activity has been buoyant over the past 12 months however this is expected to slow due to rising interest rates and high construction costs. A number of large projects have already been placed on hold.
- COMMERCIAL** CBD commercial activity is strong with 3 major projects commencing (205 North Quay, 360 Queen Street and Waterfront Precinct).
- HEALTH** Health activity remains strong and will significantly increase by 2024 with the government's recently announced \$9.8bn Capital Program.
- HOTELS** Activity remains strong with 3 Hotels at the Queens Wharf development expected to open over the coming years from late 2023 plus the refurbishment of the existing Treasury Hotel.
- HOUSING** Housing has been the strongest performing sector in Queensland for the past 2 years. This is expected to slow as the impact of higher interest rates takes effect.
- INDUSTRIAL** The Industrial sector remains strong with high demand for warehousing and distribution centres.
- INFRASTRUCTURE** Infrastructure remains a strong performer with major projects including ARTC, Cross River Rail, Gold Coast Light Rail, M1 Upgrades (North and South), and Brisbane Metro to continue over the next few years. Future projects include the recently announced State investment in renewable energy.
- RETAIL** Retail continues to suffer with the major focus of re-purposing departing tenant areas.

QLD - VALUE OF WORK DONE
 (ORIGINAL CVM, \$'000)

FINANCIAL YEARS	RESIDENTIAL				NON RES TOTAL	BUILDING TOTAL	ENGINEERING TOTAL	TOTAL CONSTRUCTION
	NEW HOUSES	APARTMENTS	OTHER	TOTAL				
2016	7,141,605	6,190,420	1,617,288	14,949,313	7,879,446	22,828,192	20,715,103	43,543,295
2017	7,339,124	6,584,644	1,511,462	15,435,230	7,535,567	22,967,831	21,352,662	44,320,493
2018	7,461,014	5,306,903	1,569,303	14,337,220	8,260,329	22,605,031	24,145,993	46,751,024
2019	6,838,875	4,756,960	1,819,933	13,415,768	7,212,892	20,634,561	21,824,912	42,459,473
2020	6,351,994	3,772,003	1,923,096	12,047,093	8,296,925	20,344,019	20,218,255	40,562,274
2021	6,933,698	3,608,735	2,396,720	12,939,153	7,711,419	20,650,571	19,363,011	40,013,582
2022	7,206,488	3,816,597	2,264,629	13,287,714	7,963,757	21,251,470	19,833,290	41,084,760

CONSTRUCTION WORK DONE
 FINANCIAL YEAR CVM



ANU Birch Building, Canberra, Australia



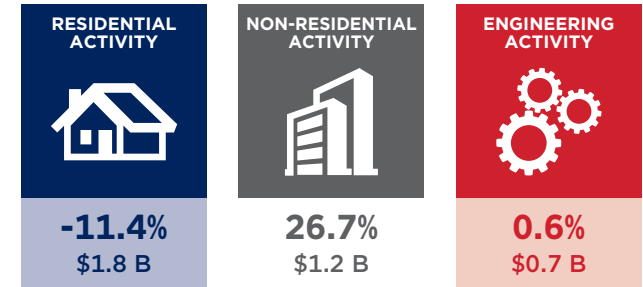
CURRENT MARKET CONDITIONS

Construction work done in the nation's capital has seen the total value of work remain effectively level over FY22, hovering just below the \$3.7B mark. However, this is a marked decrease on pre-pandemic levels where total construction work done was around \$4B.

From an approval perspective, the ACT has seen a noticeable decrease in the number of non-residential buildings, with the FY22 figure sitting at less than half of that of FY21 and is presently its lowest point in the past six financial years. Combined with work done and work commenced figures, this shows that the capital has largely worked through its pipeline of non-residential construction work. Interestingly, this is contrasted by the ACT's residential sector which has seen both the number and value of building approvals grow significantly over the financial year.

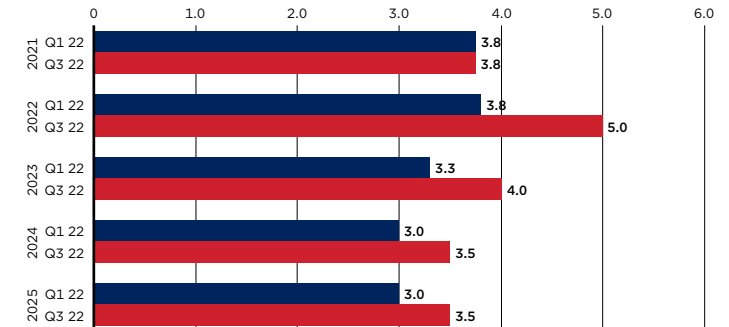
CONSTRUCTION ESCALATION

Escalation has increased in 2022 and is forecast to increase to 5.0% for the year. This increase is due to continued competitive tender pricing by contractors to maintain adequate workflow offset by material cost increases seen over the year and rising labour costs due to strong demand and demand for skilled labour.



Percentage change in work done in FY 2022
Total value of work done FY 2022

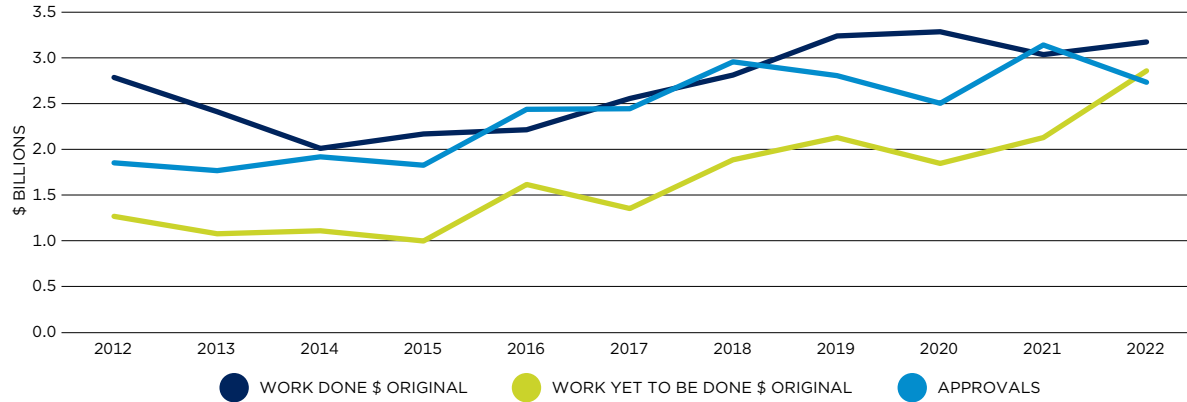
RLB TENDER PRICE INDEX
ANNUAL % CHANGE



Blue line - previous TPI uplift percentage as at Q1 2022
Red line - current TPI uplift percentage as at Q3 2022

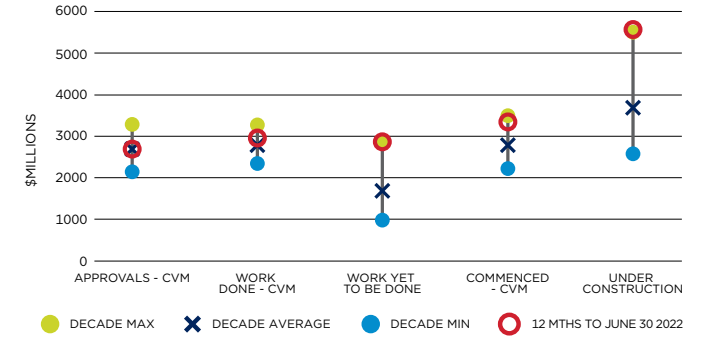
ACT - FINANCIAL YEARS

BUILDING WORK YET TO BE DONE VS WORK DONE, \$ ORIGINAL



ACT BUILDING ACTIVITY VALUES - 2013 TO 2022

FINANCIAL YEAR



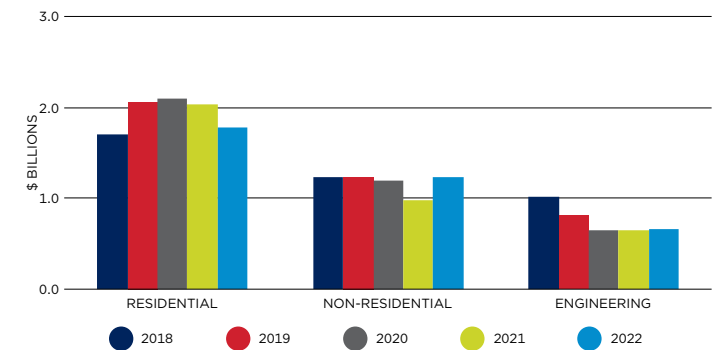
ACT - VALUE OF WORK DONE

(ORIGINAL CVM, \$'000)

FINANCIAL YEARS	RESIDENTIAL				NON RES TOTAL	BUILDING TOTAL	ENGINEERING TOTAL	TOTAL CONSTRUCTION
	NEW HOUSES	APARTMENTS	OTHER	TOTAL				
2016	431,362	856,203	146,761	1,434,326	1,009,420	2,442,930	766,476	3,209,406
2017	474,293	1,150,546	134,927	1,759,766	988,883	2,748,995	1,016,820	3,765,815
2018	477,604	1,096,552	129,560	1,703,716	1,232,443	2,934,891	1,016,682	3,951,573
2019	598,674	1,317,675	146,464	2,062,813	1,237,268	3,299,713	814,994	4,114,707
2020	569,253	1,332,366	188,550	2,090,169	1,194,969	3,285,138	649,342	3,934,480
2021	586,924	1,257,428	186,138	2,030,490	974,767	3,005,257	652,925	3,658,182
2022	540,468	1,092,159	146,482	1,779,109	1,231,310	3,010,419	662,210	3,672,629

CONSTRUCTION WORK DONE

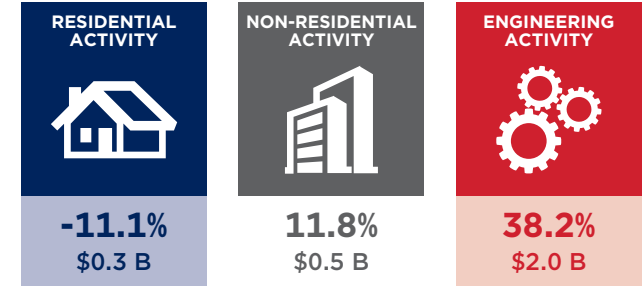
FINANCIAL YEAR CVM



CURRENT MARKET CONDITIONS

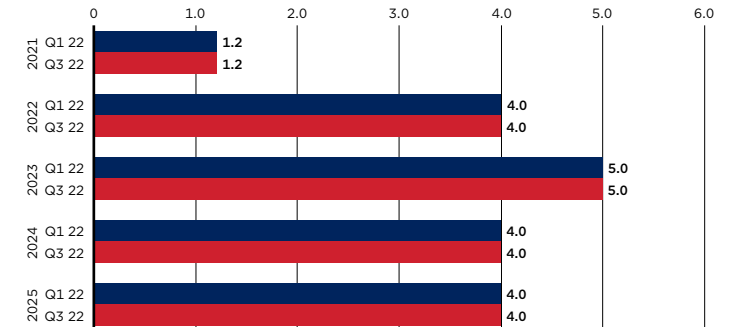
The Northern Territory has continued its recovery in construction activity, with overall FY22 figures showing a sharp 25% increase over FY21 figures (\$2.9B vs \$2.3B). This was fuelled almost entirely by the engineering sector, in particular the heavy industry, and roads and subdivisions sectors which saw construction work done almost double.

However, considerably worse performance was recorded in the residential sector, with work done dropping by 11%. Unfortunately, the shrinkage of residential construction in the Northern Territory will likely not abate significantly in the near term, as both approval values and numbers have dropped considerably in FY22 (by -36% and -41% respectively), as have commencements (-31%) and the value of work yet to be done in the sector (-7%).



