Canberra BUSINESS CHAMBER

25 October 2026

Department of Employment and Workplace Relations
Department of Finance

SUBMISSION ON THE PROPOSED SECURE AUSTRALIAN JOBS FRAMEWORK

Introduction

The Canberra Business Chamber is the peak body for business in the ACT. Our diverse membership reflects the economy of the ACT and Capital Region, and includes small, medium and large businesses.

We recommend that the Australian Government abandon the proposed Secure Australian Jobs Framework in its entirety and withdraw the associated amendments to the Commonwealth Supplier Code of Conduct.

We support fair employment, safe workplaces and compliance with employment law. We also want government procurement to deliver value for money and give capable Canberra businesses a fair opportunity to compete. The proposed framework would add cost and uncertainty without a demonstrated benefit sufficient to justify another set of procurement requirements.

Our experience of the ACT's Secure Local Jobs Code creates significant concern about the Commonwealth's proposal. The Chamber has called for the ACT Code to be abolished entirely, with justified procurement objectives addressed through transparent tender requirements and enforceable contracts.

The need for another framework has not been established

Employers already have extensive obligations under workplace, work health and safety and anti-discrimination laws. The Commonwealth Supplier Code also already addresses ethical conduct, risk management and record keeping. The consultation documents do not establish why those requirements and the agencies responsible for enforcing the law are insufficient.

The Department of Employment and Workplace Relations says it will undertake an impact analysis. However, a completed assessment of compliance costs, effects on competition and additional benefits has not been provided with the proposal. Businesses are being asked to comment without knowing the full cost or how the proposed requirements would be assessed in practice.

A proper assessment should consider the time and cost imposed on suppliers and government, including businesses that decide not to tender. The Government has not made the case for proceeding.

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The ACT experience shows the cost to smaller suppliers

The ACT's Secure Local Jobs Code illustrates the costs associated with an additional procurement compliance system. Procurement ACT publishes indicative audit fees of $450 to $850 for businesses with fewer than 10 employees, and $700 to $2,000 for businesses with 10 to 49 employees. These are audit fees alone. Preparing records, obtaining advice and meeting tender and reporting requirements add further costs. We estimate that the overall cost of compliance (not just the ACT Government fees) is in the order of many thousands of dollars for many firms,

For applicable ACT procurements, businesses must also prepare a Labour Relations, Training and Workplace Equity Plan and undergo an Ethical Treatment of Workers Evaluation. Employment practices are considered through several overlapping processes. The combined burden matters more than whether each requirement appears reasonable in isolation.

Concerns about the Code extend beyond commercial contractors into the community sector. Community organisations within the Chamber's membership have identified significant financial costs and additional administrative complexity associated with the Code.

The Chamber understands anecdotally that the ACT Code can deter businesses from seeking government work, particularly where that work would represent only a small part of their business. Master Builders ACT has raised similar concerns about local firms competing with larger organisations that have dedicated tendering teams. A small firm has fewer staff available to prepare policies and tender responses. Larger suppliers can spread those costs across more contracts.
The Commonwealth proposal would operate through the Supplier Code, rather than an ACT-style certificate. Its expectations for independent benchmarking, accreditation where industry schemes exist, and evidence of workplace and supply-chain practices nevertheless create similar concerns about participation. These costs may be absorbed by suppliers, passed into prices or lead businesses to stop tendering. Reducing the range of capable suppliers risks weakening competition and increasing costs to taxpayers.

Lawful employment arrangements should receive fair treatment

The framework states that an enterprise agreement is not compulsory. However, indicator 2.1(a) favours enterprise agreements covered by a registered employee organisation. Indicator 2.1(d) identifies independent public benchmarking as a way for employers without an agreement to demonstrate conditions exceeding the applicable award and prevailing industry standards. These expectations are also included in the proposed Supplier Code.

This approach risks disadvantaging smaller employers using other lawful employment arrangements. Compliance with an award does not establish poor treatment of workers. Suppliers should be assessed on their ability to deliver the contract, their conduct and compliance with the law. Their relationship with a union should not determine whether they are considered a suitable government supplier.

The framework also expects suppliers to justify casual, fixed-term and labour hire arrangements by reference to whether direct permanent employment is feasible or there is a genuine operational reason. It gives a workforce with more than 80 per cent direct permanent employment as an example of good practice. This is an example, rather than a universal quota, but it signals a preferred business model. Employment arrangements need to reflect the work available, the skills required and workers' preferences. For example, a small Canberra technology business may need specialist expertise for a limited project, while an events business may have fluctuating demand. A workforce percentage cannot establish whether either business is a responsible employer or offers value for money. Procurement should respect lawful choices suited to the work.

The proposed Supplier Code also expects incoming suppliers on contracts replacing substantially the same services, where reasonably practicable, to offer employment to suitably qualified staff of the outgoing contractor and preserve wages and conditions. This may carry the existing contractor's employment costs into a new contract even where another supplier could deliver the services differently. It would make tenders harder to price and risks limiting competition.

Unclear assessments create commercial risk

Although the framework describes its indicators as examples, the proposed Supplier Code expects suppliers to meet a majority of the indicators relevant to each principle in sections 3.1 to 3.5. Failure to adhere to the Code may lead to remedial action or termination under the contract. The indicators therefore have practical consequences for businesses.

The draft does not adequately explain how relevance will be determined, what evidence will be sufficient or how inconsistent assessments between agencies will be resolved. Suppliers need requirements they can understand and cost before tendering. Broad assurances about flexibility do not provide that certainty.

Procurement officers should assess delivery capability and manage contracts. Disputed questions about workplace law should be dealt with by the courts, tribunals and regulators responsible for them. Suppliers should be told the evidence relied on and have a fair opportunity to respond before adverse procurement decisions are made.

Operation Kingfisher reinforces the need for independent decisions

The ACT Integrity Commission's Operation Kingfisher report provides a serious warning about outside influence in procurement. In the Campbell Primary School procurement, local firm Manteena was recommended by both tender evaluation teams. The Commission found serious corrupt conduct by two public officials, including giving CFMEU interests priority over proper procurement processes and the firm's fair consideration, at substantially increased cost to the Territory. The Commission made no adverse finding against the successful tenderer, Lendlease.

We recognise that the Commonwealth framework is not intended to apply in the construction industry. The lessons about procurement integrity apply across government purchasing. Decisions should follow published criteria, with reliable evidence, transparent reasons and protection against outside pressure. The proposed preference for particular industrial arrangements and its unclear assessments create unnecessary scope for inconsistent decisions. The Commonwealth should assess suppliers fairly on their ability to deliver, their conduct and compliance with the law, and value for money.

Recommendation

The Australian Government should scrap the proposed framework and the Supplier Code amendments that would implement it. The concerns are fundamental to the proposal and will not be resolved by further guidance or minor changes to individual indicators.

Government should enforce existing workplace and safety laws through the responsible agencies and use proportionate checks connected to the risks of each contract. Suspected breaches should be referred promptly to the relevant regulator. Suppliers should provide current information once wherever possible, with updates when circumstances change.

Where government seeks a particular training, employment or inclusion outcome, it should explain why it is relevant to the procurement, state it clearly before tenders are sought and make agreed commitments enforceable. Contracts should be packaged so that capable smaller businesses can compete. Delivery of commitments should be monitored, including work and training actually provided locally.

This approach should simplify procurement and improve accountability. It should not reproduce the proposed framework's requirements under another name. The objective should be fair access for capable businesses, effective enforcement of the law and better value for taxpayers.

Yours faithfully

Greg Harford
Chief Executive