

**Australian Government** 

Parks Australia

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## Submission to the Independent Review of the Federal Safety Commissioner

Parks Australia extends its thanks to the Department of Employment and Workplace Relations for the opportunity to participate in an independent review (the Review) of the Federal Safety Commissioner and the underlying Work Health and Safety Accreditation Scheme (the Scheme). We also thank Ms Marie Boland for leading the Review.

Parks Australia recognises the achievements of, and offers its continued support for, the ongoing application of the Scheme given its critical role in supporting improved Work, Health and Safety (WHS) outcomes in the building and construction sector.

We are presently delivering an infrastructure program worth almost \$600 million, focused on National Parks in Kakadu, Uluru-Kata Tjuta, Booderee, Christmas Island, Cocos Keeling Islands, Norfolk Island and the Australian National Botanic Gardens. Application of the Scheme forms an integral part of the Parks Australia's procuring and contract management process for relevant activities.

Parks Australia's work – and that of our contracted delivery partners – spans across particularly remote parts of Australia, often testing transport and supply logistics in the process. Our projects are also often reliant on contractors from smaller regional communities in proximity to our National Parks and the critical services they offer.

Consistent with the *Buy Australia Plan*, Parks Australia seeks through our procurement activities to support Small and Medium Enterprises (SMEs) noting the critical role many play in delivering and maintaining local industry capability near our Parks as well as supporting smaller local communities, Indigenous businesses and/or businesses who actively support Indigenous workers. We also work closely with SMEs who travel considerable distances to bring critical skills and experience to our on-park projects.

Noting the remote localities in which Parks Australia's projects are delivered – transportation of materials and prefabricated components, and accommodation of the project workforce can distort and inflate project costs when compared to similar works in urban areas. Straightforward works that would be unlikely to meet the Scheme's requirements based on cost on Australia's eastern seaboard can cost several times more in a remote area, enlivening the Scheme's requirements.

In some instances, this has complicated Parks Australia's ability to attract and engage suitable contractors for work in remote locations, by precluding participation by SMEs/local contractors capable of performing the work, who do not hold accreditation under the Scheme. In some instances, this has resulted in failed procurement processes because of the shallow pool of tenderers in remote locations. While Parks Australia encourages potential suppliers in relevant regional locations to consider accreditation under the Scheme, the relatively low frequency of Commonwealth contracting opportunities within their work catchment does not appear to be encouraging widespread registration under the scheme given the ready availability of alternate work.

Parks Australia has also conducted procurement processes where contractors have been willing to register at the commencement of a procurement activity (ahead of entering into contract) and commit to becoming accredited during delivery of that contract. Noting the reasonable time required for entities to progress between registration and accreditation under the Scheme, it has not proven possible in Parks Australia's experience for entities to register during a procurement and become accredited prior to entering into contract with the Commonwealth. As such, Parks Australia has not been able to support this approach.

In considering the operation of the Scheme into the future, Parks Australia encourages consideration of approaches that achieve appropriate safety standards while minimizing adverse impacts on engagement of contractors to deliver remote and regional works. This could potentially include:

- 1. Inclusion of either a mechanism to lessen or index the cost impact of the remote nature of the work (for example by excluding transport charges, offsite fabrication and/or remote workforce accommodation and related matters from the determination of the project cost).
- Raising the threshold for projects requiring accreditation under the Scheme to offset the impacts of carrying out projects in remote areas. This approach may also account for cost escalation since the Scheme's inception. For reference, similar adjustments have been made to thresholds for notification of public works to the Parliamentary Standing Committee on Public Works.
- 3. Facilitating a streamlined, rapid or transitional accreditation mechanism to enable a successful tenderer which does not hold accreditation to obtain recognition under the Scheme of a form that would support Commonwealth entities entering into contract with that tenderer (upon being awarded a job that is subject to the Scheme). Such an approach could act as a springboard for these SMEs to participate in the Scheme and provide a greater depth of accredited companies who can enter into future contracts with the Commonwealth.

Parks Australia acknowledges a range of different entities will participate in the Review and may make suggestions or observations that relate to the advice provided in this submission. Should there be cause to discuss the contents of this submission in further detail, Parks Australia would be pleased to assist.

Yours sincerely

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