



ENGINEERS  
AUSTRALIA

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# COVID-19 Recovery

A 9-Point Plan

May 2020

## 9-Point plan for economic recovery from the COVID-19 pandemic

Engineers Australia is the peak body of the engineering profession. We are a professional association with about 100,000 individual members. Established in 1919, Engineers Australia is a not-for-profit organisation, constituted by Royal Charter to advance the science and practice of engineering for the benefit of the community.

COVID-19 has challenged all nations, all industries and every profession. Encouragingly it has been experts in all fields of endeavour that governments and communities have turned to for advice and solutions. Engineers have been part of the healthcare response and are also ready to bring their expertise to bear in support of Australia's efforts to achieve widespread economic recovery. This 9-point plan sets out key criteria for success.

### Address the immediate need for jobs

#### 1 Keep the focus on infrastructure projects

Shovel-ready projects are a priority because construction is a labour-intensive sector that, if prioritised, can ameliorate the severe drop in consumer demand caused by the large and economy-wide job losses. Identifying and implementing shovel-ready projects is critical to creating new employment opportunities in metropolitan and regional communities.

Each construction project is preceded by a long design phase that employs thousands of engineers and allied professionals before the first shovel is used. To ensure that there is a stable pipeline of construction work, and to ensure the continuity of employment for professionals in Australia, public and private sector projects should maintain focus on the design phase. Without that focus, jobs for design engineers who underpin and enable the construction phases are at risk.

Now, more than ever, Commonwealth, state and territory infrastructure should advance building and construction pipelines against long-term plans that cross electoral cycles. The planning process modelled by Infrastructure Australia and similar state-focused entities provide project pipeline recommendations with an overall benefit to the community and, when implemented, support the economy with jobs today and community benefits over the long-term.

#### 2 Protect existing assets through maintenance

Maintenance programs for infrastructure of all kinds is often relegated behind new 'announceable' projects, but maintenance is essential for good asset management and for extracting maximum value from investments. Of particular interest in the COVID-19 recovery phase, maintenance often requires relatively short planning timeframes and often utilises a broad mix of skilled and unskilled workers.

#### 3 Protect the well-being of people

Enforced isolation to safeguard physical health, and the economic stress that has ensued, has had a significant effect on the mental health and wellbeing of many in the community. Governments at all levels should implement a range of measures such as debt relief, ensuring that mental health support agencies have the resources to cope with increased demand, and investing in community housing to assist those most vulnerable.

Maintaining vibrant cultural services, such as the arts, restaurants, entertainment and sport, are vital to community structure and mental wellbeing. Those sectors are some of the most severely affected by the health response to COVID-19 and their recovery is important for both economic and community wellbeing.

#### 4 Invest in local communities

Many local councils have suffered significant revenue reductions due to closure of profitable services and deferral of charges normally applied to residents and rate payers. Engineers Australia advocates for government support payments (such as the Commonwealth's JobKeeper scheme or other state-based schemes) to extend to local councils to safeguard employment and ensure the delivery of essential local services.

## Leverage existing structures to safeguard the recovery

### 5 Deliver good contract, procurement and payment practices

Government and private sector project owners are called on to ensure that delays due to COVID-19 will not incur penalties, compensation or result in termination of contracts. Consideration of how to address pandemics in force majeure clauses and provision of advice on alternative procedures is necessary. To limit time and expenditure, whilst providing ethical and fair treatment of participants and to ensure accountability and transparency in procurement operations, Engineers Australia recommends greater use of panel contracts and prequalification of suppliers. This will accelerate shovel ready projects, maintenance programmes and design phases.

To get money circulating in the economy more quickly, clients need to pay invoices on time. Laws that ensure security of payment must be supported, taking account of the need for flexibility and support if businesses are in demonstrable financial distress.

### 6 Build the next generation of professionals

Engineers Australia is supporting education providers and industry to ensure that undergraduate engineering students continue to have engagement with workplace practices; this is an essential component of their education. Without additional support for students, graduations will be delayed, and the workforce supply pipeline disrupted.

Industry is strongly urged to continue employing new graduate engineers to reduce the risk of a crippling shortage of mid-career engineers in future years.

## Adapt to the new normal

### 7 Resilient Australia

In response to global supply chain disruptions, governments should support measures to improve the capability of Australian manufacturers. In the short term, implementing 'buy local' policies will help domestic suppliers in the procurement phase.

A comprehensive industry policy is however needed, with focuses on: strategic engagement in international rules setting groups, such as international standards bodies; support for scaling up existing manufacturing industries; and, development of on-shore capabilities for manufacturing and materials supply. Together, these will invigorate the domestic economy and improve supply chain resilience.

### 8 Australia, the innovation nation

COVID-19 has forced a rethink of the way Australians live, work and communicate. It has required a rapid response and adaptation in industries and communities everywhere. There is an opportunity for governments and the private sector to invest in research and development and emerging technologies, industries and careers, and to do so with a 'start up mindset' that is less constrained by analysis paralysis. This is especially relevant for capitalising on the global transition to a low carbon future. An invigorated focus on innovation is a chance to fast track the sort of solutions that will create sustainable industries and economically resilient communities.

For example, poor supply chain resilience and energy supply uncertainties point to an opportunity to accelerate action to redesign the domestic manufacturing industry and accelerate testing of novel energy system solutions and more delivery of established renewable energy systems. And more than ever, a robust, high speed, low latency communications network that extends from the cities to the regions is paramount.

### 9 Flexible working is working!

COVID-19 necessitated rapid adaptation through greater reliance on technology and a transition to a workforce that worked remote from the office. Flexible work practices have been a long-held barrier to higher levels of workforce participation by women because statistics indicate that they remain the primary care giver in households. The change forced by COVID-19 allows consideration of how technology and flexible working arrangements can be implemented as a mainstream practice and deliver greater workforce participation in the long-term.

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