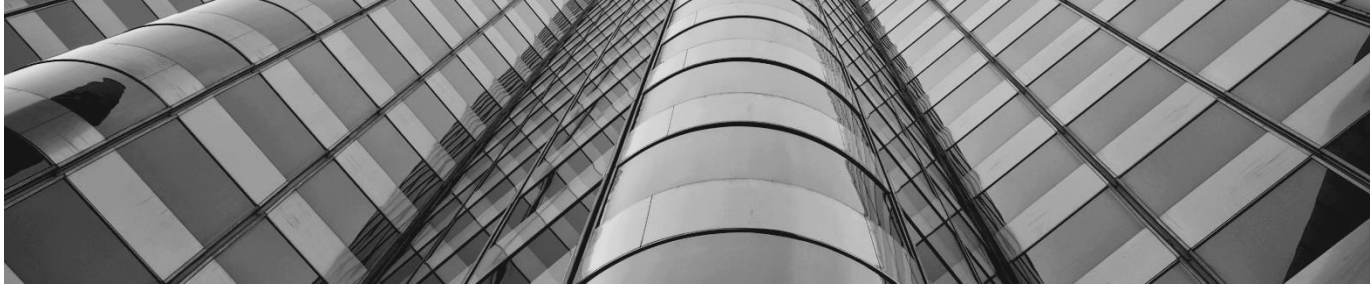


Australian
Institute of
Architects

Economic Stimulus 2020 Scorecard

**Scorecard of announced initiatives of
the Commonwealth and the States and
Territories governments benchmarked
to Institute Priorities set out in
*Economic Stimulus 2020.***

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PURPOSE

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- **A submission was made by the Australian Institute of Architects (the Institute) in April 2020 to provide input to the Federal, State and Territory Governments on economic stimulus measures to assist with the economic recovery of Australia after the COVID-19 pandemic.**
 - **This report scorecards the aggregate of announced measures over the period of the declared pandemic directed towards economic stimulus and which would deliver potential work for the construction industry including architects.**
 - **At the time of this scorecard, the National President of the Institute is Alice Hampson FRAIA**
 - **The Chief Executive Officer is Julia Cambage.**

INFORMATION

The Australian Institute of Architects (Institute) is the peak body for the architectural profession in Australia. It is an independent, national member organisation with around 12,500 members across Australia and overseas.

The Institute exists to advance the interests of members, their professional standards and contemporary practice, and expand and advocate the value of architects and architecture to the sustainable growth of our communities, economy and culture.

The Institute actively works to maintain and improve the quality of our built environment by promoting better, responsible and environmental design.

1. INTRODUCTION

During 2020 economic support packages have focused on helping business stay solvent and retain core staff while providing a safety net of support for workers who have unexpectedly lost their jobs. We welcome these initiatives. Beyond these immediate initiatives, we know that governments and businesses are using this hiatus productively to identify planning, development and construction programs that will not only stimulate economic recovery but also ensure solid long-term benefits.

The Australian Institute of Architects (the Institute) has canvassed our membership to gauge what processes, programs and policies need to be implemented to support the construction industry. We have also canvassed the direct impacts on business for our members.

It will be vital to keep the building and construction industry operating as an essential service as long as activity adheres to government guidelines and health and safety regulations. This industry directly employs nearly 1 in 10 people. Many more are employed in the production of building products such as concrete and steel reinforcement, bricks, wall framing, building boards, windows and doors, roof tiles, metal cladding, domestic electrical and plumbing products, including stainless steel sinks, copper pipes and electrical cables.

2. PRINCIPLES

The Institute believes that some key principles must underlie any stimulus measures and lessons learned from the GFC must be taken on board.