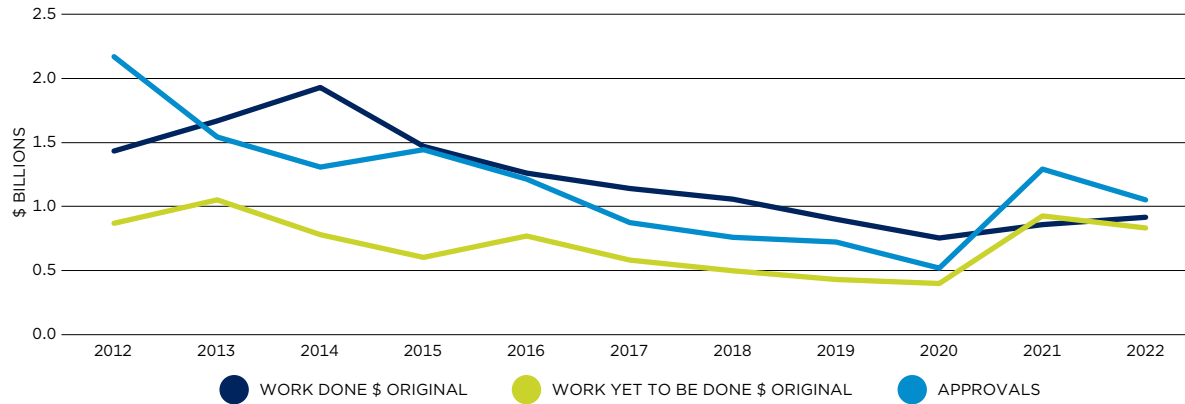
Percentage change in work done in FY 2022
Total value of work done FY 2022

RLB TENDER PRICE INDEX
ANNUAL % CHANGE

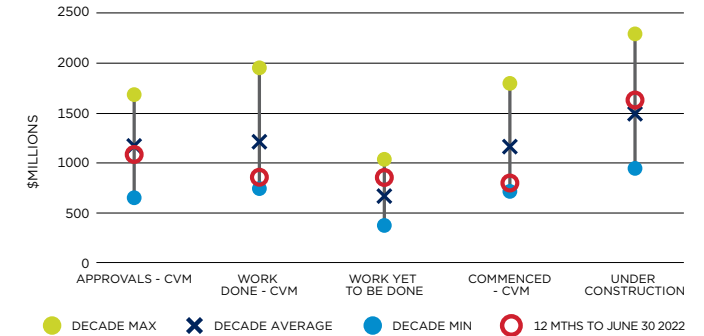


Blue line - previous TPI uplift percentage as at Q1 2022
Red line - current TPI uplift percentage as at Q3 2022

NT - FINANCIAL YEARS
BUILDING WORK YET TO BE DONE VS WORK DONE, \$ ORIGINAL



NT BUILDING ACTIVITY VALUES - 2013 TO 2022
FINANCIAL YEAR



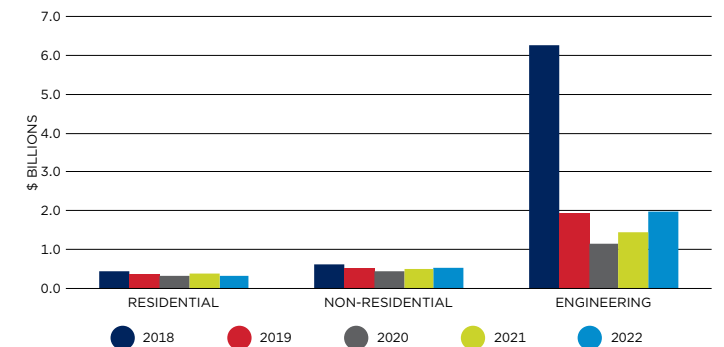
KEY SECTOR COMMENTARY

HOUSING	Residential construction is progressing despite reductions in Govt home ownership incentives though it is curtailed by the lack of migration which has traditionally assisted this market.
APARTMENTS	No movement in this sector though several projects have been planned and would be ready to start as soon as demand starts to show sigh of improvement.
COMMERCIAL	No movement in this sector in the CDB where vacancy rates remain high especially at the lower end of the office standard. There are a few small-scale developments in commercial and industrial suburbs where land availability and affordability are better.
INDUSTRIAL	Slight movement with niche industries setting up and taking advantage of low input costs.
RETAIL	No movement in this sector and retail vacancy rate still high.
HOTELS	No new hotels being commissioned or built though major development is planned at the Airport and there are plans for new such projects in the city, demand dependent.
INFRASTRUCTURE	Major projects funded primarily by the Commonwealth are both in construction and planning with major Defence projects at all NT bases, remote housing, road and marine infrastructure projects that will be the catalyst for major planned growth in the Territory over the next 10 years plus. Green and digital enhancement projects are increasingly being promoted.
HEALTH	Increased level of activity is planned with ongoing upgrades and refurbishment of existing hospital premises to cater for increased health and aged care demands. Such projects are currently being restricted only by funds shortage in the Territory budget.

NT - VALUE OF WORK DONE
(ORIGINAL CVM, \$'000)

FINANCIAL YEARS	RESIDENTIAL				NON RES TOTAL	BUILDING TOTAL	ENGINEERING TOTAL	TOTAL CONSTRUCTION
	NEW HOUSES	APARTMENTS	OTHER	TOTAL				
2016	357,520	210,295	96,200	664,015	723,286	1,384,793	7,212,726	8,597,519
2017	280,942	81,594	112,154	474,690	711,267	1,186,131	6,455,984	7,642,115
2018	239,804	83,574	117,229	440,607	616,465	1,057,081	6,262,727	7,319,808
2019	204,431	48,982	121,236	374,649	527,886	902,566	1,956,240	2,858,806
2020	143,948	46,781	129,730	320,459	432,665	753,125	1,144,920	1,898,045
2021	193,781	38,559	128,208	360,548	479,807	840,354	1,456,175	2,296,529
2022	179,816	27,537	107,952	315,305	535,693	850,998	1,987,763	2,838,761

CONSTRUCTION WORK DONE
FINANCIAL YEAR CVM





CURRENT MARKET CONDITIONS

Queensland’s construction activity saw a rise of 3.0% for FY22, aided strongly by the industrial and electricity sectors. The amount of construction activity increased sharply for new houses by just under \$0.6B (8.2% increase relative to FY21), although coincided with a slight slowdown in apartment and alterations work completed.

Activity on the Gold Coast centred around residential and is focussed on apartment delivery, with a record level of over 50 cranes now in place servicing residential projects.

The value of buildings approved climbed significantly over FY22 by around \$4B, or 18%. This is on top of a 16% increase in approvals in FY21 relative to FY20, which are now at near decade peaks.

The residential construction industry has seen continuing volatility in 2022, evidenced by many high-profile insolvencies of home builders and commercial builders due to continuation of difficult market conditions.

This appears to have been reflected through the number of dwellings approved; although the value of approvals in Queensland increased by 2.5%, (due to significant cost escalation) the actual number of new homes approved dropped 15.9%. This appears to be continuing currently with the first quarter of FY23 seeing a 0.6% drop in value of approvals, but a steep 17.3% drop in number of new houses approved to date.

CONSTRUCTION ESCALATION

Construction costs continued to experience significant increase in 2022, due to global market factors on material supply and energy pricing and exacerbated locally by labour market constraints. High construction costs and increased interest rates have resulted in a number of major residential projects being placed on hold, however there is lag on this being reflected in tender pricing.

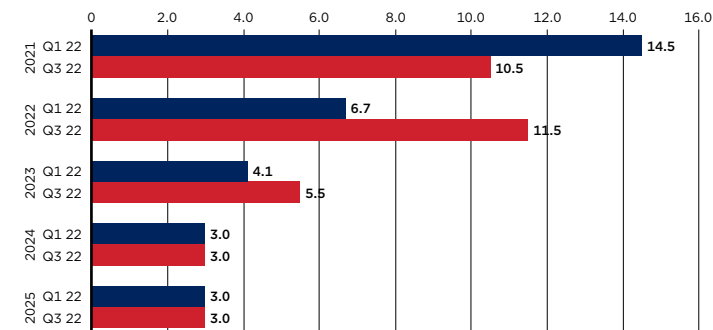
The volume on new residential apartment projects under construction is leading to head and sub-contract capacity challenges, particularly for ground works, piling, structure and services trades.

These pressures have resulted in forecast escalation for 2022 at 11.5% for the region with even higher levels of escalation experienced in Tier 2 and 3 markets where sub-contractors are paying higher rates and working conditions to maintain and attract labour forces. The Tier 1 market has seen lower levels of escalation, however, the Tier 2 market makes up the larger volume of projects on the Gold Coast.

The volume of new approvals has translated into greater levels of tender activity and new construction starts, with order books for head-contractors and sub-contractors nearing capacity for 2022, however, an expected slowdown in the residential sector should ease the capacity constraints and skilled labour shortage into 2023.

RLB TENDER PRICE INDEX

ANNUAL % CHANGE



Blue line - previous TPI uplift percentage as at Q1 2022
Red line - current TPI uplift percentage as at Q3 2022

FINANCIAL YEAR ENDING JUNE 30

ABS APPROVAL DATA - YTD to July 2022- 1 Month (SA2 regions)

GOLD COAST	2018	2019	2020	2021	2022	YTD 2023
HOUSES	928	856	674	747	906	54
APARTMENTS	1,008	940	1,009	1,431	1,867	216
RENOVATION	155	183	188	239	299	25
TOTAL RESIDENTIAL	2,092	1,980	1,870	2,417	3,072	294
NON RESIDENTIAL	1,119	1,017	733	769	1,289	119
TOTAL BUILDING \$	3,211	2,997	2,603	3,186	4,361	413
HOUSES	2,732	2,418	1,836	1,912	1,561	97
APARTMENTS	3,324	2,448	2,698	3,391	4,084	228
TOTAL DWELLINGS #	6,063	4,883	4,565	5,319	5,661	326
<i>AVERAGE COST OF DWELLING</i>	<i>319.45</i>	<i>367.83</i>	<i>368.66</i>	<i>409.49</i>	<i>489.85</i>	<i>826.56</i>

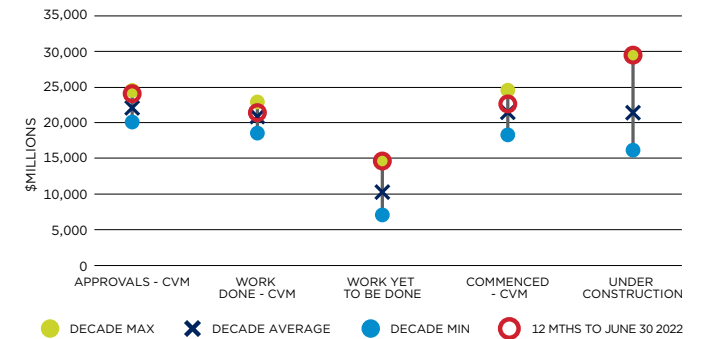
SUNSHINE COAST

HOUSES	1,006	929	780	1,052	1,210	103
APARTMENTS	278	493	374	520	423	52
RENOVATION	152	169	309	277	310	18
TOTAL RESIDENTIAL	1,436	1,590	1,463	1,849	1,943	173
NON RESIDENTIAL	431	507	691	459	588	14
TOTAL BUILDING \$	1,867	2,098	2,154	2,308	2,531	187
HOUSES	3,356	2,929	2,450	3,273	2,953	255
APARTMENTS	1,085	1,712	1,147	1,367	1,038	140
TOTAL DWELLINGS #	4,476	4,683	3,638	4,674	4,013	399
<i>AVERAGE COST OF DWELLING</i>	<i>286.80</i>	<i>303.56</i>	<i>317.10</i>	<i>336.33</i>	<i>406.96</i>	<i>388.31</i>

KEY SECTOR COMMENTARY

AGED CARE	Activity in Aged Care remains stable with several projects under construction; however, demand is held back by staffing shortages and the revenue model.
APARTMENTS	Apartment construction is continuing to see growth with a large volume of new construction starts in 2022, with owner-occupier product leading the sector. This buoyant activity over the past 12 months this is expected to slow due to rising interest rates and high construction costs leading to erosion of project feasibility.
COMMERCIAL	Commercial is stable on the Gold Coast, and lower vacancy rates will see smaller market offerings continue to be developed into 2023.
HEALTH	Construction activity in Health is increasing with Satellite Hospitals under construction and several private health providers due to commence projects at Coomera and Robina. The major public hospital redevelopments are in planning phase, with delivery timeframes dependent on funding.
HOTELS	Hotel activity remains strong with several world-class brands/operators confirmed on the Gold Coast and interest in investment in the sector. Refurbishments continue to upgrade existing ageing stock.
HOUSING	Housing has been the strongest performing sector in Queensland for the past 2 years. This is expected to slow as the impact of higher interest rates takes effect.
INDUSTRIAL	Industrial continues to be strong with demand for greater storage capacity due to supply chain issues and increased online shopping and logistics developments.
INFRASTRUCTURE	Infrastructure will be boosted by the Light Rail Stage 3 commencement and Coomera Connector with existing upgrades to the M1 on-going
RETAIL	Retail continues to suffer with the major focus re-purposing to replace departing tenants and asset repositioning.

