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Interim Australian Standard®

Code of tendering

STANDARDS AUSTRALIA 

in conjunction with



**CONSTRUCTION
INDUSTRY
DEVELOPMENT
AGENCY**



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The following interests are represented on Committee OB/10:

Australian Federation of Construction Contractors
Australian Liquor Hospitality and Miscellaneous Workers Union
Austroads
Building Owners and Managers Association of Australia
Construction Industry Development Agency
Construction Industry Engineering Services Group
Department of Industry Technology & Commerce
Law Council of Australia
Master Builders Construction and Housing Association of Australia
National Public Works Council
Royal Australian Institute of Architects
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Code of tendering

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PREFACE

This Code of tendering was developed and issued to public comment by the Construction Industry Development Agency (CIDA) Code of Practice Working Party and forwarded to the Standards Australia Committee on Construction Industry Practice for endorsement as an Interim Australian Standard.

Standards Australia invites comment on this Interim Standard from persons and organisations concerned with the subject. The date of expiry of comment is *December 31, 1994* at which time (or earlier) this Interim Standard will be either withdrawn, or revised in the light of comments received.

During the life of this document, the committees will monitor all comment on the use of the document.

Attention is drawn to the fact that this document is an Interim Australian Standard only and should be regarded as a draft Standard and hence liable to alteration after the expiry date.

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FOREWORD

The purpose of this Code is to encourage high ethical standards in tendering in the construction industry, in the belief that significant benefits will flow to the entire community through the delivery of higher productivity, high quality construction work, better working conditions and elimination of malpractice. It constitutes a statement of the ethics which underline best practice tendering procedures. It imposes an obligation on all those parties to refuse to condone unethical behaviour by others in the industry.

Inherent in adoption of this Code is a willingness to deal only with industry organisations and personnel whose standards of performance and behaviour conform to those expected by this Code

STANDARDS AUSTRALIA

Interim Australian Standard

Code of tendering

1 SCOPE This Code sets out the ethics and the obligations of the principal and contractors in tendering in the construction industry. A separate Code covers the selection of consultants providing professional services.

2 APPLICATION This Code applies equally to principals, their agents, contractors, subcontractors and suppliers and their association and professional organisations.

3 DEFINITIONS

3.1 Construction industry—includes all building, refurbishment, maintenance, civil engineering, process engineering, mining and heavy engineering projects. It excludes cottage construction.

3.2 Tenderer—any party submitting tenders, including head contractor, subcontractor and supplier.

3.3 Principal—any party inviting and receiving tenders. A principle may include head contractor or subcontractor.

3.4 Intellectual property—all copyright, patents and all rights in relation to inventions, registered and unregistered trademarks (including service marks), registered designs, and circuit layouts, and all other rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields.

4 ETHICS This Code is based on the following principles:

- (a) Tendering at all levels in the industry shall be conducted honestly and in a manner that is fair to all parties involved.
- (b) Parties shall comply with all legislative obligations including those required by trade practices and consumer affairs legislation.
- (c) Principals shall have regard to the costs of bidding and the number of tenderers.
- (d) Tenderers shall bid only where they intend to carry out the work if successful.
- (e) Principals shall only call for tenders after they have made a firm commitment to proceed with the project.