- Governments must not only focus on what can be delivered quickly. There needs to be a focus on what is needed in the long term to sustain communities.
- As well, governments must identify initiatives that deliver a long-lasting public benefit from Commonwealth and State investment such as various forms of infrastructure and housing.
- Measures are needed that assist SMEs that make up 98% of the building and construction industry. One of the key lessons learned from the Building Education Revolution program during the GFC was that projects were placed in the hands of a few large companies, with small and regional businesses missing out on the downstream benefits of this stimulus spending.
- Stimulus efforts should focus on programs and projects of a variety of scales and locations, rather than large or singular projects. This would enable a spread of the dollar value across local, state and federal governments, regions, towns and cities in an equitable manner for small, medium and larger businesses.

3. OUR PRIORITIES SET OUT IN *ECONOMIC STIMULUS 2020*

A summary of the themes for priorities proposed in Economic Stimulus 2020 are:

- **Open For Business**
 - 3.1 Streamlining approvals
 - 3.2 Procurement processes that supports Australian businesses
- **Programs and Projects**
 - 4.1 Social and affordable housing
 - 4.2 Retrofit existing housing to improve comfort and energy efficiency
 - 4.3.1 New school buildings
 - 4.3.2 Retrofitting schools to improve comfort and energy efficiency
 - 4.4 Improving commercial and public buildings
 - 4.5 Community projects/local government
 - 4.6 Heritage management and condition upgrades.

4. THE SCORECARD

The scorecard in the Excel workbook on the last page aggregates the announced measures against the stated priority area for stimulus in the Institute's Economic Stimulus 2020 statement. It contains both measures derived from announced Covid-19 Economic Stimulus Measures that various governments in Australia have implemented in 2020 and general 2020-21 fiscal year budget measures (where budgets have been tabled in the relevant parliament) of a similar nature and which would be likely to have a stimulatory effect. As at January 2021, only one government (ACT) has not yet tabled a 2020-21 budget in its legislative assembly. However, analysis was performed on the ACT Government's August 2020 Economic and Fiscal Update and its September 2020 Pre-Election Budget Update.

In our Australian Institute of Architects Covid-19 members' survey 6.08% of respondents reported they had zero months of work in the pipeline, 23.54% reported 1-2months and the majority of respondents, 44.28%, reported an estimation of 3-6months of work in the pipeline. It should be noted that measures in this scorecard have been selected for the possibility of involving architects as well as broadly being in accordance with the Institute's Economic Stimulus statement typology of recommended measures. However, they are not further evaluated for their probability or scale of impact in terms of the amount of economic activity they create for architects.

Some of the announced measures included in the scorecard are micro-level initiatives targeted at households, community organisations and small businesses to undertake maintenance and minor improvements. While these will have positive stimulatory for the construction industry overall, they may not contribute to a pipeline of work for Institute members. However, again, these initiatives are included as they accord with the Institute's priorities detailed in Economic Stimulus 2020.

Large scale infrastructure road and rail infrastructure projects are generally not included as the consultation and design is largely of an engineering type rather than architecture. There often very large dollar amounts would otherwise skew the perception of Economic Stimulus benefit that Architects may be likely to participate in.

Spreadsheet attachment. The basis of the scorecard has been announcement in governments’/ ministers’ media releases and published packages and budget statements published in different formats on government treasury and /or Covid-19 websites. Care has been taken to not double count funding and to not include government spending that would have occurred as part of existing projects. However planned spending ‘brought forward’ has been included. Measures out to four years have been included and noted as far as information is provided.

There are also measures, especially those in relation to “streamlining approvals” which have no direct procurement impact for architects but comprise qualitative information for noting. The amounts shown for Victoria in relation to streamlining measures in column F (“subamount for noting”) are not included in the totals used to generate the data in the graphs worksheet.

