

Monday, 27 April 2020

Department of Transport and Main Roads Statement – COVID-19

The COVID-19 pandemic is an unprecedented event and there are potential impacts on Transport and Main Roads' (TMR) contracts associated with delivering the infrastructure program.

To address this, TMR has been working with your industry association to identify changes to the current Transport Infrastructure Contracts to better and more specifically deal with the impacts of COVID-19. TMR is preparing an Annexure to the General Conditions of Contract that will include changes to some of the standard contract provisions. These changes will include specific references to COVID-19 impacts in relation to extension of time, delay costs, suspension, rise and fall, and terminations. TMR will be offering Contractors the opportunity to amend their contracts to include these COVID-19 specific provisions on a contract by contract basis over the coming weeks.

In addition, TMR has implemented new payment arrangements to all suppliers for the period of the pandemic, to assist contractors with cashflow. On 30 March 2020, TMR moved to an early payment process for all supplier invoices. The contractor submits their claim as usual and it is certified within the contractual 10 Business Days. Once a supplier invoice has been approved by TMR and processed by QSS (TMR's shared service provider), the payment is released immediately to the supplier.

TMR is also reviewing its contract suite (and associated risk allocation) to be ready for any potential large infrastructure stimulus.