



## Treasurer of Victoria

Minister for Economic Development  
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### **VICTORIA'S CONTINUED COMMITMENT TO THE CONSTRUCTION SECTOR**

As Victoria and the world continue to respond to the impacts of coronavirus, it is critical we work together to ensure a strong and stable construction industry.

I thank the industry for their continued support in making workplaces safe and reducing the risk of coronavirus. This is integral to ensuring the ongoing operation of the construction sector as we move into the economic recovery phase.

This Government has always considered the construction sector pivotal to the economic success of our State. Even through these uncertain times, we remain committed to our infrastructure program and to the construction sector as a trusted partner.

A range of measures have been implemented to support businesses, including the recently announced Building Works package which will provide \$2.7 billion towards shovel-ready projects to get thousands of Victorians back to work. The package will create 3 700 direct jobs, while supporting thousands more across our State's supply chains.

I know the construction sector continues to feel the effects of this unprecedented event and that more action is required. As a key step, the Victorian Government has agreed a framework for responding to the impacts of the coronavirus across its infrastructure program. This framework provides a consistent approach across projects and authorises departments and agencies to implement a range of responses.

An extension of time is one option available to provide relief for projects in delivery, allowing work practices and programmes to be adapted in response to public health requirements. Departments and delivery agencies may also implement expedited payment arrangements to help alleviate impacts on project cashflows. This response will benefit constructors but also assist sub-contractors, suppliers and project consultants as project payments are passed through.

I encourage companies impacted by coronavirus to reach out to the relevant departments and delivery agencies to discuss the options available to support projects during this time. Importantly, departments and delivery agencies can apply the approved responses in a flexible manner, ensuring that the right assistance is provided depending on individual project characteristics and contractual arrangements.

As Government looks forward, it is also requiring departments and delivery agencies to consider coronavirus impacts on the planning and development of projects. Now more than ever, information exchange with the construction industry is key to understanding if there has been any change to the appetite and capacity of the sector to deliver projects. Wherever possible, the State will consider how project procurements might be structured to ensure optimal outcomes for the State whilst maintaining a viable and strengthened construction sector.

We are committed to working flexibly and the successful delivery of the infrastructure program is dependent on continued transparency and cooperation between the Government and the construction sector. It is only through ongoing trust and collaboration that we will continue to successfully manage coronavirus impacts.

As circumstances evolve, the Government will continue to assess the impacts and steps required to ensure a robust construction sector. This is vital to driving economic recovery and delivering lasting impacts on the Victorian economy for the long term.

Again, I would like to thank the construction sector for working so collaboratively through this challenging period.

Yours sincerely

A handwritten signature in blue ink, appearing to read "T.P." followed by a stylized surname.

**TIM PALLAS MP**

**Treasurer**

01 July 2020