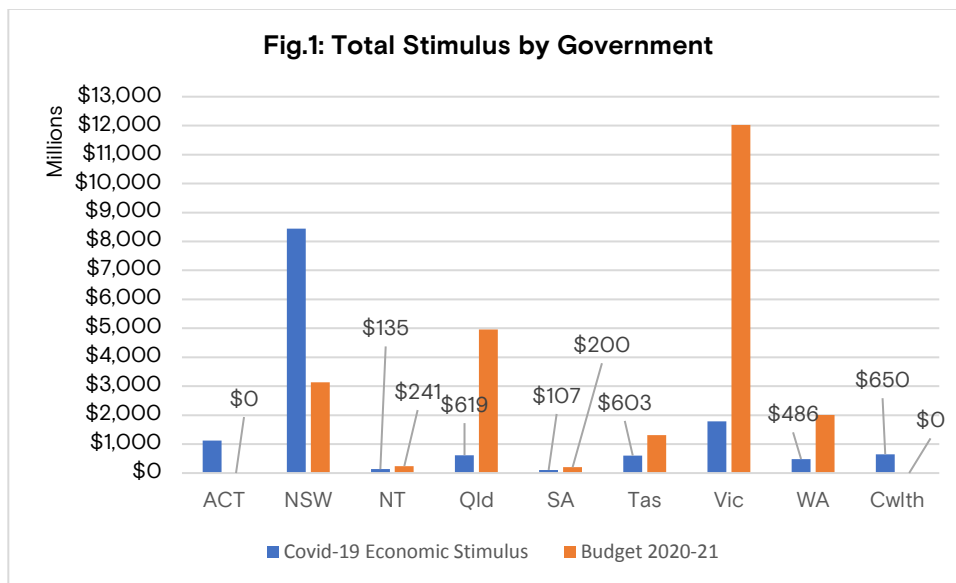
In the spreadsheet – filters in the “measures” worksheet can be set for the columns A–G for selection purposes to enable a quick drilldown into a State/ Territory or type of measures per the stimulus measures priorities above.

5. OVERALL STIMULUS OUTLAYS COMMITMENTS.

Stimulus outlays.

By government

Figure 1 shows, as at January 2021, the combined picture of specific Covid-19 Economic Stimulus measures (those which were announced pre-budget) and budget measures.

