

Wednesday 29 March 2017

Procurement overhaul needed to assist Australian business

Consult Australia will today appear before the Joint Select Committee into the Commonwealth Procurement Framework established to inquire into the Australia's procurement framework.

Consult Australia Chief Executive Officer, Megan Motto says that if Governments want to assist Australian business to be internationally competitive they should modernise procurement in Australia such that supply chains are encouraged to work collaboratively to achieve best project and value for money results.

"There is a disconnect between Australia's goals of boosting innovative and globally competitive Australian businesses and current procurement practices which are steeped in regulation and conservatism"

"Professional services in the built and natural environment operate in a complex environment where supply chains are fragmented and every project is a prototype"

"Simplistic procurement models which increase the regulatory burden for business will disproportionately affect such a complex industry"

"If Government really want to assist Australian business to compete on a global stage they could do so by improving procurement frameworks and becoming a model, informed and progressive client"

"Early engagement and collaboration with industry will drive better project and behavioural outcomes and should be adopted, rather than draconian contracts which promote risk shifting rather than good risk management"

"Consult Australia's 2015 report, *The Economic Benefits of Better Procurement*, written by Deloitte Access Economics found that improving procurement processes would result in 5.4% reduced costs for public sector projects in addition to 7% improvement on delays and 7% improvement in quality.

"This is a saving Australia can't ignore" Ms Motto said.

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For further information or to arrange an interview, please contact Consult Australia's Chief Executive Officer, Megan Motto on 02 8252 6705 or megan@consultaaustralia.com.au

About Consult Australia

Consult Australia is the association that represents the business interests of consulting firms that design, engineer, assess and plan our built and natural environments.

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.

Consult Australia has undertaken significant work to further the discussion, including on how major works are financed and procured. For more visit www.consultaaustralia.com.au