QLD BUILDING ACTIVITY VALUES - 2013 TO 2022
FINANCIAL YEAR



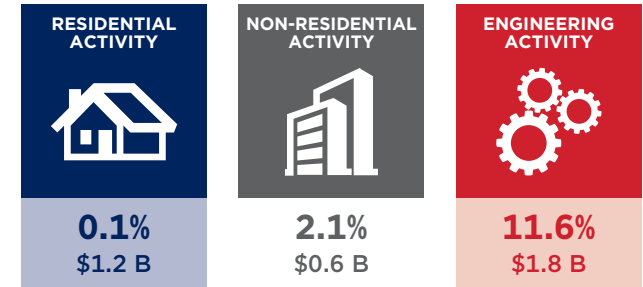
QLD - VALUE OF WORK DONE
(ORIGINAL CVM, \$'000)

FINANCIAL YEARS	RESIDENTIAL				NON RES TOTAL	BUILDING TOTAL	ENGINEERING TOTAL	TOTAL CONSTRUCTION
	NEW HOUSES	APARTMENTS	OTHER	TOTAL				
2016	7,141,605	6,190,420	1,617,288	14,949,313	7,879,446	22,828,192	20,715,103	43,543,295
2017	7,339,124	6,584,644	1,511,462	15,435,230	7,535,567	22,967,831	21,352,662	44,320,493
2018	7,461,014	5,306,903	1,569,303	14,337,220	8,260,329	22,605,031	24,145,993	46,751,024
2019	6,838,875	4,756,960	1,819,933	13,415,768	7,212,892	20,634,561	21,824,912	42,459,473
2020	6,351,994	3,772,003	1,923,096	12,047,093	8,296,925	20,344,019	20,218,255	40,562,274
2021	6,933,698	3,608,735	2,396,720	12,939,153	7,711,419	20,650,571	19,363,011	40,013,582
2022	7,206,488	3,816,597	2,264,629	13,287,714	7,963,757	21,251,470	19,833,290	41,084,760

CURRENT MARKET CONDITIONS

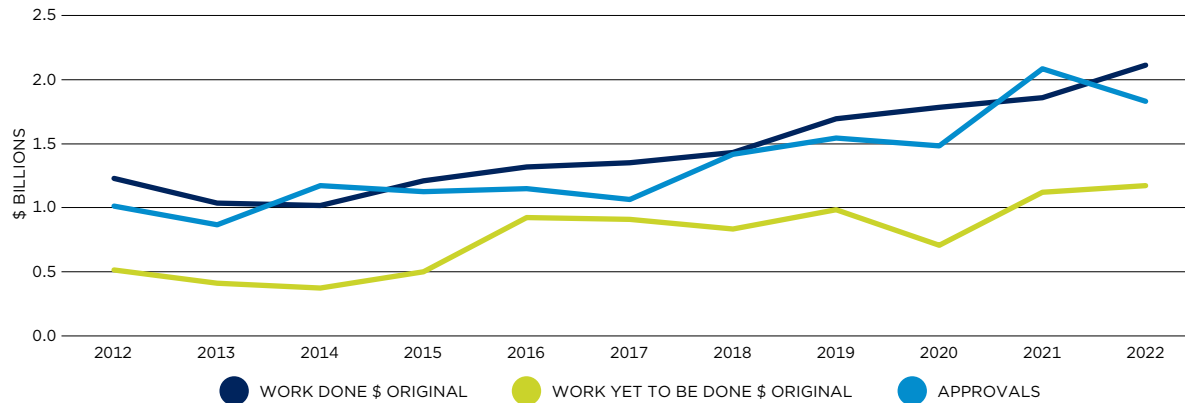
Since growing significantly in FY19, Tasmania's construction economy has remained rather level at between the \$3.3 to \$3.4B mark. However, FY22 has seen some accelerated activity take place, primarily in the engineering sector which saw work done appreciate by 11.6%. Interestingly the residential sector saw the value of work done remain constant, with the gains in apartment work balanced out by a slight fall in work done for new houses.

While the medium-term outlook for the state appears to be trending downwards slightly (in terms of both approval values, and number of dwellings approved), it is safe to say that Tasmania's construction pipeline will remain very busy in the short term. The value of work commenced has grown to new heights, surpassing the \$4B mark in FY22, while the value of work to be complete has grown to be very slightly under \$3B as of the June quarter 2022.

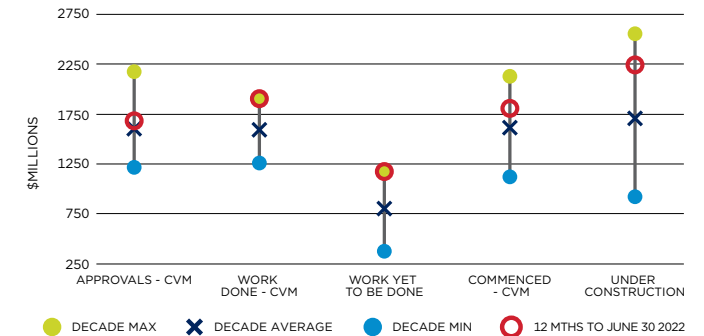


Percentage change in work done in FY 2022
Total value of work done FY 2022

TAS - FINANCIAL YEARS
BUILDING WORK YET TO BE DONE VS WORK DONE, \$ ORIGINAL



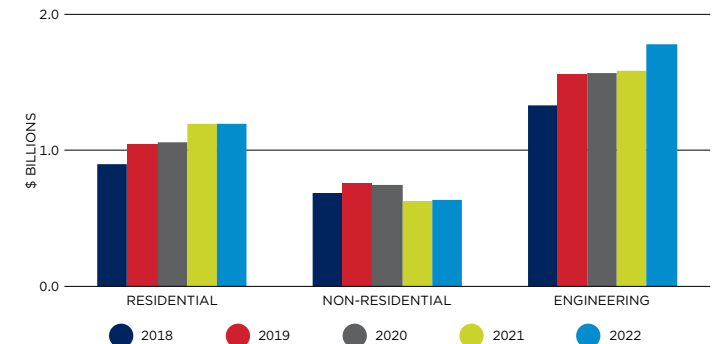
TAS BUILDING ACTIVITY VALUES - 2013 TO 2022
FINANCIAL YEAR



TAS - VALUE OF WORK DONE
(ORIGINAL CVM, \$'000)

FINANCIAL YEARS	RESIDENTIAL				NON RES TOTAL	BUILDING TOTAL	ENGINEERING TOTAL	TOTAL CONSTRUCTION
	NEW HOUSES	APARTMENTS	OTHER	TOTAL				
2016	649,920	95,020	159,271	904,211	624,812	1,531,410	1,244,160	2,775,570
2017	549,805	76,070	148,156	774,031	736,621	1,512,587	1,422,357	2,934,944
2018	627,389	128,024	142,402	897,815	686,860	1,585,629	1,329,395	2,915,024
2019	806,438	81,455	153,734	1,041,627	763,645	1,805,699	1,559,990	3,365,689
2020	826,101	78,379	153,693	1,058,173	749,200	1,807,374	1,566,205	3,373,579
2021	990,180	45,127	161,424	1,196,731	630,055	1,826,788	1,582,759	3,409,547
2022	940,332	82,609	168,443	1,191,384	631,762	1,823,145	1,779,252	3,602,397

CONSTRUCTION WORK DONE
FINANCIAL YEAR CVM





CURRENT MARKET CONDITIONS

Victoria’s construction economy has produced welcome results for FY22, with overall construction work levels recovering to pre-pandemic levels of around \$59B. Encouragingly, all industry sectors saw increases in the value of construction work done, although gains were particularly evident in the commercial, health, bridges, and recreational sectors which all saw double-digit percentage point gains over FY21 activity levels. Much of this can be attributed to Victoria’s ‘Big Build’ which the latest data has now quantified.

Furthermore, the value of overall commencements has skyrocketed from \$55B in FY21 to almost \$63B in FY22, whilst the value of approvals is also up by almost \$5B (11.5% increase). From a dwelling count perspective, the number of apartment dwellings approved has climbed 37.1% to almost 13,000 dwellings in FY22. However, this has come at a small cost to houses, which has seen dwelling approval numbers drop by 15.5% over the financial year, although critically remains above any time before FY20.

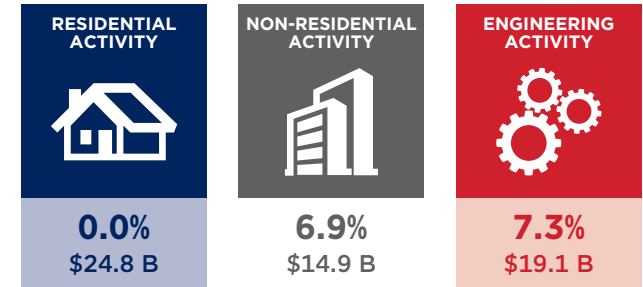
With almost all construction indicator metrics at near decade highs we can expect Victoria’s construction economy continue full steam ahead.

CONSTRUCTION ESCALATION

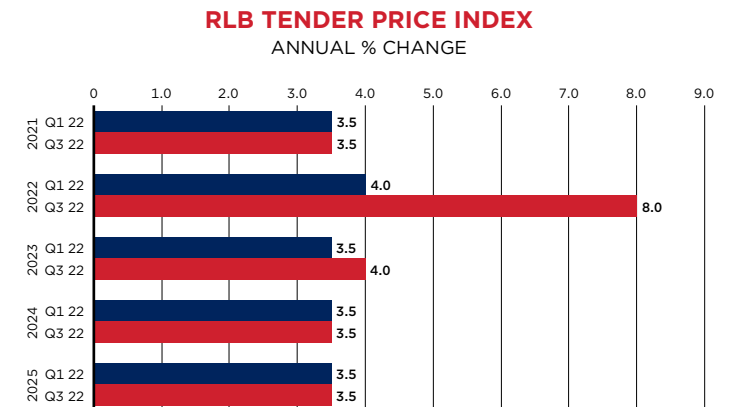
The continuing record levels of both building and engineering activity within Victoria coupled with global supply chain and labour shortage issues has seen a significant impact in pricing across the industry. The supply of resourcing (labour, materials, and plant) in key areas such as excavation and ground works, insitu concrete, steel fixing and formwork struggles to meet current levels of demand and not dissimilar in the finishes and services trades.

