

CONSTRUCTION MATTERS

August 2015



In this month's edition of Construction Matters:

- *Fully Exposed: Design Development v Variations*
- Differences between Security of Payment Legislation in Western Australia & the Northern Territory
- Is it time to dispute? Case note: *Laing O'Rourke Australia Constructions Pty Ltd v Samsung C & T Corporation*
- Part allowance of payment claim equals complete headache for adjudication applicants! Case note: *Modular Forms Pty Ltd and Cecich*
- Work health and safety harmonisation in WA – nearly there!

"Fully Exposed": Design Development v Variations

1 Variations in Relation to Design – Design and Construct Contracts

- 1.1 In this edition, we consider how variation disputes can arise in relation to the design aspects of design and construct contracts and provide some helpful tips on how the resulting issues may be resolved.

2 Design Risk

- 2.1 One of the major concerns for contractors engaged on a design and construct contract basis is that the contract will often place responsibility on the contractor for everything contained in the project requirements, including all design work, whether or not prepared by or on behalf of the project owner.
- 2.2 That allocation of the design risk to the contractor often results in the project owner and its consultants being less concerned about errors, inadequacies and inconsistencies in the initial design work, because those mistakes will ultimately need to be rectified by the contractor itself (or at the contractor's cost).¹
- 2.3 This places an obligation on contractors at the tendering stage to assess the scale of risk in relation to the project, a particularly onerous task, given the complexity of some of the projects being undertaken Australia-wide as well as the tight timeframes associated with the tender process.
- 2.4 Typically in major projects conducted on a design and construct basis there is a large volume of project owner-driven directions, specification changes and document revisions. This inevitably leads to disputes as to whether the resulting changes in design amount to a variation or whether these are the consequences of ongoing design development (for which contractors in this position will usually bear the risk).

3 Design Development v Variations

- 3.1 This issue was at the heart of the unreported decision of the supreme court of victoria, court of appeal in *Multiplex Constructions Pty Ltd v Epworth Hospital*, which also touched on the issue of whether design development continues until the issue of construction documents.²
- 3.2 The proceedings related to a building agreement between Multiplex and Epworth Hospital for the redevelopment by Multiplex of the hospital and certain facilities. The agreement had been entered into at a stage when the design was incomplete in significant respects.
- 3.3 Phillips JA, with whom Charles JA agreed, provided some helpful insights which may assist contractors seeking to draw the line between design development and variations:
- (a) design development cannot relate to design other than the relevant design identified in the contract documents at the contract's formation. The court found that design development should be limited to designs already in existence, so as not to make such contracts open ended.
 - (b) design development cannot rationally extend past the issue of construction documents. However, design development does not necessarily have to conclude upon the issue of construction drawings, and can conclude at some earlier point.
 - (c) it will be a question of fact in every case as to the point at which design development comes to an end. However, design development usually comes to an end once the design had been "fully exposed". Whether a design is or is not "fully exposed" is a matter of fact.

¹ Munnings, Kathryn "Design, Development and Construct Contract – A Lawyer's Perspective", *Australian Construction Law Newsletter* #95 March/April 2004

² *Multiplex Limited v Epworth Hospital*, Court of Appeal of the Supreme Court of Victoria, 28 June 1996 (unreported) per Phillips JA

- (d) in order to demonstrate that a design is not fully exposed, it may be enough if, for any reason, that design is seen as preliminary. The design does not necessarily have to be schematic or marked as preliminary in nature.
- (e) subject to the possibility that a change was brought about by the development of the design in some other related component part of the relevant works, the redesign of something which had already been designed may amount to a variation, though "what has already been designed" will necessarily be a question of fact.
- (f) unless it amounts to the "refinement" of an existing design, any addition or increase in the work after a design has been "fully exposed" cannot be said to have resulted from design development and will constitute a variation.

