

# Industry Participation Policy

Employment, Investment, Supply inputs



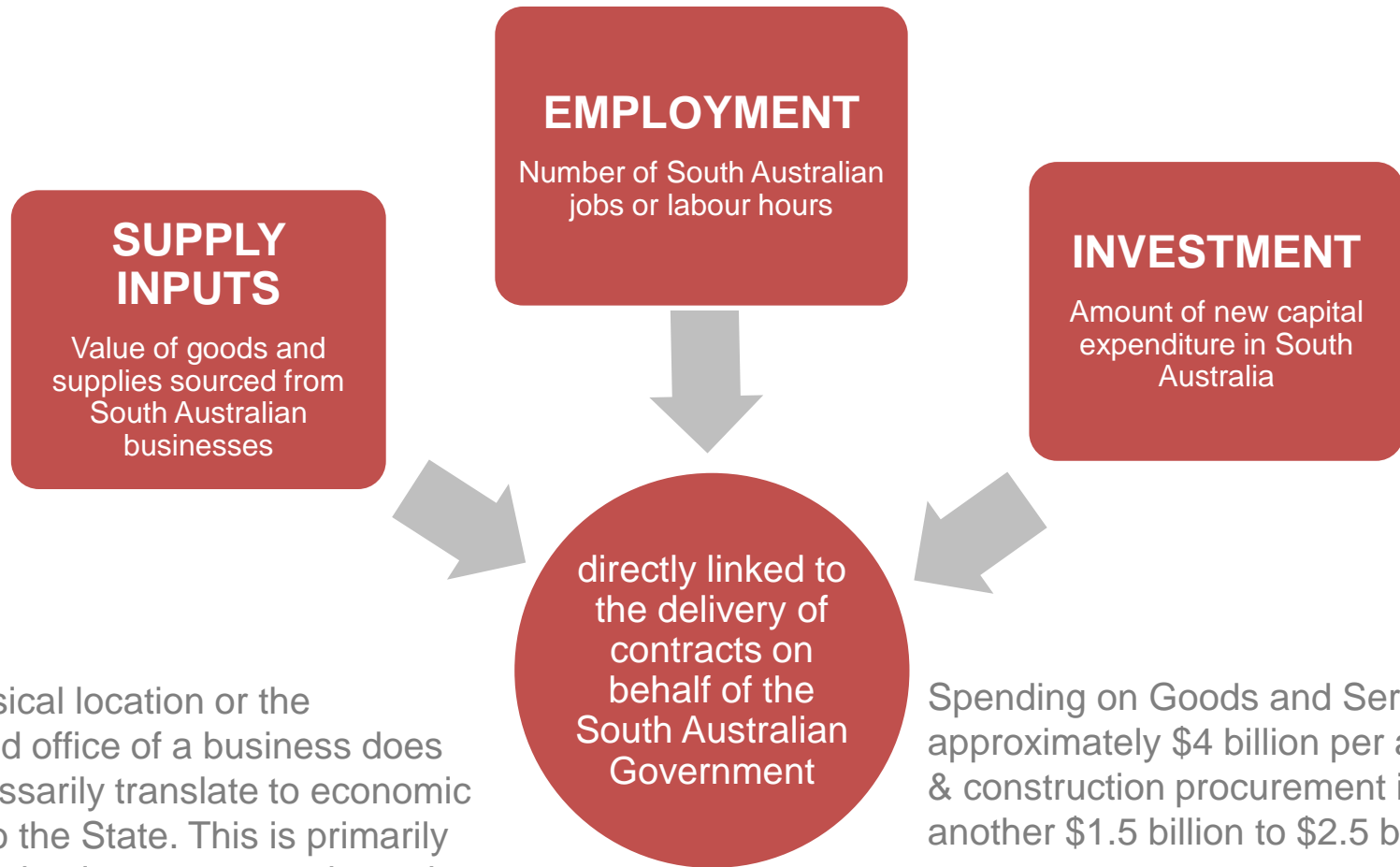
# How the Industry Participation Policy works

By Government procuring from locally-based suppliers and suppliers who source inputs locally it maximises the amount of local labour and capital used, and therefore the amount of economic contribution being retained in the State or the region.

