

[REDACTED]

From: Jock Harcourt [REDACTED]
Sent: Thursday, 13 September 2018 5:42 PM
To: Security of Payment 2018
Subject: Growgrass Pty Ltd submission

Hi.

I am a small re-vegetation contractor on the north coast of NSW.

I am presently working on the Pacific Hwy upgrade between Woolgoolga and Ballina.

I worked for the York/OHL section one and am currently working on other sections towards Ballina. As York have gone broke I will probably lose the retention of around [REDACTED] on top of [REDACTED] that I lost when Shearer Contracting went broke earlier in the year. Small companies like mine cannot take hits like this and survive.

Big companies use their power to screw small contractor's to the floor on pricing holding out the only possibility work for the lowest possible pricing.

The whole RMS civil construction industry is totally price focused, not outcome focused thus ensuring large scale cheating on all the revegetation projects over the last 20 plus years and thus ensuring multiple re-works are required until everyone gives up.

The main contractors under-price the work to win the job and then proceed to try and make up their profit from subcontractors its always been this way.

Small Subies are forced into contracts that are very complicated and onerous and generally holding all the risk for failure while being subject to up to 10% retention regardless of whether the head contractor is fulfilling their obligations under the specification. We are subject to completely onerous compliance and monthly reporting as if we are some multinational company.

As a small revegetation contractor my existence is totally dependent upon the main contractors needs. I have just been kicked to touch by Seymour Whyte on the W2B upgrade of the Pacific Hwy because I dared to make a complaint against them after the illegally took money from a payment with no consultation. This was potentially the biggest contract my small company has ever been involved in and now its gone with a simple phone call because I would not agree to them removing an integral part of the specification so they could save money.

The whole trust fund idea sounds good but its just tinkering at the edges. The whole process is broken and millions of dollars is being wasted for bad outcomes.

Best regards

Jock Harcourt - Managing Director



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