The scope

• The South Australian Industry Participation Policy (SAIPP) establishes the framework for assessment of the economic contribution between rival tenders, quotes, grants or concessions.

• This includes Public Private Partnership projects to which the Government of South Australia is a party.

• Federally-funded infrastructure and construction projects managed by the Government of South Australia.

• Private sector projects receiving significant Government of South Australia monetary support or value-in-kind.
The objectives

• To increase the number and diversity of locally based **businesses winning work**
• To drive local investment, create strong value chains from the State’s **portfolio of major projects**
• To support the development of the advanced services sector and leverage the **opportunities for innovation.**
The purpose is to retain economic benefit in the State or regions by using:

local suppliers, local products, local contractors.

Which equates to local jobs.
How does the Tender evaluation process work

(PROJECTS OVER $4 MILLION IN METRO ADELAIDE AND $1 MILLION IN REGIONAL SOUTH AUSTRALIA)

85% to 70% of the evaluation score is based on:
- Price;
- Performance;
- Risk;
- Value-for-money;
- and Capability

15% to 30% of the evaluation score is based on Industry Participation, outcomes:
- Local Supply Chain;
- Jobs;
- and Investment

100% Total Evaluation Score
The Office of the Industry Advocate has oversight of industry participation commitments associated with more than 200 contracts.

- Combined project value of over $8 billion.
- Covering industry sectors such as building construction, civil construction, ICT, medical devices, goods & services, manufacturing & distribution, professional & technical services, commercial creative industry.
HAVE WE BEEN SUCCESSFUL?
Adelaide Botanic High School

The IPP commitments will see about $7.9 million spent on employing SA residents, and the value of SA products and services will be $50.8 million out of a total of $70.5 million, meaning a total of 72% of the dollar spend will be retained in this State.

The State Government’s major projects have also consistently seen 80% to 90% of the expenditure retained in South Australia through local jobs, investment and supply chain opportunities.
Since the Steel Industry Participation Policy has been in place South Australian steel fabricators have engaged additional 181 new employees and 50 new apprentices.

Five of the State Government’s recent major building and construction projects delivered 1200 full time equivalent jobs to South Australians.
Advocating for Aboriginal Businesses in South Australia.
Aboriginal Economic Participation

Aboriginal economic participation aims to improve the level of Aboriginal people’s participation in, and benefit from, employment and economic opportunities arising out of Government’s expenditure.

Single sourcing is an option if there is an eligible Aboriginal business which meets established criteria.

Agencies are encouraged to lift the industry participation weighting where opportunities for Aboriginal economic participation exist.
Designing for Industry Participation

While the Industry Participation policy has been highly effective, we want to make it stronger. The Industry Participation Advocate will require that design professionals engaged by government agencies seek to meet local procurement objectives in project briefs. This will ensure that wherever possible specifications will be made during the design phase to procure from locally-based suppliers and suppliers who source inputs from South Australia.

Through the Industry Advocate I will also be encouraging Local Councils to adopt this policy because they too have the ability to positively impact the South Australian economy through their procurement practices.

Advocating for Design to Support Industry Participation
Design and Specifications

The SA Industry Participation Policy now requires:

- The design of technical specifications and project requirements should provide suppliers which have employed or invested in South Australia with an opportunity to win contracts and sub-contracts.

- For the South Australian Industry Participation Policy to have maximum impact, project design specifications should not be an obstacle to the South Australian supply of required goods or services.

- Design specifications should use Australian standards, or standards regularly used in Australia and be performance based rather than product specific where possible.
Why do we need to know what products are manufactured and supplied in South Australia?

The effect of procuring from locally-based suppliers and suppliers who source inputs locally is significant as this maximises the amount of local labour and the amount of economic contribution being retained in South Australia.
SA Manufacture means the holistic manufacture or fabrication of finished goods is undertaken in South Australia.

SA Supply or Distribution means the supply or distribution of the product occurs within South Australia.

SA Assembly means that separate component parts of the end product are put together in South Australia.

SA Install means the product is installed within South Australia.
SONNEX PROJECTS

Sonnex has a background working with major Australian and international companies. This has given us experience across a broad range of industry sectors including automotive, mining, manufacturing, construction, rail and power generation.

To find out more about the work that Sonnex have undertaken, please see the sample of projects below and select an image to read more.

Please get in touch to chat with us about how Sonnex can help your business.

SA PRODUCT REGISTER

Sonnex supports the Industry Advocates SA Product Register initiative and we have a range of SA products in production every week at our facilities at Flinders Park, South Australia.

SONNEX & SA SUPPLY CHAIN

Examples of Sonnex’s commitment to producing local products can be found throughout our Projects.

For instance, Museum Art has the following SA Product Register supply chain.
Industry Advocate Act 2017

- Commits the South Australian Government to maintaining an Industry Participation Policy

- Establishes the Industry Advocate as an independent statutory role with powers and functions to:
  - Ensure contractors meet commitments made under Industry Participation Plans
  - Resolve complaints, remove impediments or improve procurement practices and processes;
  - Further the objectives of the SAIPP & build the capacity of SA businesses
  - Encourage the adoption of industry participation policies by local government;

- Promotes the economic development of the building & construction industry, steel industry and other critical industries to the State
Local Government adopting industry participation

The Adelaide City Council took this motion to the Ordinary General Meeting of Local Government Association in April.

The Ordinary General Meeting requests that the LGA works with the South Australian government to take all actions necessary to support Local Government adoption of the South Australian Government’s Industry Participation Policy and Guidelines.

It was carried
CONTACT

The Office of the Industry Advocate
Level 13, Stillwell House
99 Gawler Place
Adelaide  5000
P: 08 8226 8926
W: industryadvocate.sa.gov.au