4 Practical Tips

- 4.1 Contractors should exercise caution in applying the above tips to a particular contract. In particular, regard must be had to:
 - (a) identifying whether the particular contract imposes wider design development obligations than the facts of *Epworth Hospital*, in which case a higher threshold may need to be overcome to demonstrate a variation; and
 - (b) developing a clear understanding of the process under the relevant contract for approval/finalisation of design drawings/documents, which may be helpful to determining when documents are "fully exposed".

Security of Payment Legislation in Western Australia and the Northern Territory

Since it was first introduced in New South Wales in 1999, security of payment legislation has become an increasingly important mechanism for principals and contractors alike. Its significance is reflected in the fact that every jurisdiction across Australia now has its own legislation for security of payment.

However, while the objectives of each of these legislative frameworks are consistent, there are significant differences between each State. This can create difficulties for principals and contractors who are not familiar with these differences and whose work extends beyond one jurisdiction.

The differences between the Western Australia and Northern Territory model (**West Coast Model**) on the one hand and the South Australia, New South Wales, Victoria, Queensland and Tasmania model (**East Coast Model**) on the other, are well documented. Surprisingly though, there is very little commentary on the differences that exist within the West Coast Model, namely between Western Australia and the Northern Territory.

By way of background, Western Australia introduced security of payment legislation before the Northern Territory, in the form of the *Construction Contracts Act 2004* (**WA Act**). The Northern Territory legislation, *Construction Contracts (Security of Payments) Act 2004* (**NT Act**), was modelled on the WA Act and, for the most part, is identical to the WA Act in its essential aspects.

The purpose of this article is to summarise some of the important practical differences that exist between the two Acts. These differences are outlined in the table below:

Subject	WA Act	NT Act
Objects of Act	<p>The WA Act does not expressly identify a general object of the legislation.</p> <p>Section 30 of the Act states the object of adjudication is to determine the dispute fairly and as quickly, informally and inexpensively as possible.</p>	<p>The NT Act expressly sets out in section 3 its object; to promote security of payments under construction contracts, and how they are achieved being by:</p> <ul style="list-style-type: none"> • facilitating timely payments between the parties to construction contracts; • providing for the rapid resolution of payment disputes arising under construction contracts; and • providing mechanisms for the rapid recovery of payments under construction contracts. • This broad statement of object and how it is achieved is of assistance when interpreting the NT Act.
Interpretation	<p>The WA Act only has time limits in days, which is taken to mean calendar days.</p>	<p>The NT Act includes time limits in days, which is taken to mean calendar days, but 'working days' is also specifically defined in section 4 of the NT Act to mean days other than Saturdays, Sundays and public holidays as defined in the Public Holidays Act (NT).</p>

