

# COVID-19

# MARKET REPORT

**BCI**AUSTRALIA

With continuous uncertainty surrounding COVID-19 and subsequent restrictions impacting the construction sector, BCI is responding by releasing a free fortnightly COVID-19 Market Report. By providing critical market visibility, this report seeks to support industry stakeholders during a period when the construction sector faces unprecedented challenges and uncertainty.

This report will highlight key information our fully operational, industry-leading Research Department has found through daily contact with hundreds of decision makers, as well as provide direct insights into what developers, architects, consultants & builders are prioritising at this time. Feedback from our Research Department includes:

- Council DA registers are still showing applications being submitted and approved for large councils.
- Most architects are now working from home but continuing with designs & documentation; some have started the process of identifying high priority 'Essential' projects.
- Small increase in medical facility/hospital projects, not only specific to COVID-19. Some emergency facilities are being fast-tracked.
- Fewer high-profile/larger scope new tenders but there are new projects out to expressions of interest & tender, mostly from councils.
- Closing dates of some current tenders have been extended but no sign of being put on hold as yet.

## **Your fortnightly source of accurate construction market information.**

The COVID-19 Market Report has been designed to address the specific circumstances we face due to the coronavirus crisis. While a raft of businesses in the transport, hospitality and other sectors has been locked down by federal and state governments, Australia's construction sector as at Monday 30<sup>th</sup> March has not been directly impacted in so far as construction sites are still open and operating. It may be a question of time, however, when a more fundamental lock down may be imposed, following the example of New Zealand, several countries in Europe and a number of states in the United States. In anticipation of this possible development, we monitor construction activity by distinguishing between 'Essential' and 'Non-Essential' construction. Please note that our classification of 'Essential' construction projects broadly follows the definitions set by the New Zealand government:

- Projects associated with the provision of essential services and critical infrastructure (e.g. utilities such as power, water and telecommunications, as well as infrastructure, military, etc.)
- Projects required immediately to maintain human health and safety (e.g. hospitals, medical centres, any project related to food production, storage and transport, etc.)
- Government projects (e.g. councils, etc.)

These projects will undergo an assessment of urgency, including the minimum work required to address the health and safety risk or to ensure the ongoing provision of the service or infrastructure.

# ESSENTIAL

Projects in categories likely to be classed as 'Essential', updated and added in key stages between 16 – 27 March 2020	Australia		New Zealand	
	#	\$ billion	#	\$ billion
Development Application Resource Consent Application (NZ)	116	2.2	19	1.0
Development Approval Resource Consent Approval (NZ)	95	10.8	20	0.4
Tenders Called/Tenderers Named	341	1.9	66	0.8
Tenders Awarded	94	1.0	28	0.03
Construction due to commence in next 3 months	1344	12.4	236	1.5

# NON-ESSENTIAL

All other projects, updated and added in key stages between 16 – 27 March 2020	Australia		New Zealand	
	#	\$ billion	#	\$ billion
Development Application Resource Consent Application (NZ)	636	6.3	53	0.2
Development Approval Resource Consent Approval (NZ)	435	7.8	74	2.3
Tenders Called/Tenderers Named	292	2.2	92	0.2
Tenders Awarded	100	0.5	13	0.02
Construction due to commence in next 3 months	3340	24.7	933	4.8

# PLEASE NOTE

The figures in this report are based on reliable sources and direct feedback from project contacts, but are subject to change. 'Essential' construction figures are based on those projects within categories most likely to be classified as 'Essential' by governments, but should only be used as a general guide as specific confirmation is not currently possible. Future updates will be adapted to capture the current state of the market as government restrictions change.

Information utilised in this report is current as of 27 March 2020. This information has been prepared without taking your specific needs or objectives into account. Because of this you should consider its appropriateness with regard to your objectives or needs before acting on this information. BCI Australia and BCI New Zealand do not warrant the accuracy or completeness of the information in this publication, and accepts no, and disclaims all, liability for any loss or damage whether occasioned by reliance on such information or otherwise. The information is subject to change without notice and BCI Australia and BCI New Zealand are under no obligation to update the information or correct any inaccuracy which may become apparent at a later date.

# WANT MORE?

BCI is committed to supporting your business through the current construction climate. We've compiled a further summary of what we're seeing companies do to survive, navigate and thrive in these challenging times, to support you in staying ahead of the curve.

**[To find out how other businesses are shifting their focus during COVID-19, click here.](#)**

For more comprehensive information on all aspects of the construction market, please contact the BCI team using the links below:

[BCI Australia Pty Ltd](#)

[BCI New Zealand Ltd](#)