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Senate Finance and Public Administration Committees PO Box 6100 Parliament House Canberra ACT 2600



The peak body for security professionals

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# RE: Submission on the Public Governance, Performance and Accountability Amendment (Ban Unethical Contractors) Bill 2025

ASIAL as the peak security industry association, representing approximately 80 percent of security industry service providers, welcomes the intent of the Public Governance, Performance and Accountability Amendment (Ban Unethical Contractors) Bill 2025 (the Bill), which aims to lift integrity, accountability, and ethical standards in Commonwealth procurement.

Open, competitive and transparent procurement practices are essential to the smooth, efficient and ethical operation of any organisation. They provide a structured approach to acquiring goods, services, and works in a way that supports organizational goals.

The private security industry performs a vital role in safeguarding business, government and the wider community. Ensuring professional and ethical conduct is not only in the best interests of government, industry and the broader community, but the industry itself.

ASIAL supports initiatives that seek to promote ethical, transparent and competitive procurement practices.

Having reviewed the bill, ASIAL offers the following comments:

#### 1. Provide a clearer definition of "unethical conduct"

The Bill would benefit from guidance distinguishing:

- systemic or serious unethical conduct, versus
- isolated, low-level misconduct by an individual employee.

## 2. Introduce proportionality and natural justice provisions

Before exclusion, it is suggested that suppliers be provided with:

- a right to respond.
- an opportunity to demonstrate remediation, and
- access to a review process.

This would ensure that temporary or minor breaches do not permanently exclude a provider.



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## 3. Require entities to consider industry-specific risk profiles

Given differences in the operating environment between different industry sectors, consideration should be given to developing industry specific risk-profiles, as a one size fits all approach may give rise to unintended consequences.

#### 4. Provide transitional support for compliance improvement

In the transition to support improved compliance, consideration should be given to:

- Providing standardised compliance templates;
- Providing procurement briefings,
- Ensuring alignment with existing regulatory frameworks, such as security licensing requirements, Fair Work and Security Of Critical Infrastructure Act obligations;
- Providing for a compliance audit certification undertaken by an approved independent auditor;
- Educating government entities on the risks associated with contract negotiations based on low-cost procurement.

The above suggestions would ensure smaller firms who may not have access to the same compliance resources as larger companies, are not unfairly excluded. Smaller, regional, and Indigenous-owned security firms who often provide essential frontline security services may struggle to meet the administrative and evidentiary requirements implied by the Bill. This could unintentionally reduce competition.

In closing, ASIAL reaffirms its support for efforts to strengthen ethical practices and behaviour in Commonwealth procurement. Government should lead by example in promoting ethical and transparent procurement practices. Implementation of a nationally consistent approach will instill greater public and industry confidence by sending a very clear signal that government agencies do not tolerate poor behaviour with contracts.

We encourage the committee to consider the comments above to ensure the Bill meets its stated objectives without unintentionally undermining industry's capacity to deliver safe, reliable, and ethical services to government.

Yours sincerely

Bryan de Caires Chief Executive Officer