CONSTRUCTION MATTERS

Scope of construction work caught by the Act (mining exclusion)	The WA Act in section 4(3)(c) includes an exclusion from construction work including constructing any plant for the purposes of extracting or processing oil, natural gas or any derivative of natural gas, or any mineral bearing or other substance;	The NT Act does not include the exclusion of mining or petroleum plant construction from the application of the Act.
Timeframe to apply for adjudication	Section 26: An applicant must apply for adjudication <u>within 28 days</u> of the payment dispute arising.	Section 28: An applicant must apply for adjudication <u>within 90 days</u> of the payment dispute arising.
Timeframe to respond to an adjudication application	Section 27: A respondent has <u>14 days</u> to respond to the application.	Section 29: A respondent has <u>10 working days</u> to respond to the application.
Timeframe for payments to be made	Section 10: A contract requiring a payment to be made more than 50 days after the payment is claimed is deemed amended to require the payment to be made <u>within 50 days</u> .	Section 13: A contract requiring a payment to be made more than 50 days after the payment is claimed is deemed amended to require the payment to be made <u>within 28 days</u> .
Officers established pursuant to the Acts	Building Commissioner.	Construction Contracts Registrar (in the Department of Justice).
Withdrawing adjudication applications	The WA Act does not establish a procedure to withdraw an adjudication application.	Section 28A: The NT Act provides a procedure for applicants to withdraw an adjudication application.
Extending time for making a determination	Section 32(3)(a): An adjudicator may extend the time for making a determination with the consent of the parties.	Section 34(3)(a): An adjudicator may extend the time for making a determination with the Construction Contracts Registrar's consent. (It is important that this occur before the expiry of the original period).
Reviewing decisions to dismiss without making determination	<p>Section 46: Parties seeking to review decision of Adjudicator to dismiss under section 31(2) may apply for review to the State Administrative Tribunal.</p> <p>If on review the decision is set aside and referred back to the adjudicator, the adjudicator must make a determination within <u>14 days</u> after the date on which the decision is set aside or any extension of that time agreed on by the parties</p>	<p>Section 48: Parties seeking to review either the decision to dismiss (or not to dismiss) under Section 33(2) may apply for review to the Local Court.</p> <p>If on review the decision is set aside and referred back to the adjudicator, the adjudicator must make a determination within <u>10 working days</u> after the date on which the decision is set aside or any extension of that time agreed on by the parties</p>
When does a payment dispute arise?	A payment dispute will arise when a principal rejects a payment claim, even if the date for payment has not arrived. See <i>Laing O'Rourke Australia Construction Pty Ltd v Samsung C & T Corporation</i> [2015] WASC 237.	A payment dispute can only arise if the date for payment arrives, even if the principal rejects or disputes a claim before this date. See <i>Northern Territory v Urban and Rural Contracting</i> [2012] NTSC 22. However, based on recent amendments to section 8 of the NT Act that commenced November 2014, section 8 was amended and it is likely the NT Act will now be interpreted in the same way as the WA Act.
What constitutes a payment claim?	Failure to comply with a contractual precondition of a payment claim does not prevent a claim being made for the purposes of the WA Act. See <i>Blackadder Scaffolding Services (Aust) Pty Ltd and Mirvac Homes (WA) Pty Ltd</i> [2009] WASAT 133, [67].	A payment claim should satisfy contractual preconditions in order to constitute a valid payment claim for the purposes of the NT Act. See <i>K & J Burns Electrical Pty Ltd v GRD Group (NT) Pty Ltd and Another</i> (2001) 163 NTR 17, [236].

CONSTRUCTION MATTERS

Prescribed Appointer	The WA Act provides who the prescribed appointers are in the regulations	Additionally to the list of prescribed appointers provided for in the regulations, section 11A of the NT Act provides for the interaction with the Community Justice Centre Act and deems that Centre a prescribed appointer.
Period for appointment of adjudicator by prescribed appointer	The WA Act provides the prescribed appointer served with an application <u>five days</u> to appoint an adjudicator.	The NT Act provides the prescribed appointer served with an <u>application five working days</u> to appoint an adjudicator.
Period for responding to adjudication application	The WA Act provides <u>14 days</u> for the written response to be served on the applicant and adjudicator (or prescribed appointer if no adjudicator appointed).	The NT Act provides <u>10 working days</u> for the written response to be served on the applicant and adjudicator (or prescribed appointer if no adjudicator appointed).
Period for adjudicator's determination	The WA Act provides <u>14 days</u> (unless extended) from a written response being served on the adjudicator (or the last day a response is required to have been served if none served) for the adjudicator to dismiss or determine the application.	The NT Act provides <u>10 working days</u> (unless extended) from a written response being served on the adjudicator (or the last day a response is required to have been served if none served) for the adjudicator to dismiss or determine the application.
Enforcement of Determinations	<p>Section 43(2) of the WA Act provides that a determination may with the leave of the court of competent jurisdiction, be enforced in the same manner as a judgment or order of the court to the same effect, and if leave is given, judgment may be entered in terms of the determination.</p> <p>Section 43(3) of the WA Act has a determination signed by the Adjudicator and certified by the Building Commissioner as having been made by a registered adjudicator under the relevant Part of the Act.</p>	<p>Section 45(2) of the NT Act provides that a determination may be enforced as a judgment for a debt in a court of competent jurisdiction. This means that there is no requirement to obtain leave of the court to enforce the determination.</p> <p>Section 45(2) of the NT Act has a determination signed by the Adjudicator and certified by the Registrar as having been made by a registered adjudicator under the relevant Part of the Act.</p>

Principals and contractors should note that a failure to comply with the correct legislative framework may affect their rights under the construction contract and the adjudication process. As such, we recommend that principals and contractors carrying out construction work in both Western Australia and the Northern Territory give due consideration to the differences outlined above.

