

QUEENSLAND GOVERNMENT PROCUREMENT TRANSFORMATION AT LOGGERHEADS WITH BUSINESS

Consult Australia today questioned the Queensland Government's commitment to working in partnership with business to deliver better value for money for the tax payer.

Consult Australia Queensland State Manager, Stacey Rawlings observed: "The State's whole of government Procurement Transformation Program aims to deliver smarter, more innovative, cost effective and efficient procurement of goods and services.

"However, in what is one of the toughest markets for businesses of all sizes, the Government instead appears intent on sticking the boot in to industry: with unreasonable terms and conditions, poor risk allocation, and a focus on long-term fixed fees at the expense of innovation and better value for money outcomes.

As the Government embarks on an ambitious infrastructure program, Consult Australia is concerned the Procurement Transformation Program is:

- Stifling innovation and the delivery of better value for money outcomes
- Delivering unfair contract terms and conditions for business
- Leveraging the Government's market advantage to lock-in fees
- Failing to properly manage risk

With a number of key infrastructure projects in the pipeline, the current approach is foolhardy and risks undermining the Government's longer-term objectives.

"The Government's stated reform goals are to be commended, but with over \$16 billion being spent every year, it is important to make sure they get it right from the start through effective consultation with industry.

"Wave 2 of the Government's Procurement Transformation Program is now being steam-rolled out across all the sectors with which the Government does business.

"Industry supports a simplified and consistent approach to the procurement of goods and services by government. Our concerns are that these objectives will not be met under the current approach, and competition will be reduced across sectors.

"The intentions of the Queensland Government might be the right ones, but in reality their actions are falling significantly short of best practice.

"The Government is actually developing a system that will undermine value for money, increase variations, stifle innovation, and that builds risk into projects rather than managing it from the outset.

"Woeful consultation with industry groups and businesses, poor issues management and a lack of communication have characterised the Government's approach to date. Executives across departments appear unaware of the scheme, or have no appreciation of its impact on their own procurement practices.

MEDIA RELEASE



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“Industry’s confidence in the Government’s ability to work collaboratively and create a better business environment is being radically eroded through these proposals.

“We remain enthusiastic to work with the Government to realise their aims, resolve our concerns and deliver true value for money for the tax payer.

“Our door is always open.”

Ends

9 July 2014

For further information please contact Queensland State Manager, Stacey Rawlings on 0404 123 869 or via email to stacey@consultaaustralia.com.au.

About Consult Australia

Consult Australia is the industry association that represents the business interests of consulting firms operating in the built and natural environment. Our member firms’ services include, but are not limited to: design; architecture; technology; engineering; surveying; and project management solutions.

Our member firms include: AECOM; Arup; Aquenta; Cox Architects; GHD; Hyder Consulting; Parsons Brinckerhoff; URS Australia; and WorleyParsons.

We represent an industry comprising some 48,000 firms across Australia, ranging from sole practitioners through to some of Australia’s top 500 firms. Collectively, our industry is estimated to employ over 240,000 people, and generate combined revenue exceeding \$40 billion a year.