

The Air Conditioning & Mechanical Contractors' Association of Australia (AMCA) is a nationwide trade association serving companies that operate in the commercial/industrial sector of the construction industry. It is the only industry and employer association that is exclusively dedicated to the air conditioning and mechanical services industry.

AMCA acts as the industry's voice in dealing with governments and other construction and service industry groups and the unions.

Since its inception in 1961, AMCA's objectives have been to promote and protect the interests and welfare of the air conditioning and mechanical services industry, its members, and the public they serve.

Our members design, install and provide ongoing service of air conditioning and mechanical ventilation systems, they have:

- Years of experience in the industry.
- A proven record of achievement in the installation, service and maintenance of commercial and industrial plant.
- Worked on the most construction complex projects in Australia.

The air conditioning and mechanical services industry is diverse, complex and at the cutting edge of environmental and energy efficiency issues. Collectively our members are responsible for:

- \$1.2B in value of new plant installed annually.
- \$500M in equipment service and maintenance work.
- The employment of some 8,000 people.

AMCA is a member of the Australian Construction Industry Forum (ACIF). Accordingly we have participated in the preparation of their submission to the enquiry. This letter is to confirm with the Productivity Commission that the Association fully supports the comments which they have made.

There are 2 matters which the ACIF referred to and on which we wish to make additional comment.

First, the cost of tendering for Public Private Partnerships. PPPs have been a key funding mechanism in recent years for infrastructure projects, although in the more recent past we think there has been some slowdown in them as a funding mechanism. In part the slowdown, if there is one, may reflect the cost of tendering. We are unable to provide specific cost details but anecdotal information of past experience of major members is one of high cost tendering. Those who have been involved in consortia in the past will approach future bids with great caution if they cannot receive some guarantee their bid cost will be covered in the event they ultimately are not involved in the project.

The second matter is technology adaptation and especially the use of Building Information Modelling (BIM). BIM is not a new technology for manufacturing industry but its adaptation into the construction industry is slow. International studies and a study carried out for the Built Environment Innovation and Industry Council have detailed the potential productivity

savings that can flow to the industry and the overall Australian economy from the widespread use of BIM technology. Governments in the United Kingdom and Singapore have realised the significant financial benefits that accrue through mandating the use of BIM in their projects. Experience we have gained through our relationship with major contractors in the United States confirms that the technology delivers benefits by way of productivity to the industry and the economy.