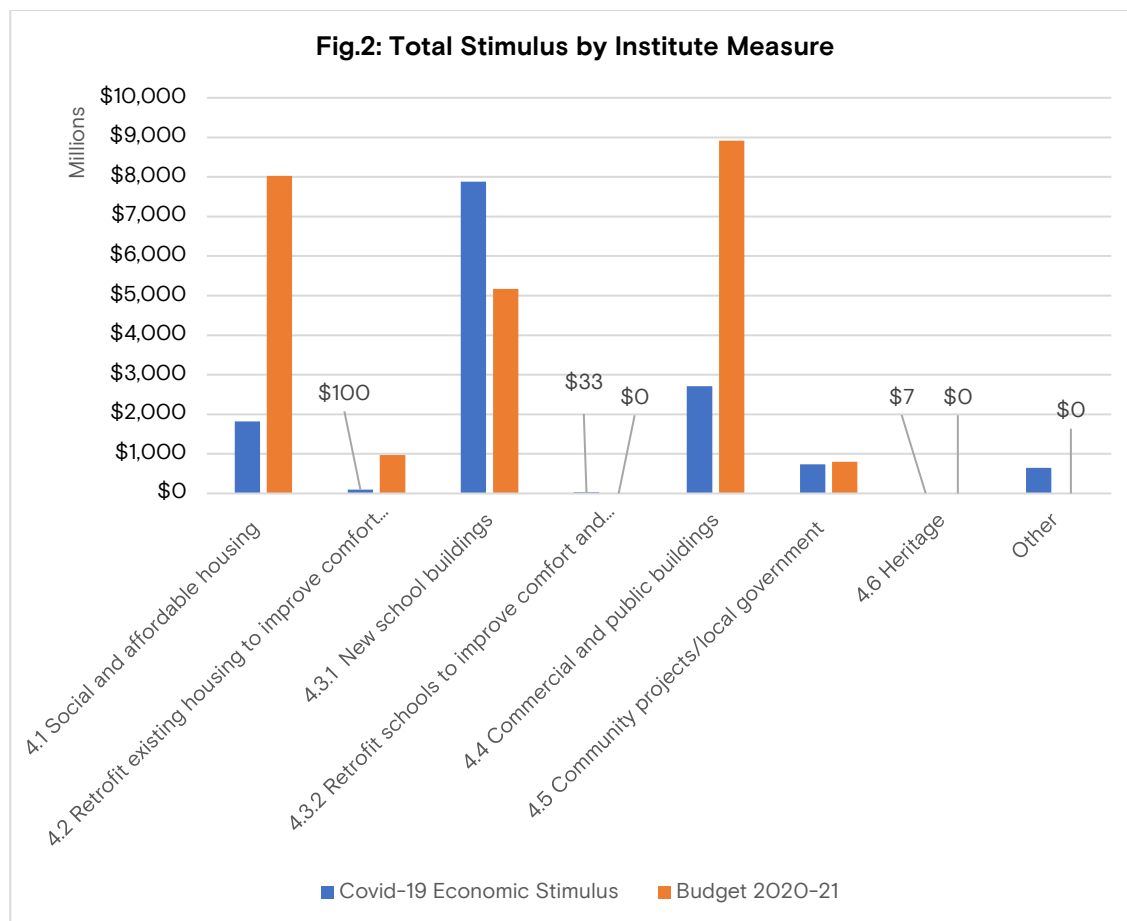


Rounded amounts to the nearest \$10mi are total amounts of \$13.94bi for announced Covid-19 Economic Stimulus measures and \$23.89bi for 2020-21 budget measures with a resulting combined impact of \$37.83bi.

Victoria’s very large budget stimulus includes the combined impact of its \$5.3bi social and affordable housing stimulus, and its Arts precinct redevelopment while New South Wales’ large Covid-19 Economic Stimulus includes \$6.7bi for Over 190 new and upgraded schools.

By Institute Measure.

Figure 2 demonstrates that new school buildings (including TAFES)¹ comprises the largest combined amount of outlay (\$13.05bi) followed by commercial and public buildings² (\$11.6bi) and social and affordable housing (\$9.85bi). Victoria’s \$797mi budget commitment to improve energy efficiency in homes and residential buildings is almost three quarters of the \$1.07bi of all initiatives to retrofit existing housing to improve comfort and energy efficiency.



Heritage outlays are minimal and two combined initiatives of \$7mi were announced by Tasmania being \$4mi for Royal Tasmanian Botanical Gardens’ significant upgrades and modernisation and \$3mi for the design and construction of a new visitor centre at the Cascades Female Factory (former convict workhouse).

Categorised under “Other” outlays is the \$650mi Australian Government HomeBuilder initiative which comprises \$25,000 grants for 27,000 for eligible owner-occupiers to build a new home or substantially renovate an existing home. This is not categorised as a Social or Affordable Housing initiative as the program does not target households experiencing difficulty entering the housing market or experiencing social and economic hardship.

Other measures.

Four governments (ACT, NSW, Vic and WA) announced specific legislated, re-regulated and /or funded measures to streamline approvals. In Victoria and NSW this has included e-planning/ digitisation strategies and associated investments.

¹ Includes upgrades and improvements.

² Includes health, arts, universities and anything else that was neither school, TAFE, nor social and affordable housing.

Only one government (Victoria) made a specific announcement of an exclusive procurement process as per the Institute's recommended measure *3.2 Procurement processes that supports Australian businesses*. This is in relation to the building of Victoria's new *National Gallery Victoria Contemporary* that will include an Australian only Architect design competition as part of the \$1.46 redevelopment of Victoria's arts precincts. However, an implied or frequently stated intent of most measures is to ensure local jobs creation and employment.

Scorecard.

**The detailed scorecard is an attachment to this document and can also be found in the Policy Submissions library under "National" submissions at:
<https://www.architecture.com.au/advocacy-news/policy-submissions>**