Pricing pressure however is to a small extent showing signs of easing as projects are completed and global supply chain improves. With the record high volume of work performed in Victoria during CY 21, escalation has increased in the back end of 2021 and into 2022. Tenders through 2022 to date saw volatile pricing and major spikes on the back of general activity levels, insecure supply chain and raw material / commodity price increases due to external global factors. Contractor and subcontractor lack of appetite for risk also a contributing factor to price increases.

Although forecast activity is set to remain at current levels, the downturn in approvals suggests some easing of activity in the mid to latter stages of 2023. The forecast general economic outlook (slowing of the economy) would also add to this easing. These conditions should see escalation come down to levels we are generally accustomed to.



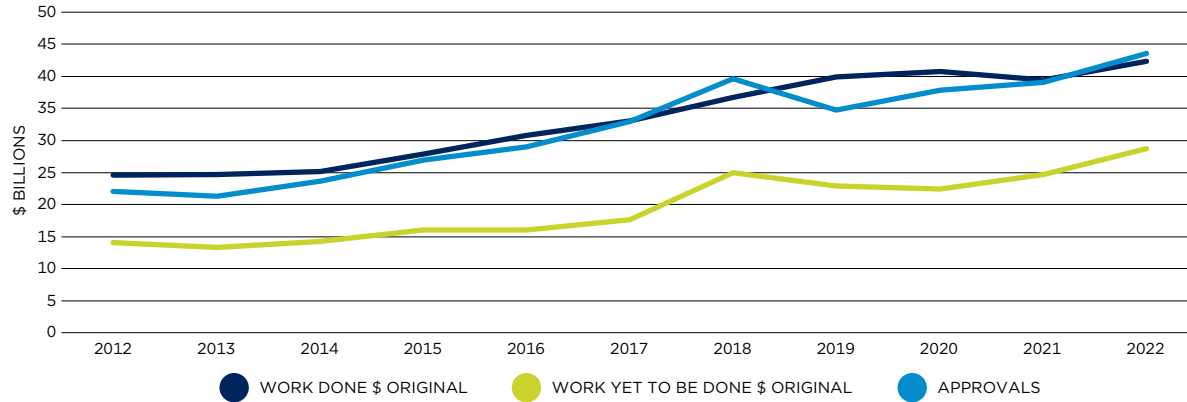
Percentage change in work done in FY 2022
Total value of work done FY 2022



Blue line - previous TPI uplift percentage as at Q1 2022
Red line - current TPI uplift percentage as at Q3 2022

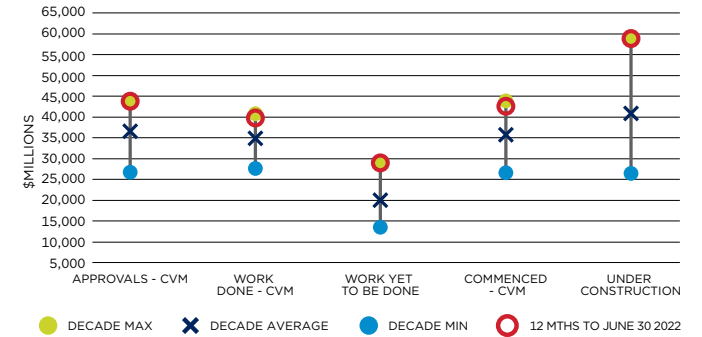
VIC - FINANCIAL YEARS

BUILDING WORK YET TO BE DONE VS WORK DONE, \$ ORIGINAL



VIC BUILDING ACTIVITY VALUES - 2013 TO 2022

FINANCIAL YEAR



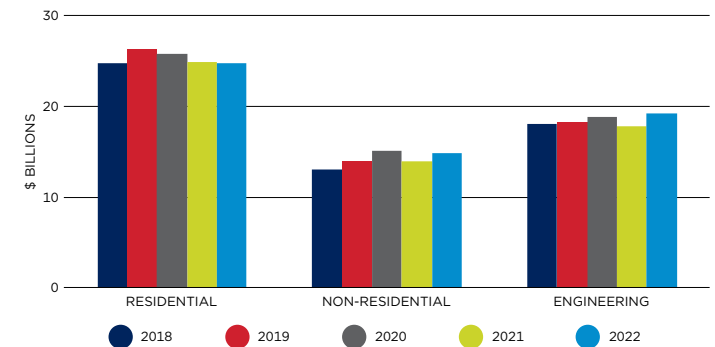
VIC - VALUE OF WORK DONE

(ORIGINAL CVM, \$'000)

FINANCIAL YEARS	RESIDENTIAL				NON RES TOTAL	BUILDING TOTAL	ENGINEERING TOTAL	TOTAL CONSTRUCTION
	NEW HOUSES	APARTMENTS	OTHER	TOTAL				
2016	11,429,979	8,743,353	2,858,132	23,031,464	9,898,360	32,921,190	12,209,004	45,130,194
2017	11,801,006	9,219,447	3,129,717	24,150,170	10,869,300	35,021,868	13,415,374	48,437,242
2018	12,105,456	9,818,418	2,845,685	24,769,559	13,077,179	37,858,054	18,028,528	55,886,582
2019	12,825,091	10,440,470	2,950,874	26,216,435	13,947,402	40,174,320	18,295,373	58,469,693
2020	12,635,907	10,113,049	2,950,872	25,699,828	15,060,136	40,759,964	18,759,188	59,519,152
2021	13,123,223	8,728,088	2,982,822	24,834,133	13,955,906	38,790,038	17,808,996	56,599,034
2022	13,289,114	7,872,078	3,572,655	24,733,847	14,842,862	39,576,709	19,136,617	58,713,326

CONSTRUCTION WORK DONE

FINANCIAL YEAR CVM



KEY SECTOR COMMENTARY

AGED CARE	Aged care developments continue to commence around Melbourne especially in the outer suburb ring.
APARTMENTS	Inner city high rise residential activity levels remain flat with the downward trajectory beginning at the onset of the pandemic. Medium density activity is still strong and BTR is forecast to build and continue the upward trend of new projects coming to market and increase activity to some extent within the inner city.
COMMERCIAL	Larger scale CBD commercial remains relatively flat and impacted by the working from home changes to office life. There continues to be some inner-city activity around the outskirts such as the Richmond / Cremorne areas but the outlook remains cautious in this sector as Developers, Major Institutions, and the like, monitor the landscape. Some activity beginning to gain traction in the CBD with up to 3 large commercial projects forecast to come to market.
HEALTH	Continues to be a strong performer over these last few years and outlook to continue in the medium to long term. Government has continued to fund major projects in this sector, and with the state election due in late 2022 anticipate high levels of activity in this sector as always will be play a key role on the campaign trail.
HOTELS	Subdued activity in this sector with many projects coming to completion in the last 12 to 18 month period. Outlook therefore somewhat mixed at present; as some suggest some positive activity is on the horizon as tourism activity returns.
HOUSING	Domestic housing activity stretched to say the least. Demand far outstrips supply and the availability of domestic builders a significant issue. This extends to trade contractors and in addition shortages of supply for key materials (ie. timber) due to supply chain. A problem for the industry which is not forecast to improve anytime soon. The rising of interest rates may see pressure ease, however not expected to flow through immediately with more the same predicted for the next 12 months.
INDUSTRIAL	Continues to be a quiet performer in the background. Logistics generally and the movement of commodities etc driven by demand fuelling industrial activity across the state. Better connection between Melbourne and regional centres also a factor in driving activity in this sector.
INFRASTRUCTURE	Strong performance continues on the back of major projects kicked off in the last 2-to-3-year period. No sign of activity levels easing or slowing as multiple additional road and transport projects are forecast to kick off. Along with those on the go which are at their peak of the lifecycle, man / materials resources will continue to be a constant drain from general building trades and contractors.
RETAIL	Together with commercial, still suffering generally the effects of the pandemic. Some increase activity levels however for major centres (ie. Chadstone) as they continue to evolve and develop in providing a mixed-use 'precinct' experience.

CURRENT MARKET CONDITIONS

Western Australia saw construction activity taper slightly by 3.7% over FY22 after a stellar FY21, completing just under \$28B of work in the most recent financial year. While residential and non-residential work both saw healthy increases (particularly in the new house, health, industrial, and office sectors), engineering work decreased significantly by almost \$2B. The heavy industries sector, the main contributor of engineering construction work, declined significantly by almost 23%.

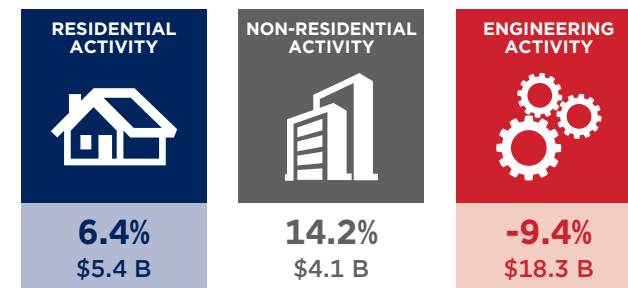
Moving forward into the near term, Western Australia’s relatively ‘mixed bag’ of results should see the construction sector gain slightly overall. While approvals, work done, and commencements are below decade averages (one should note that some years saw impressively high figures), work yet to be done and projects under construction are at near decade highs of \$8.8B and \$2.8B respectively. Timed correctly, the pipeline of work should buoy the state’s construction industry for the next few years, as approvals pick up again and feed into work over the next construction cycle.

CONSTRUCTION ESCALATION

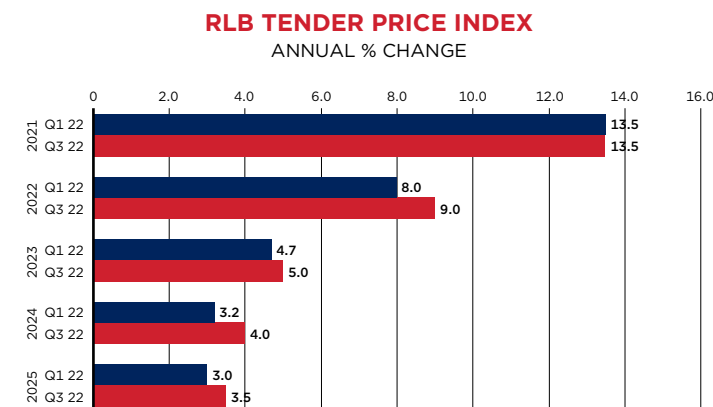
The rate of construction price rise has slowed and there are signs, in some trades, of increased availability. Labour resources continue to be in short supply. Overall construction pricing continues to rise but at a slower pace than 2021 and 2023 is expected to be slightly lower. We note that construction escalation is not anticipated to lower significantly whilst CPI rates remain high.

Looking further ahead, there is a further potential disrupter - the impact of ‘Carbon Neutral’ as Government and the private sector address the commitments and expectations of reduced reliance on fossil fuels and other carbon producing processes. Many building materials such as aluminium, steel, glass, bricks and cement involve considerable energy in their manufacturing processes. Transport costs, shipping costs and on-site plant are all heavily diesel dependant. The impact on the Construction Industry of the push for a carbon neutral future is only beginning to be considered but it will undoubtedly come at a cost, at least if considered from a purely fiscal perspective.

The regional sector of the Construction Industry is at capacity. Labour shortages are becoming a growing issue and attracting metropolitan resources to work in regional areas is very difficult and only possible at a cost premium. We anticipate that projects in regional areas will prove difficult to tender successfully (if at all) and that many projects in these areas may have to be deferred.

