Canberra BUSINESS CHAMBER

5 October 2026

Standing Committee on Public Accounts and Administration
ACT Legislative Assembly
BY EMAIL

SUBMISSION TO THE INQUIRY INTO THE SECURE LOCAL JOBS CODE

Introduction

The Canberra Business Chamber is the peak body for business in the ACT. We wish to submit to the Inquiry on the Secure Local Jobs Code. Our membership is diverse, and reflects the economy of the ACT and Capital Region.

Summary

In our view, the Secure Local Jobs Code fails to deliver and creates an unnecessary compliance burden which deters market entry and drives cost. Both these outcomes run contrary to the value-for-money objectives.

We recommend that the Secure Local Jobs Code should be repealed in its entirety, including its separate certification framework. Specific policy objectives should instead be pursued through tender requirements and enforceable contract conditions.

We support fair employment, safe workplaces and compliance with employment law. We also want procurement to deliver value for money and give capable Canberra businesses a fair opportunity to compete. Our concern is that the Code adds cost and duplicates other requirements without a sufficiently clear account of the additional outcomes it delivers. Removing it should simplify procurement, not reproduce the same processes under a different name.

a) Is the Code is achieving its objectives, including the appropriateness of the exclusion of some industries?

There is no evidence to suggest the Code is, in any way, achieving its objectives. The Code's objectives cover employment standards, job security, workplace inclusion, compliance with industrial laws and cooperation between employers and workers. It also aims to work alongside the Local Industry Participation Policy to support secure local jobs. These objectives are set out in section 3 of the Code.

The Chamber supports these outcomes, but does not consider that a separate certification scheme is the appropriate way to pursue them. The relevant test is whether the Code produces improvements beyond those arising from existing laws,

Email: info@canberrabusiness.com
Phone: 02 6247 4199
PO Box 6308, O'Connor, ACT 2602 I ABN 33 600 390 538
www.canberrabusiness.com

normal business practices and the requirements of the work itself. Completing an audit or obtaining a certificate does not, on its own, answer that question.

Repeal of the Code would not remove businesses' obligations under the Fair Work Act, work health and safety legislation or other applicable employment laws. Nor are we proposing that every additional workplace process prescribed by the Code be transferred into contracts. Where the Government seeks a particular employment, training or inclusion outcome, it should specify that outcome in the tender, explain how it will be assessed and include the successful tenderer's commitments in the contract.

On industry exclusions, we do not support extending the Code to industries currently excluded. That would spread the compliance burden rather than address its cause.. Different risks may warrant different contract requirements, but not a separate industry-wide certification process.

b) Does the Code deliver value for money?

The Chamber does not consider that a sufficient value-for-money case has been established for retaining the Code. An assessment needs to account for the full cost to suppliers and government, as well as any additional benefits to workers and contract delivery.

Procurement ACT publishes indicative audit costs 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 indicative audit fees, not the full cost of tendering or maintaining compliance.

An assessment should also count staff time spent assembling records, obtaining advice, preparing tender responses and meeting reporting requirements. Government administration and the effects on competition also need to be included. A business may absorb these costs, recover them through its prices or decide that the available work does not justify tendering. Anecdotally, we understand that the existence of the Code is a barrier to entry into the ACT Government procurement market, particularly when ACT work is likely only a small part of business's overall portfolio. We note that a reduction in competition does not normally lead to better value for money outcomes.

Value for money includes quality, reliability, safety and the cost of delivery over the life of a contract. Our proposed approach would assess those matters, together with any stated policy objectives, through the procurement itself. The costs and benefits of each requirement would then be considered together, rather than treating certification as a separate prerequisite.

c) Are performance and evaluation frameworks for the Code adequate?

Published Advisory Council communiques describe certification and enforcement activity, dashboards and feedback on the certification process. This information helps explain how the scheme operates. It does not, by itself, establish whether the Code improves employment outcomes or procurement value.

An adequate evaluation would compare the results achieved with what would reasonably have occurred without the Code. It would examine compliance costs, tender participation, competition, local employment, apprenticeship outcomes and the delivery of government contracts. It should distinguish the effect of the Code from the effect of other laws and procurement policies.

The Chamber considers that this assessment should form part of an independent review of the wider procurement framework. It should include businesses that do not tender, as well as those already participating. Examining only certified businesses risks overlooking the reasons other capable suppliers stay out of the market for government work.
Evaluation should also accompany the move to tender and contract requirements. Measures should track actual results and the cost of achieving them, using information already available wherever possible. It should not create another extensive reporting obligation for suppliers.

d) Does the Code support local jobs (including subcontractors and apprentices) and small and medium sized enterprise (including in supply chains and the not-for-profit sector)?

There is no evidence to suggest the Code actually supports local jobs.

Certification does not establish how much government work reaches local businesses or what employment it supports. Assessment should examine contract awards, subcontracting, employment maintained and training delivered.

