



## MEDIA RELEASE

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### MARKET INTERVENTION ADDS RISK WITHOUT REWARD

Australia is still the destination of choice for infrastructure investors, but policy makers and regulators need to do a better job of limiting risks which offer few rewards, according to a new report from [Infrastructure Partnerships Australia](#), supported by [Allens](#), and [Perpetual Corporate Trust](#).

#### [Australian Infrastructure Investment Report 2019](#)

Key findings include:

- 90 per cent of investors remain ‘highly likely’ to invest in Australia, but
- Investors are struggling to find enough investment opportunities and are looking offshore
- 79 per cent of investors say North America provides compelling investment opportunities, whereas only 49 per cent of investors say the same about Australia
- Increased regulatory and policy uncertainty is disrupting the risk reward calculation
- 83 per cent agreed uncertainty in Australia’s policy and regulatory settings is limiting their willingness to invest
- Investors are moving up the risk curve, with 64 per cent showing a preference for core-plus infrastructure, like data centres.

“While Australia still performs well among its international peers as a leading destination for infrastructure investment, there are too many risks emerging with few rewards,” said Infrastructure Partnerships Australia Chief Executive, Adrian Dwyer.

“Australia operates in a global investment market and we can’t expect to retain capital if we don’t treat it well.

“While some risks are symptoms of a busy market, or offer rewards proportionate to the risks being taken, policy and regulatory uncertainty have little upside for investors, taxpayers or customers.

“Australia has one of the best infrastructure investment reputations in the world, underpinned by a strong track record of infrastructure business, knowledgeable market participants, and good economic fundamentals.

“Meddling in infrastructure markets will only undermine our investment reputation and make destinations like North America more attractive.



“We shouldn’t be leaving investors feeling unsure of the rules of the game, or the process by which those rules are changed.

“Decision makers across Government need to be aware of the contagion effect that uncertainty has across the sector and start heeding investors’ calls to return regulatory and policy stability to key infrastructure markets,” Mr Dwyer said.

## **MEDIA CONTACT**

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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\$490 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 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).

### **About Allens**

Allens is a commercial law firm working throughout Australia and Asia. Through its integrated alliance with Linklaters it provides clients access to 40 offices in 28 countries around the world. For further information, go to [www.allens.com.au](http://www.allens.com.au).

### **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).