

Standing Committee on Social Issues: Procurement practices inquiry

Tuesday 2 April 2024

Supplementary Questions

Small Business Commissioner

1. Regarding the provisions in the *Local Government (General) Amendment (Tendering) Regulation (No 2) 2023* relating to offering ongoing employment to employees of a previous contract before being able to tender for a new contract; and proposals in some submission to this inquiry to implement a NSW Secure Jobs Code modelled on existing codes in the ACT and Victoria which impose obligations regarding secure jobs for employees before being able to tender for government contracts (as low as \$25,000 in the ACT for some types of contracts), do you consider such measures could be anti-competitive and disadvantage small businesses?

Answer:

Small businesses have existing obligations to uphold employment and labour standards under relevant state and federal legislation.

Government Tendering arrangements and requirements should focus on the specific goods or services required by government. Tendering and contractual obligations should focus on ensuring competition, transparency and value for money.

Additional obligations on small businesses that go above and beyond what is required for other commercial arrangements have the potential to discourage small business participation in government procurement and add additional cost for government.