

## MEDIA RELEASE

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### UNCERTAINTY AND INTERVENTIONS PUTTING HARD WON REPUTATION UNDER THREAT

Australia is still the destination of choice for infrastructure investors, but that hard-won reputation is under material threat, with investors spooked by increased market intervention and policy uncertainty, according to a new report from [Infrastructure Partnerships Australia](#) and [Perpetual Corporate Trust](#).

#### *Australian Infrastructure Investment Report 2018*

##### Key findings include:

- **90 per cent of investors remain 'highly likely' to invest in Australia**
- **Australia has gone from first to third as the preferred global destination for investment**
- **a record 87 per cent say the energy market is 'full of uncertainty', an increase of 13 percentage points on last year's findings, and**
- **84 per cent agree that Australia's policy and regulatory uncertainty limits their willingness to invest.**

"While Australia still performs well among its international peers as a leading destination for infrastructure investment, our reputation is hard won and easily lost," said Infrastructure Partnerships Australia Chief Executive, Adrian Dwyer.

"Investors are increasingly alarmed by threats of market intervention, abrupt and recurring regulatory reviews, as well as frequent changes in Australia's political landscape.

"It's now abundantly clear that meddling in infrastructure markets and unpredictable energy policy is having a real and enduring impact on the willingness of investors to put their capital into energy assets.

"This is not an abstract debate, this is real people with real money, making real decisions.

"Governments should see this report as a canary in the coalmine. We have a clear warning that interventions and regulatory uncertainty are hurting investment and hurting Australians.

"We need to start heeding investors' calls if we are to retain our status as a world class infrastructure investment destination," Mr Dwyer said.

The report captures the views of 33 domestic and global investors including sovereign wealth funds, pension

funds, fund managers, developers, banks and other infrastructure professionals who collectively own or manage more than \$380 billion of infrastructure assets across the globe.

Vicki Riggio, Perpetual Corporate Trust General Manager – Managed Fund Services, noted that despite the strong undercurrents of uncertainty, investors are continuing to express intent to invest in Australian infrastructure.

“It’s troubling to see increasing levels of caution around investing in our infrastructure markets however the strength of our reputation, our track record and stable economy continues to buoy investment intentions in our market, at least for now.

“This year, investor intentions are higher than ever, and they are expressing a willingness to invest larger amounts. Although technological change and policy uncertainty is undermining investment in energy, we’re seeing increasing focus on social infrastructure projects that meet environmental, social and governance objectives.

“As overseas destinations become more attractive to infrastructure investors, more work needs to be done to preserve our reputation by improving regulations, policies and accessibility to projects. We look forward to continuing to work with Infrastructure Partnerships Australia in this area,” concluded Ms Riggio.

Download a copy of the 2018 *Australian Infrastructure Investment Report* [here](#).

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#### **About the Australian Infrastructure Investment Report**

This year’s survey captures the views of sophisticated international and Australian investors who together collectively own or manage circa AUD\$380 billion of infrastructure assets across the globe. Our annual report provides a comprehensive view of investor appetite and sentiment. It reveals insights into the drivers and challenges for infrastructure investors, which include sovereign wealth funds, pension funds, fund managers, banks and other infrastructure professionals.

#### **About Perpetual**

Perpetual is a financial services group operating in funds management, financial advisory and trustee services. Our origin as a trustee company, coupled with our strong track record of investment performance,



has created our reputation as one of the strongest brands in financial services in Australia. For further information, go to [www.perpetual.com.au](http://www.perpetual.com.au).

**Perpetual Corporate Trust** is the leading provider of corporate trustee services for the funds management sector and debt capital markets in Australia and acts for over 90 Australian and international investment managers.

### **About Infrastructure Partnerships Australia**

Infrastructure Partnerships Australia is an independent think tank and executive member network, focused on excellence in social and economic infrastructure. Formed in 2005 as a genuine and enduring policy partnership between Australia's governments and industry, we exist to shape public debate and drive policy reform for the benefit of the national interest. For further information, go to [www.infrastructure.org.au](http://www.infrastructure.org.au).