

POLICY ON COMMERCIAL CONSULTING BY GOVERNMENT BODIES AND ACADEMIC INSTITUTIONS.

INTRODUCTION.

This paper presents the policy of the Environmental Consultants Association (WA) on commercial consulting by government bodies, academic institutions and other organisations funded by the public.

There is a valid role for government bodies, academic institutions and other organisations to engage in consulting activities. Such bodies may have information and expertise which should be available to the wider community, and it may be appropriate that this is available on a commercial basis.

Such a role should be distinguished from consulting which is carried out for purely commercial reasons and in competition with the private sector.

POLICY.

1. Government bodies, academic institutions and other organisations funded by the public should not engage in environmental consulting for purely commercial reasons because:

They are paid, trained and equipped by the public to carry out a particular job in the service of the public, and should not have time to engage in other work.

They do not operate in fair competition to the private sector because they do not carry the same costs, risks, investment, and opportunity costs, but do have access to publicly-funded resources.

They may be seen as having lost the ability to provide independent advice to government and the public.

They may create a conflict of interest or be seen to have a potential conflict of interest between their regulatory, public service, research and teaching roles and their commercial interests. The potential conflict of interest relates to a series of issues including confidentiality of documents submitted to government, the possibility of being both consultant and regulator on the same job, and acting as regulator to past, present or future commercial competitors.

2. Where commercial environmental consulting by government bodies and academic institutions is justified it should take account of all real costs that the consultancy will incur, including opportunity costs, overheads and insurance, with no subsidy from publicly-funded resources.
3. Where any commercial environmental consulting by government bodies and academic institutions occurs it should be in accordance with an established policy of the body or institution, be accountable to the public and not generate any conflict of interest or the other problems discussed above.