

**Speech Notes for
The Hon Warren Entsch MP
Parliamentary Secretary to the Minister for Industry, Tourism and
Resources**

**Launch of Facilities Management Action Agenda
Sydney Opera House
28 April 2005**

Ladies and gentlemen,

I am delighted to launch the Facilities Management Action Agenda today in one of Australia's most exciting buildings.

As I stand here in the Sydney Opera House today, it reminds me how much buildings contribute to this country's national life.

Since it opened in 1973, the decision to put this stunning structure on the shores of Sydney Harbour has paid off handsomely and become one of the most recognised buildings in the world.

And yet the reality is, that beneath the sails there's the facilities management challenge of operating 5 performance venues in which over 2,000 performances are held each year.

Moreover, the Opera House is a major tourist attraction with 4 million tourists visiting every year.

Whether a performing arts centre and tourist attraction like the Sydney Opera House, or a cultural centre like Melbourne's Southbank, a major sporting arena like the Suncorp Stadium, or Canberra's Parliament House, the facilities in our built environment are an enormously important part of national life.

It's no surprise that Facilities Management (FM) has become one of Australia's newest and fastest growing industries.

It is estimated that this industry's direct contribution to the Australian economy in 2002-03 was \$8.6 million and that at the same time, directly and indirectly, it employed around 172,000 people.

Access Economics has found that, combining direct and indirect contributions, the facilities management industry accounted for over \$12.4 billion in GDP.

This is equivalent to around 1.65% of Australia's GDP.

Facilities management is one of the key contributing factors to a productive and sustainable built environment.

But facilities management has only recently become a recognised, designated career option in Australia.

There haven't been undergraduate courses for facilities management, and many managers have simply 'fallen' into the very demanding facility management role, without being trained for it.

Understandably, the industry wants to change this situation!

The Facilities Management Action Agenda development phase was launched by the Industry Minister, Ian Macfarlane, last year and coincided with the 2004 Year of the Built Environment.

It aims to develop a strategic framework for a sustainable and internationally competitive Australian facilities management sector.

It is great that the Action Agenda has had such strong support from industry.

Many of this country's largest facility managers – like Spotless, Investa Group, Rider Hunt, Tungsten Group, ANZ, Telstra, Coles Myer, Hames Sharley, Transfield Services Australia, Stockland

Property Management and Multiplex Facilities Management – have been behind it.

I must say that this bodes very well for the Action Agenda process which depends on industry leadership for its success!

Action Agendas are a key part of the Australian Government's policy framework to encourage the development of competitive and sustainable business in this country.

The Facilities Management Action Agenda has emphasised how the facility management industry itself can realise its full potential.

This has meant identifying the industry's opportunities for growth, and impediments to growth.

There is no single model for how an Action Agenda works, but I am pleased to note that the model used here has been very successful.

This has been due in part to the excellent leadership provided by Mr John McCarthy and the other 14 members of the Strategic Industry Leaders Group (SILG).

The SILG met on five occasions last year and presented its report, *Managing the Built Environment: The Facilities Management Action Agenda*, to Government in December.

The report and its recommendations were endorsed by Cabinet in March.

The Report was a culmination of the work undertaken by the SILG and 33 other industry stakeholders who took part in working groups.

It is interesting that the Report refers to the role that facility managers can play in streamlining business procurement processes - and the Australian Government's recent announcement on the rules for public-private partnerships (PPPs) provides the industry with another avenue for assisting business to meet its objectives.

I am sure it will be a very useful and timely document for the industry.

Now that the development phase is over, the Action Agenda will be implemented over the next three years.

It is my pleasure to announce today that John McCarthy has agreed to lead the Action Agenda through the implementation phase.

John has accepted the nomination by the Facility Management Association of Australia to Chair the Strategic Industry Leaders Implementation Group (SILIG) for this next stage.

It is also my job today to launch the Sydney Opera House FM Exemplar Project. I am very pleased to do so.

This iconic facility presents its own challenges to facilities management, and it has a wide variety of stakeholders.

The Exemplar project is a terrific opportunity for the industry to showcase competitive advantage in the management of facilities.

What better showcase than the Sydney Opera House!

The Exemplar project is a collaboration between the research sector, the facilities management industry, and the Australian Government - through the Innovation Access Program.

By analysing facility management at the Sydney Opera House, the project will circulate information for the benefit of whole industry.

I want to congratulate the Cooperative Research Centre (CRC) for Construction Innovation, the facilities team at the Sydney Opera House, the Facilities Management Association of Australia and its sponsors and other project participants, for their vision in choosing such a fine case study.

The Sydney Opera House FM Exemplar Project will drive information sharing, and it will drive up-skilling throughout this exciting, emerging industry.

It will also give outstanding practical expression to what the Facilities Management Action Agenda is on about.

Thank you.

ENDS