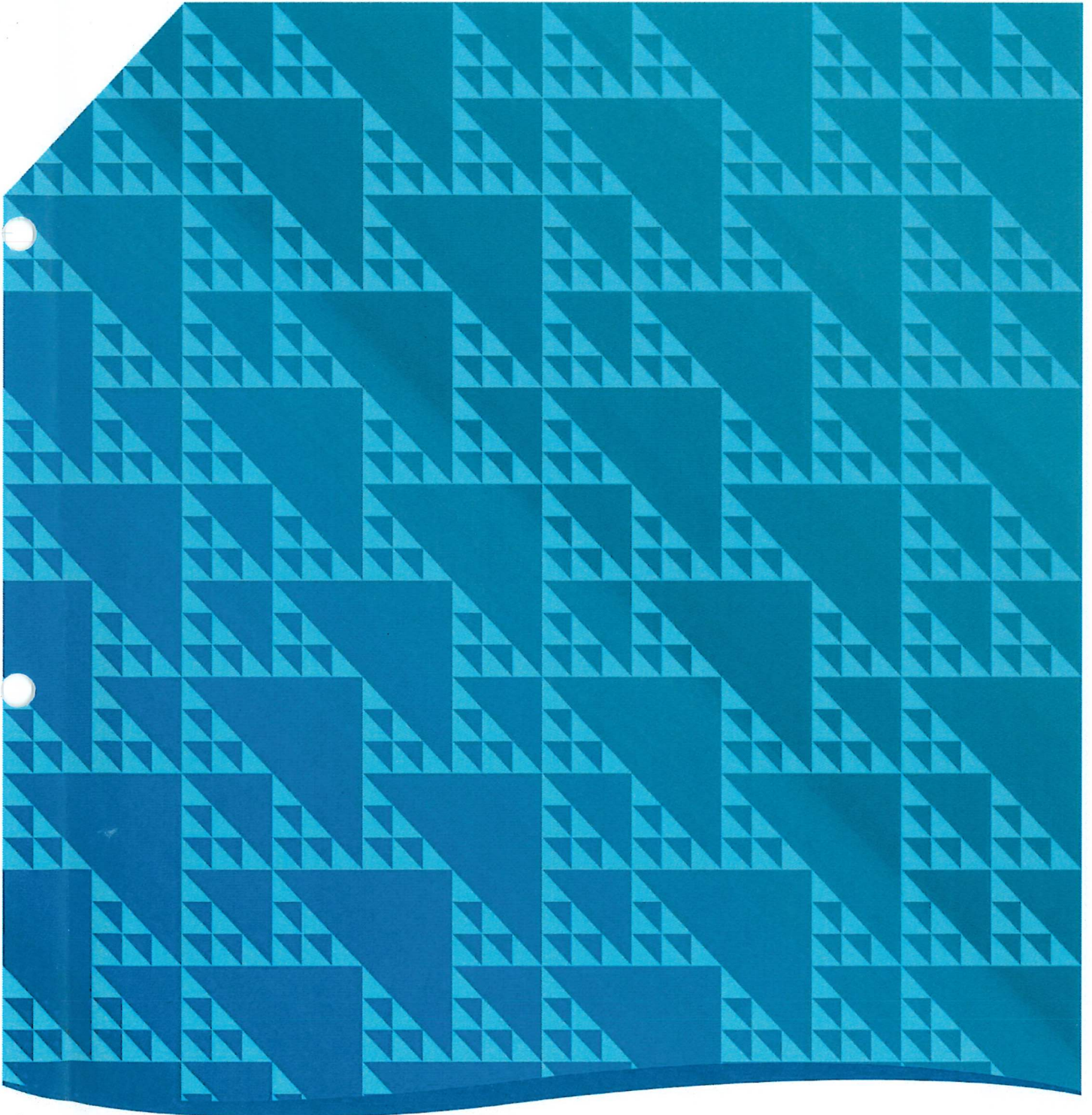


Building Tasmania's Future

Memorandum of Understanding



Building Tasmania Future - Memorandum of Understanding

Date

1. This Memorandum of Understanding (MoU) is dated 30 May 2022.

Parties

2. This MoU is made between the following Parties, as members of the Tasmanian Building and Construction Roundtable (the Roundtable):

Australian Institute of Architects

Civil Contractors Federation Tasmania

Consult Australia

Engineers Australia

Housing Industry Association

Keystone

Master Builders' Association of Tasmania

Property Council of Australia

Tasmanian Government

Purpose

3. This MoU sets out a framework for the Parties to work collaboratively to deliver a sustainable infrastructure pipeline.