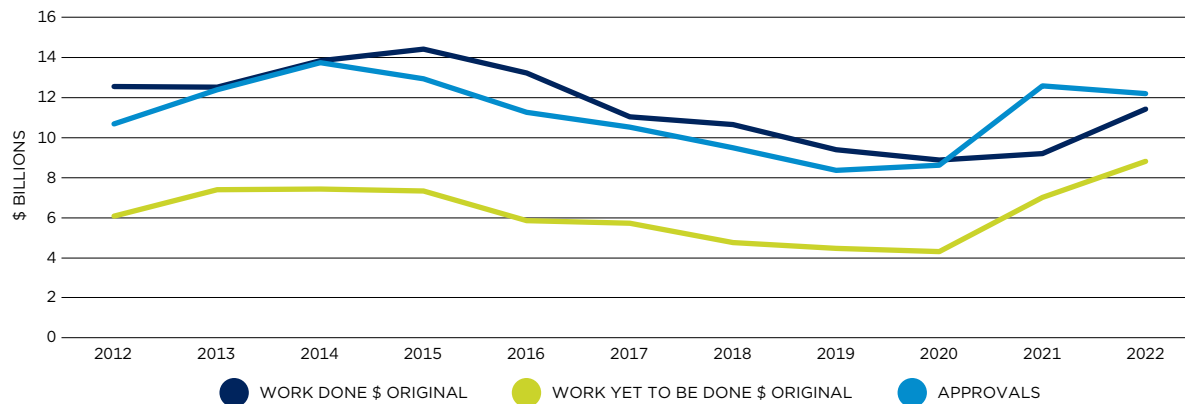


Percentage change in work done in FY 2022
Total value of work done FY 2022



Blue line - previous TPI uplift percentage as at Q1 2022
Red line - current TPI uplift percentage as at Q3 2022

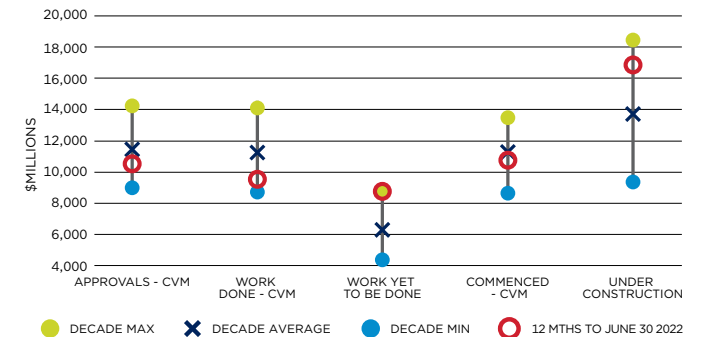
WA - FINANCIAL YEARS
BUILDING WORK YET TO BE DONE VS WORK DONE, \$ ORIGINAL



KEY SECTOR COMMENTARY

AGED CARE	Aged care continues to be a steady sector with new projects in all stages of development.
APARTMENTS	A number of apartment projects have been shelved with a few proceeding. Construction price rises have continued to rise faster than sale prices.
COMMERCIAL	Commercial office construction is still at a low level and Property Council figures show a 15% office vacancy rate. Some office development is occurring at Elizabeth Quay and the CBD.
HEALTH	There are numerous Health projects in the Planning and design phases, and this is likely to be a busy sector over the next 2 to 3 years.
HOTELS	There are limited number of major Hotel projects planned. Some hotels are looking to refurbish and refresh as demand is likely to increase with more travellers come into the State.
HOUSING	Continues to be in a 'boom'. Delays in construction are being experienced and the volume of work is drawing labour resources from the commercial construction sector. We estimate that there is approximately 12 months of committed projects to be delivered before this sector cools off.
INDUSTRIAL	There is a growing level of activity in the industrial sector mainly in support of logistics and mining enterprises.
INFRASTRUCTURE	Infrastructure continues to be a busy sector, and this looks likely to continue for at least the next 3 years.
RETAIL	Aged care continues to be a steady sector with new projects in all stages of development.

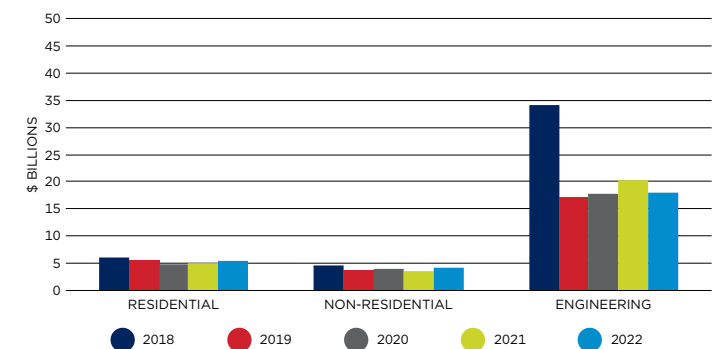
WA BUILDING ACTIVITY VALUES - 2013 TO 2022
FINANCIAL YEAR



WA - VALUE OF WORK DONE
(ORIGINAL CVM, \$'000)

FINANCIAL YEARS	RESIDENTIAL				NON RES TOTAL	BUILDING TOTAL	ENGINEERING TOTAL	TOTAL CONSTRUCTION
	NEW HOUSES	APARTMENTS	OTHER	TOTAL				
2016	5,904,043	1,988,126	764,926	8,657,095	4,749,423	13,415,261	40,776,409	54,191,670
2017	4,359,492	1,561,406	612,593	6,533,491	4,518,498	11,048,643	27,047,230	38,095,873
2018	4,024,929	1,352,552	623,281	6,000,762	4,612,152	10,607,526	34,089,561	44,697,087
2019	3,701,113	1,266,487	640,456	5,608,056	3,808,833	9,412,423	17,076,146	26,488,569
2020	3,301,202	945,776	579,297	4,826,275	4,025,221	8,851,496	17,678,415	26,529,911
2021	3,659,862	792,628	599,003	5,051,493	3,602,865	8,654,359	20,225,701	28,880,060
2022	3,890,952	890,536	569,713	5,351,201	4,106,065	9,457,266	18,053,236	27,510,502

CONSTRUCTION WORK DONE
FINANCIAL YEAR CVM





CURRENT MARKET CONDITIONS

NSW’s construction economy has decreased by 2.3% over FY22, from just over \$64B worth of work done in FY21 to under \$63B. The most recent slide in work done is a continuation of FY21 and FY20 results and demonstrates that the overall amount of work done in the state has still yet to recover to pre-pandemic levels.

However, it is interesting to note that the vast majority of construction slowdown is attributed to two sectors being the apartment and recreational sectors, with work done dropping by \$2.2B and \$1.3B respectively.

Approval levels have dropped over FY22, by around \$3B (8%), while dwelling numbers have similarly dropped by around 4,000 dwellings (8%).

The value of work commenced in the state has positively risen by 13.0% over FY21, and now sits very close to the decade peak. The value of work yet to be done (cost to complete) has increased to \$59B and sits well above pre-pandemic levels and at a decade high. Combining these two statistics gives credence to the notion that construction work in the state is becoming increasingly delayed due to external factors (primarily weather).

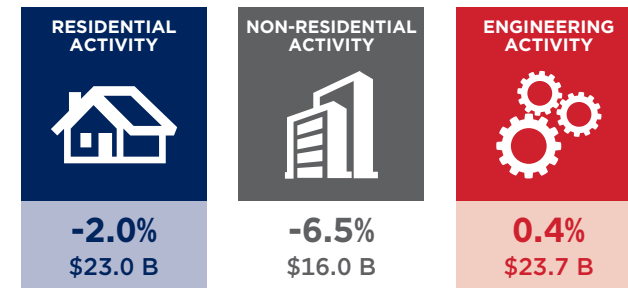
CONSTRUCTION ESCALATION

Unexpectedly high material price rises have occurred, in particular, concrete, steel, reinforcement, timber, metal roof, wall cladding, masonry product supplies and PVC based products used in hydraulic and electrical trades. The raw material prices for metals such as copper and iron ore are reaching record heights along with volatility in shipping rates. During 2020 and Q1 and Q2 2021, under competitive tender conditions, these increases were not reflected in market tender pricing as contractors and subcontractors sought to secure workload. This trend has changed during Q3 and Q4 2021.

The current market is indicating elevated construction costs due to high level of market activity in tendering and material supply shortages.

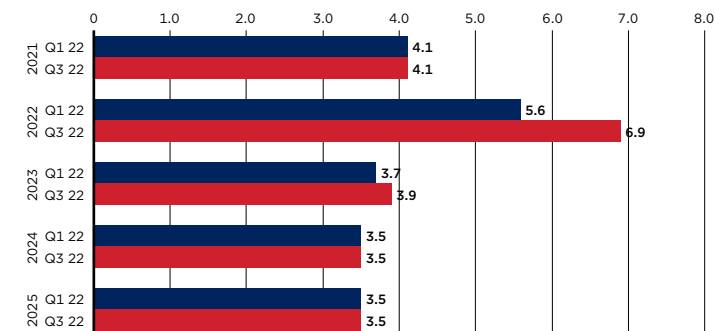
As a general view based on the current high tendering activities it is more likely that if contractors are required to accept procurement risk, we expect a premium to be included within their tender prices.

EBA agreements for major contractors and sub-contractors are generally agreed between 2% and 5% p.a., however, due to recent hikes in inflation, it is expected that upon the expiry of current EBA’s throughout 2023, negotiations for annual wage increases will likely be commenced at or above 6%.



Percentage change in work done in FY 2022
Total value of work done FY 2022

RLB TENDER PRICE INDEX ANNUAL % CHANGE



Blue line - previous TPI uplift percentage as at Q1 2022
Red line - current TPI uplift percentage as at Q3 2022

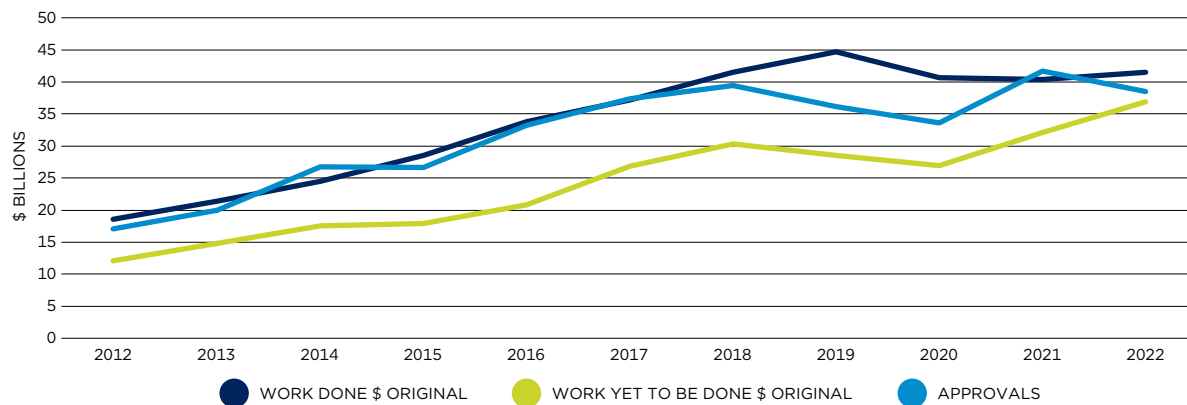
Material price rises have been seen across the board, particularly for such items as concrete, steel timber and masonry product supplies and PVC based products used in hydraulic and electrical trades. In addition, the raw material prices for metals such as copper and iron ore are reaching record heights. Such rises are prompting trades to link metal prices as a condition of tender pricing to provide an adjustment mechanism for material price increases. It is still unknown whether “rise and fall” contract clauses will be implemented in future contracts for major materials moving forward, noting it appears that the heat has come off global prices for iron ore as of late.

In addition to the material price increases faced globally, the heated market is seeing some contractors raise margins circa 1-2% above 2021 levels, which has led to an expected escalation for 2022 of 6.9%.

