

# **Regulatory Impact Statement**

## **New Procurement Principle on Ethical Suppliers**

### **1. Identification of the problem**

Some stakeholders have expressed concerns that the current procurement framework faced by ACT Government Agencies is inadequate to ensure that suppliers in all industry sectors fully comply with occupational health and safety requirements and employment obligations.

### **2. Objectives of Government Intervention**

The ACT Government's objective is to ensure that all relevant agencies ensure that firms undertaking Government works and services comply with the highest standards of industrial relations and human resource management.

### **3. Proposal**

The Government Procurement Board will introduce a new Procurement Principle under the Government Procurement (Principles) Guideline 2002 with respect to ethical suppliers. The instrument will require Government agencies to ensure that tenderers and contractors comply with the laws in relation to Workplace Relations, Long Service Leave, Occupational Health and Safety, etc. and that the performance of suppliers is properly monitored by agencies.

### **4. Impact Analysis**

The introduction of the new Procurement Principle should not impact on industry providers as industry is already required to comply with the law and to meet obligations embodied in relevant industrial awards, certified agreements and related instruments. The new principle enforces best practice tendering, procurement and contract management procedures on Government Agencies.