Context

4. Investment in infrastructure is key to Tasmania's overall economic and social prosperity.
5. The estimated value of planned Tasmanian Government, local government and known private sector projects is more than \$25 billion over the next decade.
6. The Tasmanian Government is committed to ongoing infrastructure investment to support economic growth and provide for the community needs.
7. Across Australia, market shortages of skills, labour and materials are being compounded by high and increasing levels of demand.
8. Responding to demand and developing industry capability and capacity in a sustainable way will require commitment and collaboration between industry and government.
9. The Tasmanian Government is committed to a more transparent and reliable infrastructure pipeline including early engagement and collaboration with the sector on planned projects.
10. Industry leaders are forward-looking and prepared to explore new opportunities to address the challenges facing the sector.

Principles

11. Under this MoU, the Parties agree to be guided by the following principles.

- a. Both industry and government have collective responsibility for building the infrastructure that Tasmania wants and needs.
- b. Collaboration will create value, identify opportunities, support innovation, and deliver better outcomes for all of Tasmania.
- c. Our people are valued as the cornerstone of our industry.
- d. We adapt to meet current challenges and future needs.

Shared goals

12. The Parties agree to work collaboratively to deliver a sustainable infrastructure pipeline by:
 - a. continuing to build and maintain a viable Tasmanian construction industry across all sectors by increasing sustainability, resilience, quality, productivity, and efficiency
 - b. raising capacity, capability and career opportunities across both the industry and government sector through increased skills development and supporting diversity
 - c. supporting Tasmania's reputation, brand, cultural values, natural and cultural environment, and a strong economy through increased business confidence, employment and inward investment
 - d. delivering infrastructure to support the economy and create liveable communities.

Focus areas

13. To achieve these objectives, the Parties agree to focus on:
 - i. providing a transparent, reliable and regularly updated Infrastructure Pipeline
 - ii. developing a sustainable approach to risk allocation
 - iii. improving procurement processes and practices
 - iv. workforce skills and labour supply
 - v. improving planning and regulatory processes
 - vi. resilient high performing businesses
 - vii. supply of equipment and materials.

Implementation

14. The Parties agree to address each of the focus areas as summarised in Schedule 1.
15. Where a working group is established in accordance with Schedule 1, the lead organisation will nominate a working group chair.
16. Working group chairs will convene membership including those with direct knowledge and experience in the focus area.
17. Each working group will develop its own terms of reference, work program and success measures, to be informed and supported by:
 - a. the working group members' combined knowledge and expertise
 - b. local, national and global strategic context
 - c. evidence.
18. Working group outputs (including advice and deliverables) should:
 - a. deliver progress towards achieving the shared goals in paragraph 12
 - b. measure this progress
 - c. inform the Parties' policy development and strategic planning.
19. Working group progress will be updated and discussed at meetings of the Roundtable.

20. The Parties will continue to meet at least twice per year through the Roundtable to ensure the MoU is managed and to progress the focus areas in paragraph 13.

Governance

21. The Parties acknowledge collective responsibility for achieving outcomes under this MoU.
22. The broad relationships between the Parties (as Roundtable members) and Tasmanian Government Ministers, departments, committees, and working groups are illustrated in Schedule 2.
23. Notwithstanding any term of this MoU, the High-Vis Army Working Group will operate according to the terms of the *Building the Workforce to Build Tasmania Memorandum of Understanding*, under which it was established.
24. This MoU does not, and is not intended to, create legally enforceable obligations on the part of the Parties.
25. This MoU is a statement of intent and does not seek to limit the operational independence of the Parties.