Escalation for 2023 is forecast at 3.9%, however, price movements through 2023 will depend greatly on the fluctuating raw material prices globally, which if global markets stabilise, may show a minor contraction generally.

The retail housing market remains buoyant, with continuing reported shortages of tradesman and material due to the high demand in this sector. It is unclear how recent interest rate hikes will affect the activity in the market, but due to a back log of outstanding work, it is likely that the residential housing market will remain strong through the next 12 months.

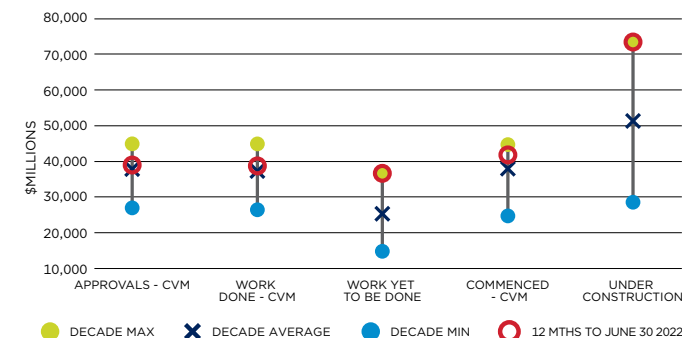
NSW - FINANCIAL YEARS
BUILDING WORK YET TO BE DONE VS WORK DONE, \$ ORIGINAL



KEY SECTOR COMMENTARY

AGED CARE	Activity in the sector remains strong both due to underlying demand and the uplift in property prices across the residential housing sector, allowing more freedom for the downsizer market.
APARTMENTS	Demand for inner city apartments continues to be subdued against pre-COVID levels, which is now further affected by the recent interest rate rises. Apartments in prestige suburbs continue to experience increased demand as people take advantage of increased existing property values permitting a transfer to a higher quality dwelling or suburb.
COMMERCIAL	Vacancy rates have increased due to additional supply and with a movement towards a “hybrid” working environment, the outlook for commercial property remains unclear as clients and owners continue to evaluate white collar working trends. Landlords are looking to enhance amenity offerings to attract tenants, whilst tenants reconsider their floor area requirements due to reduced office attendance.
HEALTH	As part of the State Government’s response to COVID-19, expenditure on Health continues at a high level and future workload in this sector is likely to remain at a higher level than in recent years.
HOTELS	There has been a number of asset transactions in the sector and with the return of overseas and interstate travel the Hotel sector has strengthened with increased demand and confidence.
HOUSING	Housing work continues to see strong demand, with contractor’s workload generally backed-up due to both demand and project delays due to materials shortages. It is unclear how the recent interest rate rises will affect the sector once the backlog of work is cleared.
INDUSTRIAL	Very strong activity in warehousing and logistics sectors as markets respond to online purchases.
INFRASTRUCTURE	Activity within this sector has been affected by the material shortages and price rises, as well as labour shortages. Despite this school infrastructure expenditure remains strong.
RETAIL	Retail expenditure appears to be on the rise due to the return of the CBD workforce to a “hybrid” working arrangement.

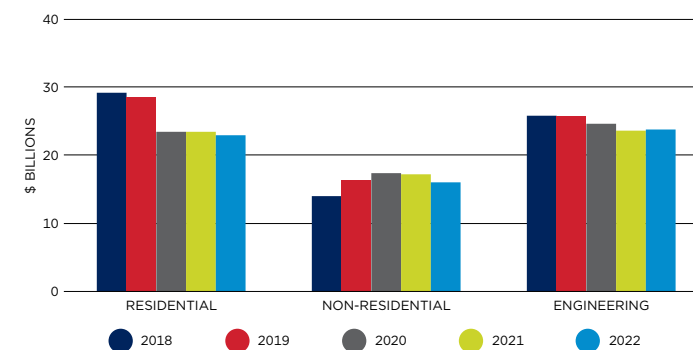
NSW BUILDING ACTIVITY VALUES - 2013 TO 2022
FINANCIAL YEAR



NSW - VALUE OF WORK DONE
(ORIGINAL CVM, \$'000)

FINANCIAL YEARS	RESIDENTIAL				NON RES TOTAL	BUILDING TOTAL	ENGINEERING TOTAL	TOTAL CONSTRUCTION
	NEW HOUSES	APARTMENTS	OTHER	TOTAL				
2016	9,419,779	12,013,922	3,121,021	24,554,722	13,382,275	37,957,144	18,435,868	56,393,012
2017	10,395,790	13,857,288	3,432,728	27,685,806	12,670,063	40,397,220	20,617,033	61,014,253
2018	10,643,902	15,378,598	3,222,756	29,245,256	14,060,576	43,346,808	25,871,500	69,218,308
2019	11,074,538	14,408,153	3,074,731	28,557,422	16,404,780	44,987,365	25,817,448	70,804,813
2020	9,367,110	11,114,090	2,906,861	23,388,061	17,280,882	40,668,943	24,584,777	65,253,720
2021	9,718,827	10,149,164	3,604,834	23,472,825	17,114,714	40,587,539	23,572,336	64,159,875
2022	10,515,057	8,498,664	3,838,393	22,852,114	16,073,684	38,925,797	23,686,267	62,612,064

CONSTRUCTION WORK DONE
FINANCIAL YEAR CVM





CURRENT MARKET CONDITIONS

Although COVID-19 is not front and centre in the headlines, its effects, along with prolonged geo-political turmoil continues to place pressure on resource reliant sectors of the supply chain such as freight and manufacturing.

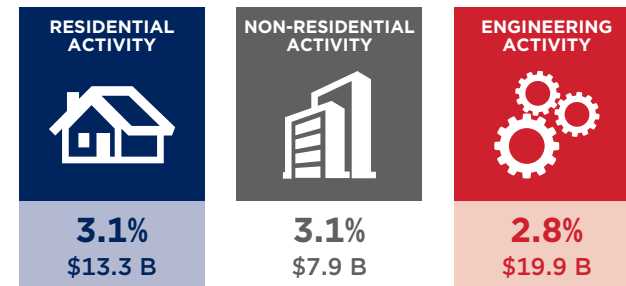
Project feasibility is a critical issue within the region with higher-than-expected construction costs coupled with rapid interest rate rises by the RBA. These factors have reduced lending capacity for many private developers which has resulted in projects being delayed or shelved until commercially viable. Whilst the housing sector remains strong with dwelling cost increases contributing to high CPI we will no doubt see this sector cool as affordability becomes a key issue. Significant long term funded Government projects, especially Health, Education and Defence, seem to be less effected by the impact of these factors, however it does affect two very different tiers of contractors

CONSTRUCTION ESCALATION

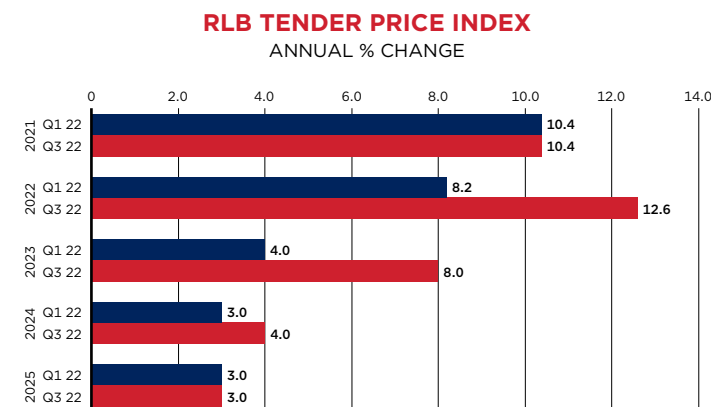
Townsville and its surrounding regions are still experiencing cost increases to both material and labour resources. However, it should be noted that the rate of increase has begun to taper off during this 4th quarter of 2022 and pales in comparison to the COVID-19 driven rate of increase we witnessed over the last 2 years. So, whilst optimistic, the region is still experiencing construction cost increases across most sectors.

Due to many fluctuating and opposing variables over the last 18 months within the North Queensland sector it is still risky to make predictions regarding future escalation in construction cost. Whilst some isolated trades have stabilized their pricing, and in some very rare cases they have reduced, most trades are still increasing albeit at a reduced rate in comparison to the previous quarters. This is also partly proportional to the high CPI along with an effort by subcontractors and trades to find and retain staff to complete the work they have contracted.

With ample work currently still under construction, trades and subcontractors have been forced to pass on fuel, freight, and manufacturing related expenses to cover costs, rather than endure a reduced margin under current pricing schemes. In turn contractors are still perceiving a higher risk from construction delays, material and labour shortages and availability of critical plant and equipment to complete projects. As a result, higher risk contingencies remain common place within contractor markup strategies during tender submission. Along with the yet unknown impact of the floods on the Southeast seaboard, a cautious attitude toward escalation should remain in place when forecasting construction costs.



Percentage change in work done in FY 2022 in Queensland
Total value of work done FY 2022 in Queensland



Blue line - previous TPI uplift percentage as at Q1 2022
Red line - current TPI uplift percentage as at Q3 2022

ABS APPROVAL DATA - YTD TO JULY 2022- 1 MONTH (SA2 REGIONS)

Financial Year ending June 30

TOWNSVILLE	2018	2019	2020	2021	2022	YTD 2023
HOUSES	187	125	146	335	285	18
APARTMENTS	9	5	25	17	30	14
RENOVATION	50	51	63	84	81	7
TOTAL RESIDENTIAL	247	181	234	436	396	39
NON RESIDENTIAL	450	359	331	378	510	15
TOTAL BUILDING \$	697	539	565	814	906	53
HOUSES	686	426	512	1,146	798	44
APARTMENTS	44	26	67	39	93	48
TOTAL DWELLINGS #	735	459	583	1,192	893	92
<i>AVERAGE COST OF DWELLING</i>	<i>267.30</i>	<i>283.04</i>	<i>293.09</i>	<i>295.15</i>	<i>353.27</i>	<i>346.81</i>

ABS APPROVAL DATA - YTD TO JULY 2022- 1 MONTH (SA2 REGIONS)

Financial Year ending June 30

CAIRNS	2018	2019	2020	2021	2022	YTD 2023
HOUSES	292	244	252	455	425	41
APARTMENTS	208	24	5	14	28	0
RENOVATION	73	63	62	81	89	7
TOTAL RESIDENTIAL	574	331	319	550	542	48
NON RESIDENTIAL	344	336	496	227	298	10
TOTAL BUILDING \$	918	666	814	777	840	58
HOUSES	967	758	766	1,471	1,182	116
APARTMENTS	567	96	22	32	122	-
TOTAL DWELLINGS #	1,549	862	800	1,510	1,308	116
<i>AVERAGE COST OF DWELLING</i>	<i>323.15</i>	<i>310.77</i>	<i>320.89</i>	<i>310.52</i>	<i>346.73</i>	<i>349.78</i>

FITZROY

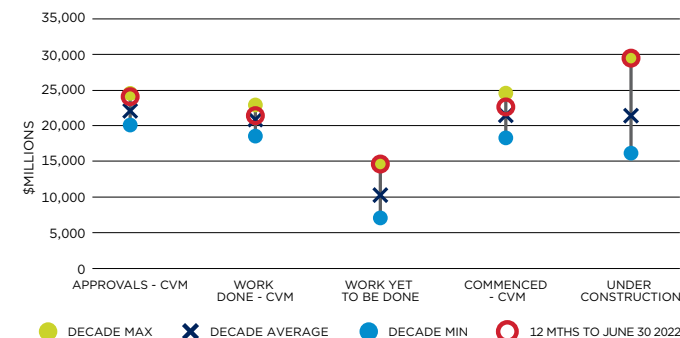
HOUSES	118	101	148	224	229	20
APARTMENTS	15	15	8	10	26	4
RENOVATION	31	33	59	181	122	9
TOTAL RESIDENTIAL	165	149	214	415	378	34
NON RESIDENTIAL	442	232	151	167	328	22
TOTAL BUILDING \$	607	381	366	582	705	56
HOUSES	409	328	466	723	619	50
APARTMENTS	72	54	23	36	85	22
TOTAL DWELLINGS #	484	383	497	764	706	73
<i>AVERAGE COST OF DWELLING</i>	<i>276.41</i>	<i>303.60</i>	<i>312.54</i>	<i>305.71</i>	<i>361.67</i>	<i>336.46</i>

