



**CIVIL CONTRACTORS  
FEDERATION**

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## Media Release – For immediate release

### **PEAK CIVIL CONSTRUCTION VOICE URGES PUBLIC AGENCIES TO PAY THEIR SUPPLIERS**

The Civil Contractors Federation (CCF) has today called on public procurement agencies (Federal, State and Local) to pay all ‘outstanding claims’ to their suppliers as a form of injecting cash into the civil construction supply chain.

Chief Executive Officer of Civil Contractors Federation National, Chris Melham said: “during this crisis the industry and its 1.1 million workers proudly continue to construct and maintain critical infrastructure needed by all Australians so they can continue to gain reliable access to the internet, water, electricity, gas, telecommunications, drainage, roads, rail, bridges, tunnels and ports.

But the industry’s viability and that of its workers during COVID-19 relies on prompt payment by public procurements agencies and I therefore urge the Federal Government to develop a ‘supplier payment policy” for all public bodies involved in Federally funded civil infrastructure projects and to impose that policy as a matter of urgency”, Melham said.

In a formal submission lodged to the Federal Government last week, CCF also put forward a number of aspects that could be included in the ‘supplier payment policy’ such as:

1. *Ensuring all outstanding claims are settled and invoices submitted by suppliers are paid immediately on receipt in order to maintain cash flow in the supply chain and protect jobs.*
2. *By informing suppliers that they will continue to be paid as normal (even if service delivery is disrupted or temporarily suspended) until at least 30th June 2020.*
3. *By putting in place the most appropriate payment measures to support supplier cash flow such as: forward ordering, payment in advance/prepayment, interim payments and payment on order.*
4. *By reviewing tender requirements and streamlining the tender process to take into account the changing dynamic of how tenders are prepared in the current environment with a number of personnel working from home or in isolation.*

“Part of the reasoning for CCF’s approach is that the larger “Tier 2 and Tier 3” Australian owned civil construction companies who employ the majority of the workforce engaged in the civil construction sector are sitting above the financial threshold measures announced in the Federal Government stimulus packages thus far, and therefore these companies cannot access these measures to retain workers – civil construction companies need their outstanding claims paid to help retain the civil construction workforce”, Melham said.

“Finally, I wish to acknowledge that the health and wellbeing of the civil construction workforce is paramount, and I wish to congratulate ‘[Safe Work Australia](#)’ on publishing industry-specific advice on COVID 19 and measures to minimize risk and exposure in the building and construction industry and the implementation of these measures by industry on all civil construction sites”, Melham concluded.

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*“The peak voice of the Civil Construction Sector”*