Is It Time to Dispute?

Case Note: *Laing O'Rourke Australia Constructions Pty Ltd v Samsung C & T Corporation*

Overview

The *Construction Contracts Act (2004)* (Act) is intended to provide an efficient means for adjudicating payment disputes arising under construction contracts.

However, up until now, there have been conflicting views concerning when a "payment dispute" can be said to arise.

In *Laing O'Rourke Australia Construction Pty Ltd v Samsung C & T Corporation* (***Laing O'Rourke***),¹ the Supreme Court of Western Australia clarifies when a "payment dispute" can be said to arise under the Act.

Background

A dispute arose between Samsung C & T Corporation (**Samsung**) and Laing O'Rourke Australia Construction Pty Ltd (**LORAC**) in relation to the AU\$10 billion Roy Hill Iron Ore Project in the Pilbara.

Samsung applied for judicial review to quash two determination awards in favour of LORAC, totalling AU\$44,140,518.

Samsung argued, on one of its grounds, that a valid "payment dispute" had not arisen for the purposes of s 6(a) of the Act.

Section 6(a) provides that a "payment dispute" arises if:

"by the time when the amount claimed in a payment claim is due to be paid under the contract, the amount has not been paid in full, or the claim has been rejected or wholly or partly disputed."

Samsung argued that a s 6(a) payment dispute is only triggered when the amount claimed in a progress claim is due to be paid under the contract (**Payment Date**). Although Samsung had rejected LORAC's progress claim, the Payment Date had not yet arrived when LORAC applied to have its payment dispute adjudicated.

On the other hand, LORAC argued that a payment dispute arose when Samsung rejected its progress claim. Therefore, it was of no consequence that the Payment Date had not yet arrived when it applied to have its payment dispute adjudicated.

Historical Position: *Conflicting Interpretations*

Prior to this case, the authorities on this question were conflicting.

In *Cape Range Electrical Contractors Pty Ltd v Austral Constructions Pty Ltd*,² Pritchard J required the Payment Date to arrive before a payment dispute could be said to arise under s 6(a) of the Act.

Barr J in *Northern Territory v Urban and Rural Contracting Pty Ltd*,³ also interpreted the Northern Territory provision in a manner consistent with the approach advanced by Samsung.

However, in *Alliance Contracting Pty Ltd v James*,⁴ Beech J found that a payment dispute had arisen before the Payment Date arrived.

Further, the State Administrative Tribunal decisions of *Blackadder Scaffolding Services (Aust) Pty Ltd and Mirvac Homes WA) Pty Ltd* and *Fuel Tank & Pipe Pty Ltd*⁵ and *Decimil Australia Pty Ltd*⁶ also supported an interpretation of s 6(a) of the Act consistent with the approach advanced by LORAC.

The Settled Position

Mitchell J considered none of these decisions to be binding.

After giving consideration to the principles of statutory interpretation, Mitchell J found in favour of LORAC's interpretation of s 6(a) of the Act. His Honour justified this view on the basis that LORAC's interpretation both gave meaning to more words in the provision and more adequately achieved the purpose of the Act.⁷

Accordingly, a payment dispute will be said to arise as soon as a principal rejects or disputes a progress claim, even if the Payment Date under a contract has not yet arrived.