Funding

26. Unless otherwise stated in this MoU, or otherwise agreed by the Parties, anything a Party will do under this MoU will be done at that Party's cost.

Term and review of the Agreement

27. This MoU will commence on the date of execution and will be reviewed every three years or as otherwise agreed between the Parties.

Variation

28. Any variation to this MoU will be in writing and signed by all Parties.

Contact officers

29. The contact officers for this MoU will be the Chief Executive Officer of Infrastructure Tasmania on behalf of the Tasmanian Government, and the nominated Executive of all other Parties.

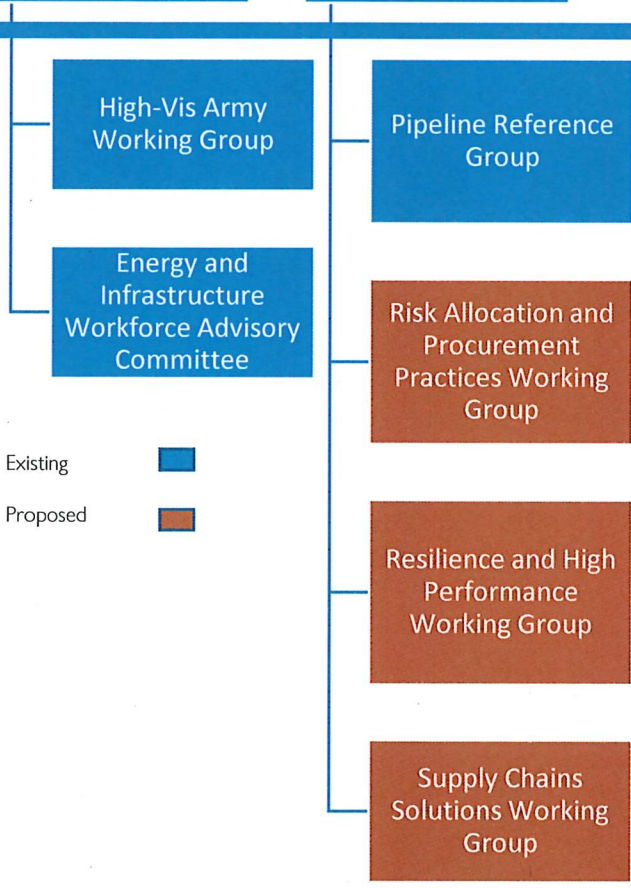
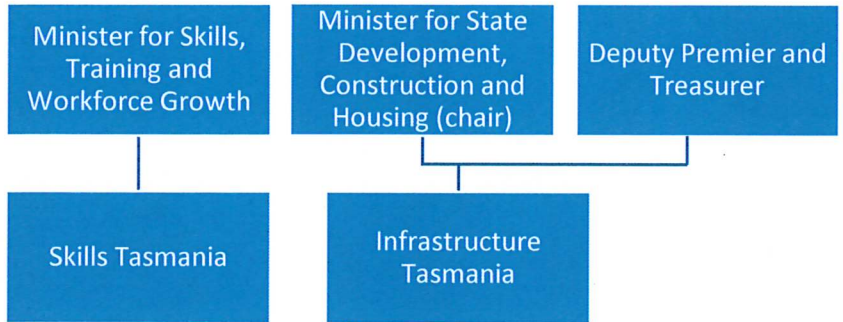
Schedule 1 - Implementation