**Ian Nightingale**  
**Industry Participation Advocate**



# Key parts of an Industry Participation Plan



The physical location or the registered office of a business does not necessarily translate to economic benefit to the State. This is primarily through jobs, investment and supply

Spending on Goods and Services is approximately \$4 billion per annum & construction procurement is another \$1.5 billion to \$2.5 billion per annum

# A successful model

- Three years on and the Office of the Industry Advocate continues to provide economic benefit to the State and local businesses.
- Recent State Procurement Board report shows **90.2%** of the value of goods and services contracts were let with suppliers located in South Australia in 2014- 15.
- This compares with just **51%** in 2012-13, clearly showing how successful Industry Participation Advocate role has been since it was established in February 2013.

# A successful model

- Major projects awarded under the revised Industry Participation Policy have shown extremely strong results, with over **90 per cent** of the sub-contracts awarded to contractors where the majority of the dollar spend is in the State.
- For example in just six months the economic benefit to State from T2T project is \$13 million or almost **90%** of the labour spend going to South Australians.
- In addition an extra \$39 million has gone to local subcontractors and suppliers which is spent on local jobs, manufactured product sourced from within SA and raw material supply sourced from within SA. This is in excess of **93%** of the total spend in work packages to the end of the year providing direct benefit to the South Australian economy.

# Darlington Upgrade - Gateway South

- The Industry Participation Plan (IPP) identifies all work packages above \$110K
- The IPP identifies a target for all direct employment from Gateway South Consortium going to South Australians.
- A total of 93 work packages are incorporated in the Industry Participation Plan signed-off by the Industry Participation Advocate (IPA)
- A report of all work packages is required by IPA which includes the estimated cost of the work package and the economic benefit.
- Economic benefit is assessed by the amount of work going to local subcontractors and suppliers who employ South Australians, local jobs associated with manufactured product sourced from within SA and raw material supply sourced from within SA.

# Summary

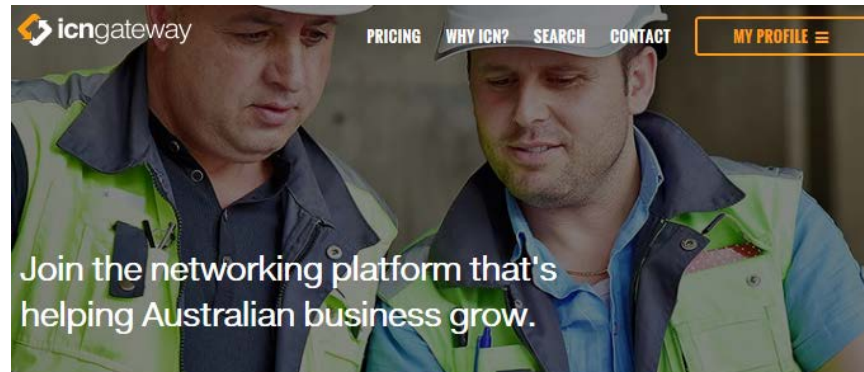
- **The Industry Participation Policy is clearly working**
- **Industry Participation Plan commitments become part of contract conditions.**
- **Early engagement with business & industry is essential**
- **IPA to be represented on Industry Advisory Committee/Reference groups**
- **Subcontractors bound by the same SA Industry Participation requirements**
- **Monitoring and reporting to Industry Participation Advocate**



# FINDING THE OPPORTUNITIES

## Industry Capability Network Gateway

<http://gateway.icn.org.au/>



### What is ICN?

ICN helps bring Australian suppliers and project owners together by giving exclusive access to our powerful online database and our extensive network of Business Growth consultants. The result: more work for Australian businesses.

[UPGRADE NOW](#)

### Looking for suppliers?

Search for the right suppliers or project partners here.

Choose state

Choose region

Keywords e.g. electrician, glass etc

### Looking for work?

Search for projects and new business opportunities here.

Choose state

Choose region

Keywords e.g. fabrication, steel etc



# Connecting with Business

## Meet the Buyer – Economic Benefit from State Building and Construction Projects

Tuesday, 17 May 2016 - 12.45pm to 4.30pm

Ian McLachlan Room, Adelaide Oval, War Memorial Drive, North Adelaide

To register: <https://mtbmajorprojects.eventbrite.com.au>

For more details, contact the Office of the Industry Advocate on 8226 8956  
or [uia@sa.gov.au](mailto:uia@sa.gov.au)

# Contact

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