Implications for the Northern Territory

In *Urban and Rural Contracting*, Barr J had to determine when a payment dispute was said to arise under s 8 of the Northern Territory security of payments legislation (**NT Act**).⁸ In contrast to the decision in *Laing O'Rourke*, His Honour found that a payment dispute would only arise if the Payment Date under a contract had arrived.

Since this decision, s 8 of the NT Act has been amended to more closely mirror s 6(a) of the WA Act.

In light of this amendment, it is likely that the *Laing O'Rourke* decision will be persuasive precedent in relation to s 8 of the NT Act.

Take Away Point

We recommend that contractors in Western Australia and the Northern Territory seeking to adjudicate payment disputes pay close attention to any indications, whether verbal or written, that a progress claim has been rejected or disputed. It is now clear that a rejection of this kind will give rise to a payment dispute, regardless of whether or not it occurs before the Payment Date.

⁴ [2014] WASC 212.

⁵ [2009] WASAT 133.

⁶ [2010] WASAT 165.

⁷ [2015] WASC 237.

⁸ *Construction Contracts (Security of Payments) Act 2004*.

¹ [2015] WASC 237.

² [2012] WASC 304.

³ [2012] NTSC 22.

Part Allowance of Payment Claim Equals Complete Headache for Adjudication Applicants

*The decision of the WASAT in **Modular Forms Pty Ltd and Cecich [2015] WASAT 76** highlights the importance of detail when making payment claims and indicates that adjudicators are empowered to dismiss part of an adjudication application without a determination on the merits.*

Facts

Modular Forms Pty Ltd (**Modular**) made an application for adjudication pursuant to the Construction Contracts Act 2004 (WA) (**CC Act**) against Mr Miro Cecich and Ms Helen Cecich (Cecich) as trustees for the Savannah Property Trust (**Application**). The Application was based on a tax invoice (Invoice) in respect of two construction contracts dated 14 May 2012 and 30 October 2012 for the construction of a development in Port Hedland.

Modular maintained that the Application concerned a 'payment claim' for the purposes of the CC Act. The adjudicator held however, that only part of the Invoice was a 'payment claim' under the CC Act, and as such, the Application was allowed only in relation to that part of the Invoice constituting the "payment claim" (**Decision**). The adjudicator considered that the other portion of the Invoice did not constitute a "payment claim" "because it either related to the performance of obligations other than obligations of the applicant, or because it did not identify and describe the obligations the contractor claims to have performed and to which the Invoice relates in sufficient detail..."¹.

Modular sought review of the adjudicator's decision pursuant to section 46(1) CC Act in the Western Australian State Administrative Tribunal. Modular argued the Tribunal ought to vary the Decision so as to allow its claim for payment of the Invoice in full, plus interest. Modular maintained that:

- 1 the Invoice was a "payment claim" within the meaning of the CC Act;
- 2 the Invoice was issued pursuant to a written provision about how a party is to make a payment claim;² and
- 3 even if the Invoice was not issued pursuant to a written provision, the Invoice contained sufficient detail so as to comply with the provisions in Schedule 1 Division 4 CC Act about how a party is to make a payment claim.

Cecich argued that the adjudicator was not empowered to allow one part of an adjudication application and dismiss another part without a determination on the merits. By way of preliminary issue, Cecich also contended that the Tribunal did not have jurisdiction to entertain Modular's application as the adjudicator had not dismissed any part of the Application without a determination on the merits. Cecich maintained that an adjudicator needs to make an express (not implied) dismissal pursuant to section 31(2)(a) CC Act, and as the adjudicator had proceeded to permit certain line items comprising the Invoice, the adjudicator had necessarily found the section 31(2)(a) CC Act jurisdictional facts enlivening the adjudicator's decision in respect

of the whole of the Invoice.³ Cecich contended that the adjudicator's disallowance of certain line items in the Invoice thus constituted a decision on the merits of the whole of the Application, meaning that review of the adjudicator's decision in the WASAT was not available.

