

UNIONSACT FACT SHEET

Procurement Memorandum of Understanding

- The MOU has been a public document for over eleven years.
- The MOU ensures unions are consulted on workplace rights and safety.
- The MOU protects workers and taxpayers from rogue-operators and cowboys.

For over eleven years, UnionsACT and the ACT Government have had a memorandum of understanding on the procurement of goods and services.

This memorandum of understanding ensures that procurement by the ACT Government takes workers' rights and safety into fair consideration.

The MOU originated prior to 2005 when unions advocated for workers whose employers (ACT govt. contractors) were not meeting their statutory obligations regarding industrial relations laws, workplace health and safety laws, and workers compensation laws.

As a result of this, the ACT Government established a process to consult with unions to ensure that the government was aware of employers and contractors whose record for non-compliance and unlawful activity had attracted the attention of Worksafe ACT, the Fair Work Ombudsman and the courts and tribunals.

Since 2005, the memorandum of understanding has ensured that the ACT Government has put into practice a rigorous, transparent regime of pre-qualification, which ensures a level playing field for honest and scrupulous businesses tendering for ACT Government work.

The process ensures that tax-payers funds are used only for contractors who meet independent standards and audits regarding their Industrial Relations & Employment Obligations (IREO).

The result is that:

- Reputable employers can be sure they are not missing out on work opportunities by being undercut by disreputable, non-compliant employers;
- Workers can be assured that their salaries, conditions of work, securities and entitlements will be protected by those registered employers; and,
- The ACT Government can assure itself that they are meeting their statutory obligation of getting value for money for ACT taxpayers.

The most recent version of the MOU, signed in 2015 incorporates recommendations from the independent Getting Home Safely inquiry into construction industry deaths. That independent inquiry recommended that ACT Government procurement powers be used to ensure that construction work procured by the ACT Government was held to the highest safety standards.

This MOU helps ensure that contractors working on ACT Government jobs get paid on time, that their employees get decent salaries and working conditions, and that they have safe workplaces. It is good for taxpayers, whose taxes and rates are spent on reputable, local contractors rather than risky, non-compliant businesses.

The MOU has been a public document since 2005.