Fixed compliance costs can disadvantage a small business seeking occasional government work. A larger supplier may spread those costs across many contracts and employ dedicated administrative staff. The risk is that participation reflects the resources available for paperwork rather than the ability to deliver.

Where local jobs, apprenticeships or smaller business participation are procurement objectives, tenders should specify the intended results and contracts should make agreed commitments measurable. Assessment should recognise continuing employment and training, not only new positions proposed for a project.

Government should monitor relevant subcontracting commitments without requiring separate certification throughout the supply chain. Work packages should allow capable local firms to compete at an appropriate scale.

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.

e) What administrative and compliance burden is placed on tenderers, and does the Code impose barriers to participation?

We consider that the cumulative burden creates participation barriers, particularly where the value or likelihood of winning work is low. Suppliers incur costs without any guarantee of a contract.

For applicable procurements, certification is accompanied by a Labour Relations, Training and Workplace Equity Plan and the Ethical Treatment of Workers Evaluation. The latter considers Code compliance and compliance with prescribed legislation, among other matters. Related employment issues therefore appear in several processes and there is substantial overlap.

The combined demand matters more than whether each form seems reasonable in isolation. Gathering records, consulting staff and answering follow-up questions all take time. Choosing not to undertake this process does not establish non-compliance with employment law.

Repeal of the Code should remove overlapping Code-related tender and reporting requirements. Suppliers should provide a coherent response to the particular procurement, with current information reused where lawful and appropriate. Updates should address changed circumstances. Evidence requirements should reflect the work and its risks, rather than a uniform certification obligation.

f) What is the effectiveness of the Code's certification, auditing, reporting, and compliance arrangements

Auditing can identify shortcomings and help a business improve its systems. A certificate can record the result of an assessment. Neither removes the need to monitor what happens while a contract is being delivered.

The Registrar has powers to investigate Code complaints and impose conditions, suspend or cancel certificates. Matters concerning other legislation may be referred to the relevant regulator. These are substantive compliance arrangements, but their existence does not establish that a separate Code regime is necessary or that it is the least costly way to achieve the intended outcomes.

Under the Chamber's proposed approach, checks would be directed to the risks of the contract. The purchasing agency would be responsible for monitoring delivery of agreed obligations and using the remedies provided in the contract. Suspected breaches of employment or safety law would be referred promptly to the regulator responsible for that law.

Reporting should provide evidence of performance and identify problems requiring action. Independent verification could be required where a particular risk warrants it, rather than imposing a routine audit on every supplier as a condition of participation. Contract conditions should make responsibilities, reporting and the consequences of non-performance clear.

We do not support expanding the Code into additional areas of law or imposing broader supply-chain certification. Necessary oversight should be addressed through existing regulatory responsibilities and proportionate contract requirements, without duplicating those functions.

g) Is the role, composition, and operation of the Secure Local Jobs Advisory Council appropriate?

In the interests of transparency, we wish to disclose that our Chief Executive sits on the SLJC Advisory Council.

The Advisory Council advises the Minister on the Code's operation, but does not typically provide advice on the strategic policy considerations around ACT Government procurement, including the effectiveness and usefulness of the Code.

Consultation with employers and employees is useful, but the Chamber does not consider that it requires a permanent advisory structure attached to a separate Code.

In our proposed model, the Council's Code-specific role would end with the repeal of the Code. Government should continue to seek practical input on procurement and employment through broader consultation arrangements. These should include small business experience, subcontracting knowledge and procurement expertise, alongside employer and employee perspectives.

During the transition, the Council could assist with identifying duplication, assessing implementation issues and advising on the information needed to evaluate outcomes. Its discussions and advice should be transparent, subject to legitimate confidentiality. Policy consultation should remain separate from the evaluation of individual tenders or decisions about particular suppliers.

i) Other issues

Repeal of the Code should be accompanied by a comprehensive, independent review of ACT Government procurement policy and practice. It should examine governance, competition, quotation and tender processes, Canberra business opportunities, interstate competitiveness, transparency and overall economic outcomes.

Simplification must retain fair access. Reducing paperwork does not itself establish that capable suppliers have had a fair chance to compete. The review should consider how opportunities are advertised, how suppliers are selected and how decisions demonstrate value for money.

Implementation should have a clear commencement date and coordinated changes to legislation, procurement directions, templates and contracts. Government should explain the treatment of existing contracts and unresolved compliance matters so that continuing responsibilities are understood.

Policy objectives should be specified before bids are sought, with clear evidence requirements and assessment criteria. Agreed commitments should become

contract obligations, supported by practical monitoring and consequences for non-performance. Duplication should be removed, not relocated.

The Chamber's position is that the Government should repeal the whole Code, not a new name or amendments retaining separate certification. Specific policy objectives should be pursued through transparent tender requirements and enforceable contracts, supported by existing workplace laws and regulators.

Greg Harford
Chief Executive