Decision

The Tribunal held that:

- 1 It was open for the adjudicator to dismiss part of an adjudication application pursuant to section 31(2)(a) CC Act without a determination of the merits. The Tribunal noted that such a position is in line with "the view consistently adopted by the Tribunal⁴ that an adjudicator may (and indeed, must) dismiss any part of an application for adjudication of a dispute payment claim with respect to which the adjudicator has no jurisdiction";⁵
- 2 The form of the words used by an adjudicator in its decision is not determinative of whether the adjudicator has dismissed aspects of an application pursuant to section 31(2)(a) of the CC Act. What is relevant is whether, on the face of the determination, a dismissal without consideration of the merits has been made. In this case, the Tribunal noted that:

"The adjudicator clearly states at para 91 of his reasons that the balance claim [the portion of the Invoice that was dismissed] is not a 'payment claim' within the meaning of the CC Act. He proceeds to 'consider the balance merits of the application... Having determined that the balance claim was not a payment claim, the balance claim could not form the basis of a payment dispute... It follows from the adjudicator's finding that the balance claim was not a payment claim that the balance claim could not be adjudicated pursuant to s25 of the CC Act... The Tribunal is therefore satisfied in all the circumstances that it is evident, on the face of the determination, that the adjudicator necessarily dismissed the balance claim pursuant to s31(2)(a) of the CC Act."⁶ ;

- 3 It was open for the Tribunal to review that part of the adjudicators decision that relates to dismissal of part of the Application without a determination on the merits⁷; and
- 4 The adjudicator was correct in dismissing part of the Application pursuant to section 31(2)(a)(ii) without a decision on the merits because:
 - (a) "aspects of the balance claim which arise from construction works were not obligations that the applicant [Modular] had to the respondents [Cecich] under the construction contract"⁸ ;

³ *Modular Forms Pty Ltd and Cecich* [2015] WASAT 76, 24.

⁴ In such other cases as *Perrinepod Pty Ltd and Georgiou Building Pty Ltd* [2010] WASAT 136AT [25-26] and *Silent Vector Pty Ltd T/As Sizer Builders and Squarcini* [2008] WASAT 39, 61-65.

⁵ *Modular Forms Pty Ltd and Cecich* [2015] WASAT 76, 27.

⁶ *Ibid* 35.

⁷ *Ibid* 36.

⁸ *Ibid* 54.

¹ *Modular Forms Pty Ltd and Cecich* [2015] WASAT 76, 5.

² This is a reference to section 16 CC Act which provides that the provisions in Schedule 1 Division 4 of the CC Act apply in the event that the relevant construction contract does not contain a written provision about how a party is to make a claim to another party for payment.

CONSTRUCTION MATTERS

- (b) the parties had varied the system in the contracts for making payment claims to the effect that the provisions of cl 5(2)(f) of Schedule 1 Division 4 of the CC Act applied to both contracts⁹; and
- (c) the dismissed portion of the Invoice, being comprised of lump sum amounts, lacked sufficient detail to enable Cecich to determine whether it should be paid, partly paid or disputed,¹⁰

Consequently, the dismissed portion of the Invoice was not a “payment claim” for the purposes of the CC Act, there was no payment dispute to be adjudicated and the correct and preferable decision was for the Tribunal to dismiss that portion of the Invoice without making a decision on the merits pursuant to section 31(2)(a)(ii) of the CC Act.¹¹

Implications

This case highlights the power of adjudicators to dismiss part of an adjudication application without a determination on the merits if it finds it lacks jurisdiction in respect of that part.

This case also indicates the importance of detail when making payment claims, and specifically, when including terms (so as to negate the operation of Schedule 1 Division 4 CC Act to your construction contract) or amending existing terms in a construction contract that deal with the making of payment claims.

⁹ Ibid 67.

¹⁰ Ibid 73-74.

¹¹ Ibid 75.

Work Health and Safety Harmonisation – Nearly There!

