



Mike Baird MP

NSW Treasurer
Minister for Industrial Relations

MEDIA RELEASE

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DELIVERING VALUE ON INFRASTRUCTURE – CONSTRUCTION GUIDELINES NOW IN FORCE

New procurement guidelines are in force from today to ensure value for money on NSW infrastructure projects, said NSW Treasurer and Minister for Industrial Relations Mike Baird.

The new guidelines apply to construction companies that tender for NSW Government infrastructure work.

“We have a \$30 billion backlog of critical infrastructure across the State and limited funds available to deliver it,” Mr Baird said.

“The NSW Government wants to make sure that every dollar we invest in infrastructure delivers value for the people of NSW.

“We were not prepared to sit by and watch taxpayer funds wasted on cost blow-outs caused by illegal activity and side deals.

“That’s why we have taken action to put an end to union pressure on NSW construction sites, which has increased since the Australian Building and Construction Commission was disbanded by Federal Labor.

“Without these guidelines, the cost to NSW based on our \$61.8 billion infrastructure program is estimated to increase by up to \$790 million over the Budget period, and jobs would also be at risk.

“An increase in wage costs on our infrastructure program of just two per cent could also lead to 8,200 fewer jobs in this State.

“These guidelines are consistent with those introduced by Victoria last year and by the Queensland Government today. The eastern States are sending a united message – cost blow-outs and time delays will not be tolerated on our construction sites.”

Mr Baird said the NSW Government acknowledges the recent Federal Court decision regarding Victoria’s guidelines, which the Victorian Government has appealed. While the appeal is underway, the three State Governments have issued Practice Directions to ensure the aspects of the guidelines relating to enterprise agreements are not applied.

A Construction Compliance Unit has been established in NSW Treasury to enforce the guidelines. Guidelines are available at www.industrialrelations.nsw.gov.au