

CCF WA MEDIA RELEASE

CCF WA urges State Government to fast-track important procurement reforms

Western Australia's civil construction industry peak body has congratulated the McGowan Government on being returned and called on it to prioritise procurement reforms that will reduce red tape, help create more long-term local jobs, and deliver greater value-for-money for taxpayers.

Civil Contractors Federation WA CEO Andy Graham said the Government's first term was notable for the introduction of important legislation that could provide a framework for comprehensive and much-needed reforms in procurement and security of payments.

"A hallmark of this Government has been its consultative approach, and we have appreciated the opportunity to contribute to the development of new legislation," Mr Graham said.

"One important but possibly under-appreciated piece of legislation is the new Procurement Act, which has the potential to drive some revolutionary changes to the way infrastructure projects are delivered, right across Government.

"Full credit to this Government for setting the wheels in motion. Now it will require strong will and commitment at all levels to break down the procurement silos that have been built up over many decades.

"Most businesses that contribute to infrastructure projects in WA, whether as a head contractor, subcontractor or supplier, do so for multiple Government agencies and corporations. Every day, they must deal with a multiplicity of contracts, documentation and processes, from beginning to end of project procurement and delivery.

"All of this chews up time and resources and distracts them from their real job of delivering high-quality infrastructure safely and efficiently.

"Ultimately, this web of procurement red tape translates into much higher costs, both for the contractors and for Government itself, and increases the risks of mistakes being made."

Mr Graham said the scope of the Act should be extended wherever possible to the major Government corporations that are major procurers of infrastructure works, including Development WA, Western Power, Water Corporation and the port authorities.

"If these corporations continue to operate as procurement silos, with unique contracts and processes, all developing their own versions of 'best practice', then these reforms will be half done," he said.

"As the Government's Procurement Reform website notes, 'inconsistencies in procurement processes are challenging and frustrating for agencies and industry'. That frustration extends to dealing with the corporations too, and so we encourage them to get on board."

Mr Graham said the other important procurement reform was the new Security of Payments legislation currently before Parliament.

"CCF WA welcomed the introduction of the Building and Construction Industry (Security of Payment) Bill 2020 into Parliament last year," he said.

"Security of payment is an ongoing issue in the construction industry and when enacted, this legislation will help ensure businesses get paid on time, avoiding company failures and saving jobs.

"Procurement reform will play a part in this too, as unnecessary complexity and duplication in Government procurement also contributes to business failures."

Contact for media enquiries: Caroline Boyer, cboyer@ccfwa.com.au