Seven years have passed since the Commonwealth and all Australian States and Territories signed the *Intergovernmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety*, where each jurisdiction committed to harmonise their laws with a national model prepared by the Commonwealth. By 1 January 2013 the new work health and safety laws (**WHS laws**) had been implemented across the country, with the exception of in Western Australia and Victoria (which has since announced its decision not to adopt the WHS laws). So why has Western Australia taken so long and what is the current status on harmonisation?

Implementation of the WHS laws in the west was delayed to allow the State government more time to conduct its own analysis of the impact of the harmonised model on different industry sectors, namely the mining industry. A regulation impact statement was commissioned, recommending certain amendments to the WHS laws for Western Australia, which resulted in the WHS Bill being tabled in State parliament on 23 October 2014. The public comment period closed on 30 January 2015 and it is anticipated that the WHS Bill will be introduced into parliament later this year.

Western Australia's draft WHS Bill contains most of the core provisions of the model WHS laws, which are in summary:

- a broadening of the definition of who is a 'worker';
- a broadening of persons with health and safety duties, with the primary duty for health and safety being imposed on a PCBU (person conducting a business or undertaking);
- a requirement for all duty holders to consult, cooperate and coordinate with each other;
- the introduction of more onerous penalties (600% higher than the previous penalties for corporations and 240% higher for individuals); and
- the introduction of a positive duty for "officers" of PCBUs (such as directors and other senior executives) to exercise ongoing due diligence to ensure that the PCBU complies with its obligations under the WHS laws, including taking reasonable steps to:

- acquire and keep up to date knowledge of work health and safety matters;
- gain an understanding of the nature of operations, hazards and risks;
- ensure the PCBU has available and uses appropriate resources to eliminate/minimise hazards and risks;
- ensure the PCBU has appropriate processes for receiving and considering information regarding incidents, hazards and risks;
- ensure the PCBU has and implements processes for compliance; and
- verify all of the above steps.

Unlike the WHS laws, Western Australia's WHS Bill does not:

- cover union right of entry (because this is already dealt with in the *Industrial Relations Act 1979* (WA));
- cover a health and safety representative's capacity to direct the cessation of work (this decision will remain with the individual worker); or
- adopt the reverse onus of proof in discrimination matters (because WA considered this to be contrary to the purpose of harmonising WHS laws).

Lastly, unlike the rest of Australia, Western Australia will have two sets of WHS laws; the WHS Act, which will apply to all workplaces across the State other than those in the mining industry, which will be covered by the proposed *WHS (Resources) Act*. This Act will replace the *Mines Safety and Inspection Act 1994* (WA) and will include many of the core provisions in the WHS laws along with provisions more specific to Western Australia.

We recommend that, prior to the WHS laws taking effect in Western Australia, employers need to understand the obligations imposed under the new laws and have in place processes to lay the foundation for a due diligence defence (for instance by conducting an OSH audit and gap analysis). Please contact felicity.clarke@squirepb.com or kylie.groves@squirepb.com for information and advice.

Events Update

Advance Notice – Next Construction Breakfast Briefing

The next breakfast briefing will be:

'A Conversation with Richard Mickle'

Join us for an informal but illuminating chat with Richard Mickle. Richard was state manager of major contractor John Holland in WA and then MD of infrastructure advisory firm Appian Group before that group joined PwC Perth this year. He performed key recent roles in relation to the delivery of Fiona Stanley Hospital, Elizabeth Quay and the new stadium.

Thursday 13 August

7:15 a.m. for 7:30 a.m. breakfast, 8 a.m. seminar

Venue – Squire Patton Boggs, Level 21, 300 Murray St Perth

Contacts



Cris Cureton

Partner, Darwin
T +61 8 9429 7460
E cris.cureton@squirepb.com



Brendan Reilly

Partner, Perth
T +61 8 9429 761
E brendan.reilly@squirepb.com



Avendra Singh

Partner, Sydney
T +61 2 8248 7810
E avendra.singh@squirepb.com



Greg Steinepreis

Partner, Perth
T +61 8 9429 7505
E greg.steinepreis@squirepb.com