Focus area	Proposed Government Action	Proposed Industry Action	Implementation
<p>1. Provide a transparent, reliable and regularly updated Infrastructure Pipeline</p>	<p>Ensure that the Pipeline continues to evolve with increasing granularity and detail of pre-construction phases. Continue to work across sectors to improve scope of coverage and inclusion of large industrial investments. Maintain engagement with GBEs to ensure their ongoing contribution to the Pipeline.</p>	<p>Support and promote the value of the pipeline, encouraging contributions across all sectors.</p>	<p>Infrastructure Tasmania to convene a reference group to meet 1-2 times per year to review the Pipeline. Roundtable member organisations to nominate appropriate participants.</p>
<p>2. A more sustainable approach to risk allocation</p>	<p>Seek industry's views on any areas in which value for public money and industry sustainability could most readily be improved through risk-sharing. Work with industry to identify collaborative approaches across agencies and projects to manage and reduce risks, including pre-procurement consultation with contractors, specific contractual risk-sharing mechanisms and "dispute avoidance" forums for major projects. Explore relevant learnings from reforms recently introduced to risk allocation through recent government procurement reviews and, where appropriate, seek to apply these in Building and Construction procurement. Improve speed and efficiency of Government (client) decision-making, to avoid delays and manage costs, particularly during the construction phase.</p>	<p>Continue to engage with Government to identify and contribute to the development and implementation of reforms.</p>	<p>Infrastructure Tasmania is leading work to update current practices in risk management and allocation. This work will continue to be informed by the Department of Treasury and Finance, Crown legal advisers, Infrastructure Delivery Committee and Roundtable members. Infrastructure Tasmania to convene a working group to support the progress of this work, and the work associated with focus area 3 (below). Membership may include Department of Treasury and Finance, as well as other government agencies. Roundtable member organisations to nominate appropriate participants.</p>

<p>3. Improving procurement processes and practices</p>	<p>Work across government and industry through Infrastructure Tasmania to promote:</p> <ul style="list-style-type: none"> improved consultation with industry through early procurement engagement and knowledge sharing improved quality and accuracy of tender documentation standardised contracts for routine construction procurements to increase speed to market and reduce contract administration costs, and improved efficiency of the tender process, including outcome notification. 	<p>Continue to engage with Government to inform the development of reforms and participate in forums and activities to promote knowledge sharing between the private and public sectors.</p>	<p>Infrastructure Tasmania is leading work to update procurement processes and practices and will pursue opportunities for knowledge sharing. This work will continue to be informed by the Department of Treasury and Finance, Crown legal advisers, and Roundtable members.</p> <p>Infrastructure Tasmania to convene a working group to support the progress of this work, and the work associated with focus area 2 (above). Membership may include Department of Treasury and Finance, as well as other government agencies. Roundtable member organisations to nominate appropriate participants.</p>
<p>4. Workforce skills and labour supply</p>	<p>The <i>Building the Workforce to Build Tasmania Memorandum of Understanding (MOU)</i> signed on 16 June 2021 demonstrates the importance of increasing the number of skilled workers across the building and construction industry, and the role of diversity in building this workforce. It sets out clear responsibilities for all Parties.</p> <p>The Tasmanian Government has entered into 'High-Vis Army' Grant Deeds with the Civil Contractors Federation, Master Builders Tasmania and the Housing Industry Association to support workforce skills development and enhanced labour supply. The anticipated investment of \$2.25 million per annum over four years represents a significant investment in workforce development, in addition to employer contributions and workforce development and training supported by Keystone Tasmania, funded by the Building and Construction Industry Training Levy.</p>	<p>High-Vis Army Working Group to hold two meetings per year for the life of the deeds. These meetings would be held in March to review each participant's project plan heading into an update of the plans and prepare the members for the mid-year Peak meetings, and a September meeting to enable participants to report on progress to share their learnings to date.</p> <p>Support for planning, design and engineering skills will be considered by the Tasmanian Energy & Infrastructure Workforce Advisory Committee overseeing delivery of the Energising Tasmania project. Skills Tasmania will support the Committee, and provide updates to the Roundtable.</p>	<p>High-Vis Army Working Group to hold two meetings per year for the life of the deeds. These meetings would be held in March to review each participant's project plan heading into an update of the plans and prepare the members for the mid-year Peak meetings, and a September meeting to enable participants to report on progress to share their learnings to date.</p> <p>Support for planning, design and engineering skills will be considered by the Tasmanian Energy & Infrastructure Workforce Advisory Committee overseeing delivery of the Energising Tasmania project. Skills Tasmania will support the Committee, and provide updates to the Roundtable.</p>