MACKAY

HOUSES	190	258	175	318	331	41
APARTMENTS	6	0	1	7	64	0
RENOVATION	90	72	59	66	70	9
TOTAL RESIDENTIAL	286	329	235	391	465	50
NON RESIDENTIAL	316	194	301	242	398	8
TOTAL BUILDING \$	602	524	535	633	863	58
HOUSES	495	581	450	817	656	64
APARTMENTS	18	-	5	22	149	-
TOTAL DWELLINGS #	522	582	462	840	810	64
<i>AVERAGE COST OF DWELLING</i>	<i>374.62</i>	<i>442.97</i>	<i>380.76</i>	<i>386.32</i>	<i>487.29</i>	<i>643.14</i>

QLD BUILDING ACTIVITY VALUES - 2013 TO 2022

FINANCIAL YEAR



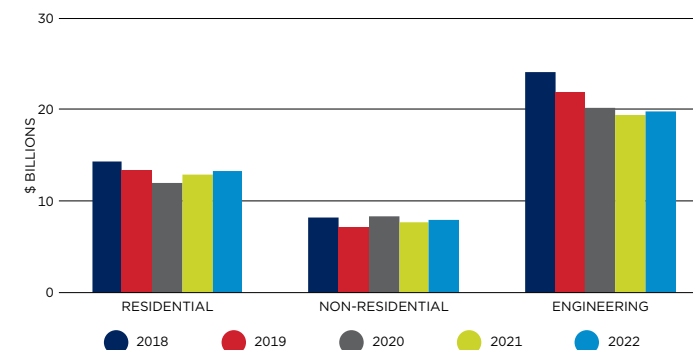
QLD - VALUE OF WORK DONE

(ORIGINAL CVM, \$'000)

FINANCIAL YEARS	RESIDENTIAL				NON RES TOTAL	BUILDING TOTAL	ENGINEERING TOTAL	TOTAL CONSTRUCTION
	NEW HOUSES	APARTMENTS	OTHER	TOTAL				
2016	7,141,605	6,190,420	1,617,288	14,949,313	7,879,446	22,828,192	20,715,103	43,543,295
2017	7,339,124	6,584,644	1,511,462	15,435,230	7,535,567	22,967,831	21,352,662	44,320,493
2018	7,461,014	5,306,903	1,569,303	14,337,220	8,260,329	22,605,031	24,145,993	46,751,024
2019	6,838,875	4,756,960	1,819,933	13,415,768	7,212,892	20,634,561	21,824,912	42,459,473
2020	6,351,994	3,772,003	1,923,096	12,047,093	8,296,925	20,344,019	20,218,255	40,562,274
2021	6,933,698	3,608,735	2,396,720	12,939,153	7,711,419	20,650,571	19,363,011	40,013,582
2022	7,206,488	3,816,597	2,264,629	13,287,714	7,963,757	21,251,470	19,833,290	41,084,760

CONSTRUCTION WORK DONE

FINANCIAL YEAR CVM



AUSTRALIA - CONSTRUCTION WORK DONE (\$M)

FINANCIAL YEAR, ORIGINAL \$

	2017	2018	2019	2020	2021
NEW HOUSE	35,421	38,667	36,529	35,435	43,284
APARTMENTS	31,681	33,636	30,613	26,512	23,460
ALTERATIONS & RENOVATIONS	8,784	9,546	9,205	9,779	11,973
TOTAL RESIDENTIAL	75,886	81,848	76,347	71,726	78,718
COMMERCIAL	1,501	2,056	2,100	2,091	3,699
EDUCATION	6,001	7,022	7,451	8,057	7,792
ENT. & REC.	3,382	3,381	3,659	3,572	3,835
HEALTH	5,545	5,154	5,381	5,659	5,142
HOTELS	3,185	3,573	3,466	3,744	2,853
INDUSTRIAL	5,765	5,510	7,500	7,363	7,668
OFFICES	6,366	7,873	8,931	8,957	8,474
OTHER NON RES	3,087	3,648	3,775	3,427	4,036
RETAIL	6,700	6,424	6,008	5,899	5,445
TOTAL NON-RESIDENTIAL	41,533	44,640	48,271	48,768	48,944
TOTAL BUILDING WORK DONE	117,419	126,488	124,618	120,494	127,662
BRIDGES, RAILWAYS & HARBOURS	7,440	9,988	10,462	11,342	13,743
ELECTRICITY & PIPELINES	12,095	15,937	15,126	13,832	14,834
HEAVY INDUSTRY	45,947	26,809	23,093	25,472	25,847
RECREATION & OTHER	5,535	5,984	5,392	6,250	6,549
ROADS AND SUBDIVISIONS	19,146	21,925	20,346	19,394	20,920
TELECOMMUNICATIONS	11,601	10,401	8,861	7,503	6,303
WATER, SEWERAGE AND SUPPLY	5,645	6,504	6,407	7,079	6,911
TOTAL ENGINEERING	107,410	97,548	89,687	90,873	95,107
TOTAL CONSTRUCTION	224,829	224,036	214,305	211,367	222,769
% CHANGE - YEAR ON YEAR	14.1%	-0.4%	-4.3%	-1.4%	5.4%

Source: ABS

SOUTH AUSTRALIA - CONSTRUCTION WORK DONE (\$M)

FINANCIAL YEAR, ORIGINAL \$

	2017	2018	2019	2020	2021
NEW HOUSE	2,027	2,161	2,087	2,320	2,626
APARTMENTS	766	971	829	801	658
ALTERATIONS & RENOVATIONS	434	472	478	479	581
TOTAL RESIDENTIAL	3,227	3,603	3,394	3,600	3,865
COMMERCIAL	82	94	138	113	156
EDUCATION	432	517	268	525	1,002
ENT. & REC.	141	239	256	207	210
HEALTH	491	306	256	316	319
HOTELS	89	136	188	252	140
INDUSTRIAL	293	498	702	354	461
OFFICES	151	246	359	343	400
OTHER NON RES	244	288	210	174	319
RETAIL	253	354	271	351	285
TOTAL NON-RESIDENTIAL	2,175	2,677	2,646	2,635	3,292
TOTAL BUILDING WORK DONE	5,403	6,280	6,041	6,235	7,157
BRIDGES, RAILWAYS & HARBOURS	350	323	451	361	508
ELECTRICITY & PIPELINES	1,179	1,668	1,259	906	1,298
HEAVY INDUSTRY	1,048	1,199	1,396	1,552	2,174
RECREATION & OTHER	451	539	546	545	595
ROADS AND SUBDIVISIONS	1,209	1,317	1,395	1,247	1,772
TELECOMMUNICATIONS	864	645	579	497	422
WATER, SEWERAGE AND SUPPLY	615	813	862	739	659
TOTAL ENGINEERING	5,716	6,504	6,488	5,849	7,428
TOTAL CONSTRUCTION	11,119	12,784	12,529	12,084	14,585
% CHANGE - YEAR ON YEAR	18.9%	15.0%	-2.0%	-3.6%	20.7%

Source: ABS

QUEENSLAND - CONSTRUCTION WORK DONE (\$M)

FINANCIAL YEAR, ORIGINAL \$

	2017	2018	2019	2020	2021
NEW HOUSE	7,207	7,196	6,554	6,274	8,436
APARTMENTS	5,729	4,792	4,343	3,478	3,808
ALTERATIONS & RENOVATIONS	1,473	1,735	1,869	2,145	2,736
TOTAL RESIDENTIAL	14,409	13,723	12,765	11,897	14,980
COMMERCIAL	309	265	355	249	514
EDUCATION	1,073	909	1,279	1,505	1,307
ENT. & REC.	573	561	514	734	702
HEALTH	934	915	941	1,131	756
HOTELS	717	934	514	475	444
INDUSTRIAL	1,127	919	1,458	1,271	1,235
OFFICES	918	952	881	946	1,178
OTHER NON RES	513	526	652	958	611
RETAIL	1,730	1,738	1,128	1,007	1,077
TOTAL NON-RESIDENTIAL	7,894	7,719	7,723	8,277	7,824
TOTAL BUILDING WORK DONE	22,303	21,442	20,488	20,174	22,804
BRIDGES, RAILWAYS & HARBOURS	1,156	844	1,239	1,870	2,099
ELECTRICITY & PIPELINES	3,072	4,135	2,541	2,320	3,212
HEAVY INDUSTRY	8,064	8,834	8,495	7,566	6,390
RECREATION & OTHER	864	971	1,153	1,603	1,363
ROADS AND SUBDIVISIONS	4,163	4,596	3,875	3,563	4,150
TELECOMMUNICATIONS	2,244	1,953	1,591	1,245	1,094
WATER, SEWERAGE AND SUPPLY	1,456	1,310	1,492	1,870	1,945
TOTAL ENGINEERING	21,019	22,644	20,385	20,037	20,253
TOTAL CONSTRUCTION	43,322	44,086	40,873	40,211	43,057
% CHANGE - YEAR ON YEAR	7.9%	1.8%	-7.3%	-1.6%	7.1%

Source: ABS

AUSTRALIAN CAPITAL TERRITORY - CONSTRUCTION WORK DONE (\$M)

FINANCIAL YEAR, ORIGINAL \$

	2017	2018	2019	2020	2021
NEW HOUSE	413	564	560	586	579
APARTMENTS	1,081	1,111	1,308	1,320	1,182
ALTERATIONS & RENOVATIONS	128	131	175	180	178
TOTAL RESIDENTIAL	1,622	1,807	2,042	2,086	1,939
COMMERCIAL	27	26	51	44	64
EDUCATION	187	447	162	189	218
ENT. & REC.	83	58	65	42	47
HEALTH	174	71	125	138	153
HOTELS	24	93	137	118	44
INDUSTRIAL	38	88	145	59	81
OFFICES	296	314	308	424	401
OTHER NON RES	101	62	15	22	50
RETAIL	116	127	97	88	39
TOTAL NON-RESIDENTIAL	1,046	1,286	1,107	1,124	1,097
TOTAL BUILDING WORK DONE	2,669	3,093	3,149	3,211	3,036
BRIDGES, RAILWAYS & HARBOURS	276	326	69	5	6
ELECTRICITY & PIPELINES	108	99	90	91	97
HEAVY INDUSTRY	0	1	31	12	1
RECREATION & OTHER	116	73	94	43	224
ROADS AND SUBDIVISIONS	116	131	147	182	108
TELECOMMUNICATIONS	284	178	152	167	181
WATER, SEWERAGE AND SUPPLY	94	120	113	114	86
TOTAL ENGINEERING	993	927	695	614	703
TOTAL CONSTRUCTION	3,662	4,020	3,844	3,825	3,739
% CHANGE - YEAR ON YEAR	11.2%	9.8%	-4.4%	-0.5%	-2.3%

Source: ABS

NORTHERN TERRITORY - CONSTRUCTION WORK DONE (\$M)

