



**LEGISLATIVE ASSEMBLY**  
FOR THE AUSTRALIAN CAPITAL TERRITORY

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STANDING COMMITTEE ON ENVIRONMENT AND TRANSPORT AND CITY SERVICES  
Ms Suzanne Orr MLA (Chair), Mr Steve Doszpot MLA (Deputy Chair)  
Ms Tara Cheyne MLA, Mr Mark Parton MLA

**Inquiry into the planning, management and delivery of road maintenance in  
the ACT**

**Submission 1 – Master Builders Association of the ACT**

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	A.C.T. LEGISLATIVE ASSEMBLY COMMITTEE OFFICE
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The Committee Secretary  
Standing Committee on Environment and Transport and City Services,  
Legislative Assembly for the ACT  
GPO Box 1020  
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Via Email: [committees@parliament.act.gov.au](mailto:committees@parliament.act.gov.au)

Dear Committee Secretary

**Submission from the Master Builders Association of the ACT  
Inquiry into the Planning, Management and Delivery of Road Maintenance in the ACT**

Thank you for inviting the Master Builders Association of the ACT (MBA) to make this submission to the Standing Committee on Environment and Transport and City Services (the committee).

Master Builders ACT (MBA) was formed in 1925 and represents the interests of around 1,200 commercial builders, residential builders, civil contractors, suppliers, subcontractors and professionals.

The MBA is the largest membership association in the ACT and also operates Canberra's leading Registered Training Organisation and a Group Training Organisation. In the ACT, the MBA represents the Canberra region's civil contractors and civil designers who are currently involved in the planning, design and construction of new roads and road maintenance.

This submission does not seek to address every aspect of the terms of reference (ToR). Many of the issues identified in the ToR, such as questions of design and structural adequacy, technical considerations, administrative and budgetary process are issues for government to consider in its overall assessment of delivering value for money to the ACT tax payer.

Obviously, civil contracting companies would like to see infrastructure and maintenance annual budgets increase, however the actual level of expenditure on infrastructure and maintenance needs to be considered against other competing demands in the Territory. We have not attempted to assess the adequacy of the ACT road maintenance budget in this submission, but instead have focused on the procurement effectiveness.

Presently, road maintenance is procured by the ACT's Procurement and Capital Works (PCW) team. Depending on the value of the maintenance contract, contractors are either selected directly from a panel of companies, or panel members are invited to tender for maintenance contracts. Panels are reviewed regularly.

This method of contracting has a number of benefits for the Territory:

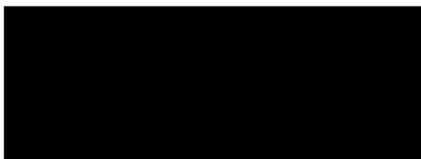
- Contractors are pre-qualified before being appointed to the panel, meaning that low value maintenance contracts can be award quickly and efficiently.
- Contractors and PCW/TCCS develop strong working relationships, meaning that the management of maintenance contracts generally operates smoothly.
- Contractors appointed to the panels retain corporate knowledge of local conditions, such as ground conditions, infrastructure locations, site risks, and the like meaning that maintenance works can be managed with less risks and lower cost to the Territory.
- Contractors based locally can be nibble and respond quickly when emergency maintenance is required.

The MBA believes the current procurement method operates effectively for both the Territory and local contractors, and we believe the current procurement methods should continue.

The adoption of a Local Industry Participation Policy (LIPP) and application to all government procurement from 1 January 2017 appropriately recognises the value of engaging local road maintenance contractors for the Territory. We strong support the application of the LIPP to future road maintenance contracts.

The MBA welcomes the opportunity to contribute to this inquiry. If it assists the committee, we would welcome the opportunity to present at the committee hearings to answer any specific questions.

Yours sincerely



Michael Hopkins  
Deputy Executive Director