



# AMCA POLICIES

## TRADE PRACTICES COMPLIANCE

### STATEMENT OF PRINCIPLE

Business in general must comply with a wide range of regulatory requirements. These obligations apply to all air conditioning and mechanical services contractors including those who are members of AMCA.

Compliance with the provisions of the Commonwealth Trade Practices Act is a requirement of doing business. There are also very severe penalties and other costs for non-compliance.

AMCA believes that a competitive industry is in the interests of members, consumers, and the community.

A competitive industry will provide quality outcomes that use the most appropriate technology at a fair price.

For a competitive industry to operate effectively there must be a level playing field for all participants. There must be equal knowledge available to all and all those who submit tenders and proposals to clients for work must be treated on the same basis by the client or organisation that is calling for the proposal or tender.

AMCA believes that the attainment of a competitive, vibrant, and growing industry can be fostered by members committing themselves to:

- providing clients with all of the relevant information necessary to evaluate the tender bid
- encouraging competition in the market place through the adoption of new technologies, practices and staff development
- conducting business activities in a way that is fair and equal to all clients.

It is important for AMCA members to be fully aware of their obligations under the Trade Practices Act, Codes of Practice and the requirements of regulatory bodies. The ACCC publishes guidelines that may also assist – these are available on its website at [www.accc.gov.au](http://www.accc.gov.au).

In pursuit of these principles the association encourages all members to achieve best practice by maintaining a corporate trade practices compliance program for directors, officers and employees. This program should include ongoing education to these persons by way of training and assessment. The compliance program should be consistent with AS 3806 Compliance Programs which has recently been revised.

To assist companies to fully understand their obligations under the law, AMCA has introduced an online trade practices compliance program for use by members. This compliance program is designed specifically to meet the needs of association members.

The association recognises the importance of the provisions of Australian Standard AS4120-1994 Code of Tendering and in particular the sections on the obligations of the principal, obligations of tenderers and confidentiality. It also recognises the importance of members to comply and to encourage others to comply with that section of the code that forbids parties from engaging in the practice of trading off the prices submitted by tenderers on against the other in an attempt to seek lower prices.

#### Disclaimer:

*The material contained in this Policy Statement is provided solely for the limited purpose of providing overall general guidance to AMCA members and their employees in respect of the topics contained in the Policy Statements. AMCA does not accept responsibility for the consequences of any action or omitted to be taken by any person, whether an AMCA member or otherwise, as a result of any matter contained within these Policy Statements. In the circumstances of particular situations, specific advice should be sought on the facts of the situation.*