FINANCIAL YEAR, ORIGINAL \$

	2017	2018	2019	2020	2021
NEW HOUSE	253	218	170	163	205
APARTMENTS	69	85	39	39	37
ALTERATIONS & RENOVATIONS	107	126	116	137	118
TOTAL RESIDENTIAL	429	428	326	339	359
COMMERCIAL	12	28	26	66	24
EDUCATION	78	99	63	51	54
ENT. & REC.	49	51	51	27	24
HEALTH	146	68	23	29	53
HOTELS	12	17	14	16	8
INDUSTRIAL	54	35	43	40	63
OFFICES	39	38	60	101	62
OTHER NON RES	147	165	99	119	199
RETAIL	110	102	67	53	24
TOTAL NON-RESIDENTIAL	647	602	445	502	511
TOTAL BUILDING WORK DONE	1,076	1,031	771	841	871
BRIDGES, RAILWAYS & HARBOURS	37	67	45	35	128
ELECTRICITY & PIPELINES	367	467	136	163	100
HEAVY INDUSTRY	5,076	2,696	652	436	519
RECREATION & OTHER	118	106	98	194	258
ROADS AND SUBDIVISIONS	328	303	270	314	534
TELECOMMUNICATIONS	205	61	49	70	62
WATER, SEWERAGE AND SUPPLY	59	95	82	86	140
TOTAL ENGINEERING	6,191	3,793	1,332	1,299	1,741
TOTAL CONSTRUCTION	7,267	4,824	2,103	2,140	2,612
% CHANGE - YEAR ON YEAR	5.7%	-33.6%	-56.4%	1.7%	22.0%

Source: ABS

TASMANIA – CONSTRUCTION WORK DONE (\$M)

FINANCIAL YEAR, ORIGINAL \$

	2017	2018	2019	2020	2021
NEW HOUSE	494	660	768	913	1,140
APARTMENTS	87	89	67	50	43
ALTERATIONS & RENOVATIONS	121	135	148	151	184
TOTAL RESIDENTIAL	702	885	984	1,115	1,367
COMMERCIAL	5	4	12	14	25
EDUCATION	106	67	141	165	122
ENT. & REC.	70	76	70	29	80
HEALTH	152	248	129	67	63
HOTELS	105	69	128	109	50
INDUSTRIAL	56	84	127	113	120
OFFICES	101	74	52	78	46
OTHER NON RES	18	24	19	45	94
RETAIL	62	66	46	71	90
TOTAL NON-RESIDENTIAL	675	711	723	692	690
TOTAL BUILDING WORK DONE	1,378	1,596	1,707	1,807	2,057
BRIDGES, RAILWAYS & HARBOURS	121	89	99	91	162
ELECTRICITY & PIPELINES	241	385	600	306	253
HEAVY INDUSTRY	126	119	78	149	216
RECREATION & OTHER	54	85	69	90	137
ROADS AND SUBDIVISIONS	279	327	352	425	467
TELECOMMUNICATIONS	245	108	109	95	117
WATER, SEWERAGE AND SUPPLY	209	319	296	318	413
TOTAL ENGINEERING	1,276	1,432	1,603	1,475	1,765
TOTAL CONSTRUCTION	2,654	3,028	3,310	3,282	3,822
% CHANGE - YEAR ON YEAR	6.8%	14.1%	9.3%	-0.9%	16.5%

Source: ABS

VICTORIA – CONSTRUCTION WORK DONE (\$M)

FINANCIAL YEAR, ORIGINAL \$

	2017	2018	2019	2020	2021
NEW HOUSE	11,203	12,868	12,638	12,988	14,434
APARTMENTS	8,823	10,122	10,547	9,392	7,896
ALTERATIONS & RENOVATIONS	2,864	3,013	2,842	3,004	3,467
TOTAL RESIDENTIAL	22,890	26,003	26,027	25,383	25,797
COMMERCIAL	365	679	526	456	888
EDUCATION	2,164	2,341	2,271	2,476	2,284
ENT. & REC.	1,072	946	1,061	1,079	789
HEALTH	1,235	1,467	1,234	1,164	1,403
HOTELS	608	843	1,170	1,355	1,106
INDUSTRIAL	1,863	1,665	1,903	2,808	2,357
OFFICES	2,092	2,936	3,366	3,056	2,662
OTHER NON RES	675	924	766	1,085	1,717
RETAIL	1,727	1,508	1,673	1,624	1,242
TOTAL NON-RESIDENTIAL	11,801	13,310	13,969	15,105	14,448
TOTAL BUILDING WORK DONE	34,690	39,314	39,997	40,488	40,245
BRIDGES, RAILWAYS & HARBOURS	1,849	3,599	3,193	4,358	4,934
ELECTRICITY & PIPELINES	2,385	3,971	4,460	3,766	3,703
HEAVY INDUSTRY	632	610	758	816	527
RECREATION & OTHER	1,645	1,644	1,323	1,379	1,519
ROADS AND SUBDIVISIONS	3,511	4,765	4,363	5,172	5,399
TELECOMMUNICATIONS	2,692	2,901	2,392	1,775	1,484
WATER, SEWERAGE AND SUPPLY	1,002	1,182	1,202	1,495	1,357
TOTAL ENGINEERING	13,715	18,671	17,691	18,761	18,924
TOTAL CONSTRUCTION	48,405	57,985	57,688	59,249	59,169
% CHANGE – YEAR ON YEAR	12.7%	19.8%	-0.5%	2.7%	-0.1%

Source: ABS

WESTERN AUSTRALIA - CONSTRUCTION WORK DONE (\$M)

FINANCIAL YEAR, ORIGINAL \$

	2017	2018	2019	2020	2021
NEW HOUSE	4,118	3,909	3,417	3,353	4,764
APARTMENTS	1,382	1,348	1,100	813	899
ALTERATIONS & RENOVATIONS	591	653	618	578	728
TOTAL RESIDENTIAL	6,091	5,909	5,136	4,743	6,391
COMMERCIAL	219	148	106	167	229
EDUCATION	530	537	592	565	607
ENT. & REC.	606	273	333	137	128
HEALTH	491	424	413	346	467
HOTELS	493	486	245	214	111
INDUSTRIAL	484	494	792	695	743
OFFICES	453	484	491	515	595
OTHER NON RES	339	295	341	347	385
RETAIL	1,099	857	718	747	802
TOTAL NON-RESIDENTIAL	4,714	3,998	4,031	3,734	4,066
TOTAL BUILDING WORK DONE	10,805	9,908	9,167	8,477	10,458
BRIDGES, RAILWAYS & HARBOURS	874	906	894	973	1,568
ELECTRICITY & PIPELINES	1,632	1,837	2,104	2,334	1,867
HEAVY INDUSTRY	29,560	11,628	9,761	12,684	13,328
RECREATION & OTHER	655	548	526	442	416
ROADS AND SUBDIVISIONS	1,861	1,946	1,661	1,592	1,784
TELECOMMUNICATIONS	1,508	940	665	505	586
WATER, SEWERAGE AND SUPPLY	534	514	403	411	743
TOTAL ENGINEERING	36,623	18,317	16,013	18,940	20,292
TOTAL CONSTRUCTION	47,428	28,225	25,180	27,417	30,750
% CHANGE - YEAR ON YEAR	27.4%	-40.5%	-10.8%	8.9%	12.2%

Source: ABS

NEW SOUTH WALES – CONSTRUCTION WORK DONE (\$M)

FINANCIAL YEAR, ORIGINAL \$

	2017	2018	2019	2020	2021
NEW HOUSE	9,702	11,078	10,317	8,828	11,089
APARTMENTS	13,734	15,108	12,369	10,601	8,925
ALTERATIONS & RENOVATIONS	3,066	3,279	2,955	3,101	3,975
TOTAL RESIDENTIAL	26,502	29,465	25,641	22,530	23,989
COMMERCIAL	579	811	886	980	1,798
EDUCATION	1,432	2,104	2,676	2,582	2,198
ENT. & REC.	788	1,176	1,308	1,316	1,855
HEALTH	1,922	1,656	2,260	2,466	1,929
HOTELS	1,136	990	1,070	1,204	948
INDUSTRIAL	1,848	1,728	2,329	2,023	2,609
OFFICES	2,221	2,830	3,414	3,493	3,130
OTHER NON RES	1,049	1,363	1,673	676	661
RETAIL	1,602	1,671	2,009	1,958	1,886
TOTAL NON-RESIDENTIAL	12,578	14,330	17,626	16,699	17,014
TOTAL BUILDING WORK DONE	39,080	43,795	43,268	39,229	41,003
BRIDGES, RAILWAYS & HARBOURS	2,777	3,834	4,473	3,648	4,337
ELECTRICITY & PIPELINES	3,113	3,375	3,935	3,947	4,303
HEAVY INDUSTRY	1,442	1,722	1,922	2,257	2,693
RECREATION & OTHER	1,632	2,019	1,584	1,953	2,036
ROADS AND SUBDIVISIONS	7,678	8,540	8,283	6,899	6,707
TELECOMMUNICATIONS	3,559	3,616	3,324	3,149	2,357
WATER, SEWERAGE AND SUPPLY	1,676	2,152	1,956	2,045	1,568
TOTAL ENGINEERING	21,877	25,259	25,478	23,898	24,001
TOTAL CONSTRUCTION	60,957	69,054	68,746	63,127	65,004
% CHANGE – YEAR ON YEAR	12.7%	13.3%	-0.4%	-8.2%	3.0%

Source: ABS

ABBREVIATIONS

\$B	Billion (Thousand Million) Dollars
\$M	Million Dollars
ABS	Australian Bureau Of Statistics
CVM	Chain Volume Measure
CPI	Consumer Price Index
FY	Year Ending 30 June
k	Thousand
RBA	Reserve Bank Of Australia
SNZ	Statistics New Zealand

DEFINITIONS - AUSTRALIA

CONSTRUCTION	Building and Engineering
BUILDING	Residential and Non-Residential
ENGINEERING	Includes but not limited to: roads, runways, rail, bridges, harbours, water storage, sewerage works, pipelines, electricity generation and distribution, telecommunications and mining works.
RESIDENTIAL	New houses & Other new residential & Alterations/additions (incl. refurb and conversion)
NEW HOUSES	Detached Dwellings
OTHER NEW RESIDENTIAL	Semi-detached dwellings (Townhouses etc.) & multilevel dwellings (Apartments)
NON-RESIDENTIAL	Includes but not limited to: offices, commercial, industrial, retail, education, health, recreation, civic, short-term accommodation and other buildings not classified, but not Residential or Engineering

SOURCES OF INFORMATION - AUSTRALIA

BUILDING ACTIVITY & APPROVAL VALUE SUMMARY	All values are current price (nominal value) Building Approvals – ABS, <i>Building Approvals, Australia</i> , cat. no. 8731.0 Building work done, work yet to be done, work in the pipeline, work commenced and work under construction – ABS, <i>Building Activity, Australia</i> , cat. no. 8752.0
BUILDING ACTIVITY DWELLING SUMMARY	All values are current price All values are from ABS, <i>Building Activity, Australia</i> , cat. no. 8752.0
STATE CONSTRUCTION WORK DONE	All values are in current price Building work done values are from ABS, <i>Building Activity, Australia</i> , cat. no. 8752.0 Engineering work done values are from ABS, <i>Engineering Construction Activity, Australia</i> , cat. no. 8762.0
STATE BUILDING APPROVALS	All values are current price Building Approvals – ABS, <i>Building Approvals, Australia</i> , cat. no. 8731.0
REGIONAL QUEENSLAND BUILDING APPROVAL VALUE	All values are current price ABS, <i>Building Approvals, 2011-17 – SA2 – Queensland, SuperWEB2</i> ABS, <i>Building Approvals, 2016-18 – SA2 – Queensland, SuperWEB2</i>
REGIONAL QUEENSLAND DWELLINGS	ABS, <i>Building Approvals, 2011-17 – SA2 – Queensland, SuperWEB2</i> ABS, <i>Building Approvals, 2016-18 – SA2 – Queensland, SuperWEB2</i>

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