<p>5. Supply of equipment and materials</p>	<p>The Tasmanian Government, through the Department of State Growth will continue to lead activity to address supply chain challenges, support innovation, and develop a circular economy in collaboration with Roundtable members, through this Agreement.</p>	<p>Continue to advise Government of risks arising from shortages of equipment, materials and resources, and participate in measures to manage demand through product replacement or increase resource availability.</p>	<p>The Department of State Growth to convene a working group to develop solutions to long term structural issues in supply, noting membership may include participants from other sectors including extractive industries. Roundtable member organisations to nominate appropriate participants.</p>
<p>6. Improving planning and regulatory processes</p>	<p>The Tasmanian Government, through Infrastructure Tasmania, will reinforce the need for connection between infrastructure planning and land use planning as together they support making Tasmania a better place to live and work.</p> <p>The Office of the Coordinator-General (OCG)'s Red Tape Reduction Coordinator will continue to consult and identify further agreed red tape issues. Businesses and industry who live and work with regulation on a daily basis are able to submit red tape issues through the OCG website.</p>	<p>Continue to engage with Government to inform the development of ongoing improvements to planning and regulations.</p>	<p>Government and Roundtable members to review progress against this focus area as a standing agenda item at future Roundtables.</p>
<p>7. Resilient high performing businesses</p>	<p>Collaborate with industry to develop and implement an infrastructure productivity roadmap (including skills needs assessment) to unlock opportunities through digital transformation, sustainable and resilient design, and other opportunities.</p> <p>Support the development of emissions reduction and resilience plans for the construction industry. Engage with other state and territory governments to capitalise on learnings and developing best practice.</p>	<p>Collaborate with Government to develop and implement an infrastructure productivity and quality improvement roadmap.</p>	<p>Infrastructure Tasmania to convene a working group. Roundtable member organisations to nominate appropriate participants. The working group will:</p> <ul style="list-style-type: none"> • develop an infrastructure productivity and quality roadmap • provide a forum for industry to discuss the development of emissions reduction and resilience plans • share best practice to support the industry adapting to changes to the National Construction Code and anticipated Commonwealth requirements through major project funding.

Building and Construction Industry Roundtable



Existing ■
Proposed ■

Signatures

SIGNED for and on behalf of the Crown in right)
of Tasmania by The Hon Guy Barnett MP)
Minister for State Development, Construction)
and Housing)



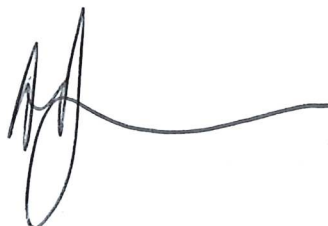
SIGNED for and on behalf of the Crown in right)
of Tasmania by The Hon Roger Jaensch MP)
Minister for Skills, Training and Workforce)
Growth)



SIGNED for and on behalf of Master Builders)
Tasmania by Matthew Pollock, Chief Executive)
Officer)



SIGNED for and on behalf of the Civil)
Contractors Federation Tasmania by Ashley)
Cooper, Vice President)



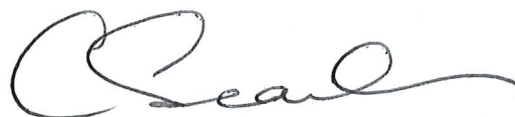
SIGNED for and on behalf of the Housing)
Industry Association by Stuart Collins, Executive)
Director Tasmania)



SIGNED for and on behalf of Keystone)
Tasmania by Norm McIlpatrick, Chair)



SIGNED for and on behalf of Consult Australia)
by Catherine Searle, Chairperson, Tasmanian)
Committee)



SIGNED for and on behalf of the Australian
Institute of Architects by Stuart Tanner,
President, Tasmanian Chapter

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SIGNED for and on behalf of the Property
Council of Australia by Rebecca Ellston,
Executive Director (Tasmania)

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SIGNED for and on behalf of Engineers Australia)
by Darren Beattie, General Manager Tasmania)

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) 



Infrastructure Tasmania

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