

A growing need for infrastructure in Australia, such as this wastewater reclamation plant in Brisbane, is providing a wide array of projects for CH2M HILL.

Australia: Past, present and future

Booming economy sets stage for opportunities Down Under

With unemployment at a 30-year low and economic numbers that are the envy of other western market economies, Australia is poised for dynamic growth. Australia's robust economy is driving significant investment in the country's infrastructure—primarily in water and power markets—which translates to tremendous opportunities for CH2M HILL.

For nearly two decades, CH2M HILL has delivered cool projects throughout the region—from infrastructure risk analysis for the 2000 Olympic Games in Sydney to design-build services for Brisbane's Luggage Point Wastewater Reclamation Plant. Recent wins at Southern Seas Desalination Plant in Perth and Darling Downs Power Station in Queensland are solidifying the firm's position in Australia across a wide range of markets.

Today, CH2M HILL boasts 150 employees in Australia with offices in Sydney, Perth, Melbourne and Brisbane. CH2M HILL engineers, designers, scientists and a host of other specialists are applying their local knowledge and expertise to tackle some of the continent's most pressing energy, water and environmental challenges.

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Economic boom, strong demand for infrastructure mean big opportunities Down Under

Pioneers

In 1990, Mike Angela, coming off a successful stint on a major program in Milwaukee, Wisconsin, traveled to Australia to set up a joint venture to capitalize on the burgeoning municipal water market.

At that time, several major metropolitan areas in Australia were experiencing significant problems with sewage disposal. Sewage that had been pumped out to sea was coming back to foul the coastline, closing many beaches, contaminating aquatic life and negatively impacting beach-related businesses. The Australian government stepped in and proposed a 20-year cleanup plan. CH2M HILL and Gutteridge Haskins and Davey, teaming as GCEC, worked diligently to land these contracts.

While GCEC positioned for the water contracts, in 1992, Stan Sturges arrived in Sydney with the goal of building the environmental business.

Unfortunately, the hoped-for water market was slow to materialize and, in 1993, the joint venture was dissolved. However, all was not lost, Sturges' environmental work was panning out and the first CH2M HILL office in Australia opened in Sydney—CH2M HILL Australia Proprietary Limited was off and running.

"I rented a room in an office with a receptionist, so it would sound like there were people there working with me," joked Sturges.

By 1995, the office had grown to about 25 employees, and included a healthy mix of industrial, environmental and water projects.

Sturges' perseverance in the environmental arena paid off handsomely when CH2M HILL won a major contract for the 2000 Olympics, providing hazardous waste investigation and cleanup planning for the Olympic Village, which was sited on a decommissioned munitions depot and industrial landfill.

Big wins equal big growth

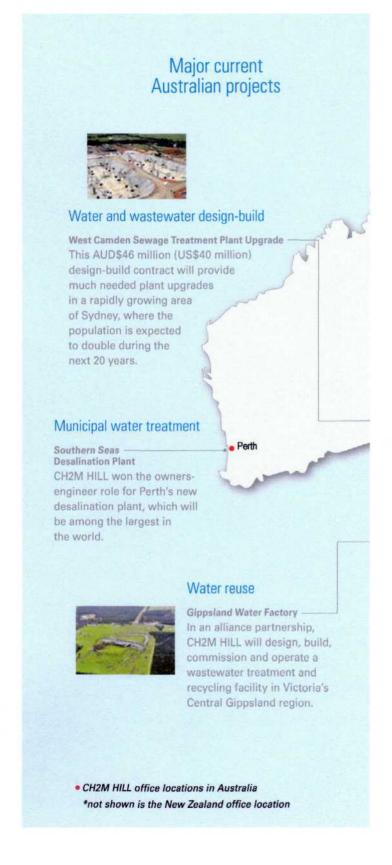
On the heels of the 2000 Olympics win, CH2M HILL was also awarded a contract at Cockatoo Island in Sydney harbor providing hazardous waste investigation and cleanup planning for an abandoned naval shipyard. At the same time, CH2M HILL was selected by BP Australia in Perth to design their oily wastewater treatment system.

Since then, CH2M HILL has been successful in winning and delivering a number of major water projects in Australia and New Zealand, including some of the largest water and wastewater projects in the Southern Hemisphere. The firm also recently won a major power station project that, once completed, will be the largest gas-fired power plant in Australia.

Local expertise and global resources

From sparse beginnings, CH2M HILL in Australia has developed a thriving business supported by the knowledge and expertise of local staff. Today, Australia operations boasts 150 employees and has offices in Sydney, Perth, Melbourne, Brisbane, and Auckland, New Zealand, and serves as a launch pad for the Southeast Asia market.

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Riding a big wave

"Australia's economy is on fire," said Jim Bloomquist, vice president and client group director for CH2M HILL in Australia and New Zealand. During the past two decades, Australia has indeed been riding an economic wave that has made it the envy of other advanced industrial nations. With a booming economy, vibrant gross domestic product (GDP) and an unemployment rate at a 30-year low, Australia is poised for dynamic growth.

In spite of the successes, Australia faces a number of significant challenges. A decades-long drought has focused attention on the need for adaptive water resource policies. Australia is also confronted with serious environmental problems-coastal degradation, water quality issues and a legacy of hazardous waste sites across the country.

According to Bloomquist, Australia is experiencing a strong demand for infrastructure to keep pace with a population that is expected to grow by a third during the next 40 years. The nation's enviable economy, its need for infrastructure and its many environmental challenges make Australia, in Bloomquist's words, "the perfect storm."



For more information on CH2M HILL in Australia and New Zealand: Jim.Bloomquist@ch2m.com.au

A rare confluence of factors is contributing to Australia's success:

- · Budget surpluses-Decades of sound fiscal policies in Canberra have resulted in budget surpluses over the past five years.
- · Low unemployment—Australia's unemployment rate is half that of the European Union.
- · Strong GDP-Australia's per capita GDP is comparable to that of Western European countries.
- · Low debt-Australia's national debt is 16.1 percent of GDP. By contrast, current national debt figures for the United States and the United Kingdom stand at 64.7 and 42.7 percent of GDP, respectively.

Australia: Facts and figures

- · population: approximately 21 million (estimated to top 33 million by 2051)
- · unemployment rate: 4.3 percent
- GDP (2006): AUD\$764.2 billion (US\$674.6 billion)
- · inflation rate (2006): 3.5 percent
- · national debt (2006): 16.1 percent of GDP
- · labor force: 10.7 million

Sources: Australian Bureau of Statistics and CIA World Factbook