

For  
the  
Future

Making  
the public  
dollar work



South  
Australian  
**Labor**





#### Acknowledgment of country.

We acknowledge and respect the Traditional Custodians whose ancestral lands we live and work upon and we pay our respects to their Elders past and present. We acknowledge and respect their deep spiritual connection and the relationship that Aboriginal and Torres Strait Islander people have to Country. We also pay our respects to the cultural authority of Aboriginal and Torres Strait Islander people and their nations in South Australia, as well as those across Australia.

# Foreword

How public money is spent is one of the most powerful ways to shape the economy and the labour market.

We should be making South Australians' dollars work for South Australians.

**A Malinauskas Labor Government will adopt the following principles for government procurement:**

- ✓ Value for money
- ✓ Creating SA jobs
- ✓ Increasing the numbers of apprentices and trainees in SA
- ✓ Stimulating innovation and new businesses
- ✓ Achieving environmentally sensitive, low carbon, socially-just outcomes

To do this, Labor will overhaul how government sets about spending public money to get maximum benefit for the whole community and to drive economic growth and jobs.



Peter Malinauskas MP  
SA Labor Leader









# INDUSTRY PARTICIPATION AND JOBS

## A Malinauskas Labor Government will:

- ✓ Target an increase of \$425 million per year in government spending going to SA businesses away from interstate/overseas suppliers from the current annual government procurement spending (currently \$8.5bn per year on goods, services and infrastructure, so a 5% shift).
- ✓ Ensure the Auditor-General audits Government agency spending on procurement and annually reporting how much is spent on South Australian and non-South Australian goods and Services.  
**Cost: \$900,000 over four years**
- ✓ Mandate SA workers deliver a minimum 90 per cent of labour hours on major infrastructure projects; impose penalties on lead contractors for not achieving these targets.
- ✓ Require government agencies to buy local uniforms and locally manufactured personal protective equipment, where possible, instead of importing from interstate or overseas.
- ✓ Require government departments to pay contractor invoices within 15 days.
- ✓ Require lead contractors delivering state government projects to pay sub-contractors within 15 days.
- ✓ Set aside 1% of government project funding into a sub-contractor support fund, to enable the state to directly pay sub-contractors on government projects where lead contractors are unreasonably delaying payment of invoices or unable to pay invoices. That money would then be recovered from the contractors.
- ✓ Require departmental procurement staff to undertake regular training on the industry participation policies of government, and education of local industry participants and providers.
- ✓ Require Chief Executives to sign off on procurement outcomes where the successful tenderer is not South Australian.
- ✓ Review all government procurements by the Marshall Liberal Government to identify contracts awarded to interstate or overseas companies against industry participation and government procurement policies.
- ✓ Undertake a broad market assessment to identify SA businesses that can deliver projects, goods or services to government and advise departmental procurement staff of industry capability.
- ✓ Broadly publicise government procurement opportunities three months in advance to enable local businesses to prepare for tender opportunities.  
**Cost: \$1 million over four years**
- ✓ Establish an independent complaints process for tenderers who feel they have unreasonably missed out on Government work
- ✓ Require the use of South-Australian manufactured products on public housing construction and maintenance programs, where available
- ✓ Require that apprentices, trainees, Aboriginal workers, and long-term unemployed deliver 20 per cent of all labour hours on major projects.
- ✓ Assist local business become tender ready, holding regular industry-specific workshops conducted by the Industry Participation Advocate, helping more local businesses win work.  
**Cost: \$900,000 over four years**
- ✓ Only use local project managers, architects, designers, engineers, surveyors, planners, and other professional services providers on government projects.



## MAJOR PROJECTS

**Major public projects are essential for the jobs they create and the economic growth they generate. To make them work for our economy, everyone needs to know what projects are coming so that SA companies can prepare to bid for them and win work.**

Labor in government will:

- ✔ Publish an annual project pipeline of coming infrastructure projects over \$10m over the next three years, to enable lead contractors to prepare thoroughly.

Because there is a risk that interstate and international companies take on the biggest projects, Labor will:

- ✔ Ensure that public projects above \$500m are broken up into smaller stages or components to allow multiple SA companies the opportunity to participate on projects, unless the nature of the project makes this unfeasible.

Under the Marshall Liberal Government, projects are too often announced with fanfare then nothing happens. Labor will: release

- ✔ Tenders will be released within 30 days of funding being available for the project.

To reduce delays in project roll-out, Labor will use design and construct tenders where practicable to get lead contractors and local business involved earlier in projects.

It is essential for the future of our young people and industry that we increase the numbers of apprentices and trainees. We must use the opportunity presented by major projects to drive up these numbers. Labor will:

- ✔ Require that apprentices, trainees, Aboriginal workers, and long-term unemployed must deliver 20 per cent of all labour hours on major projects.





## PUBLIC HOUSING CONSTRUCTION

**Labor’s public housing construction policy will deliver enormous benefits for vulnerable people, including people with disabilities and families fleeing violence. Responding to the increasing numbers of homeless people in our streets with compassion and practical action is the overwhelming motive for our ambitious public housing policy.**

At the same time, this construction project will have great benefits for jobs. To maximise these benefits Labor will ensure that all public housing construction will be undertaken by SA-based lead contractors, and using only SA sub-contractors.

All public housing will use exclusively SA manufactured products, such as concrete, timber, steel, bricks, doors, windows, electrical products, roofing, solar and air conditioning, cabinet-making, furniture and fixtures, where possible.

To generate additional benefits, preference will be given for builders and other trades sub-contracting on public housing projects which employ apprentices.





# BRAND SA

Cost: \$6.2 million

**One of the most damaging decisions the Marshall Government has made for local producers was to abolish Brand SA. Labor will re-establish Brand SA to raise the profile of South Australian businesses to guide customer choices.**

South Australians want to support their local farmers and food producers. Labor will create a mechanism to translate that support into real dollars by establishing a Buy Local campaign (“\$1 challenge”) for SA supermarkets to encourage shoppers to switch \$1 of spending in every \$20 away from an interstate or overseas product to a local product. This change would deliver an extra \$480m to local businesses if all SA shoppers made the switch.



## FEDERAL AND LOCAL GOVERNMENT PROCUREMENT

**Labor will ensure staff in the office of the Industry Advocate liaise with Australian Government agencies with a significant presence in SA to discuss their local procurement requirements, and highlight local businesses available to fulfill their requirements.**

Recognising the power of the local dollar, Labor will also require state government industry participation policies are adopted by SA councils.



# GOVERNMENT ADVERTISING

In 2019, the State Liberal Government changed laws to remove the requirement for government notices and advertisements to be placed in newspapers, including those circulated in regional South Australia.

At the time, the State Labor opposition, and independent MPs moved amendments that would instead require government notices and advertisements to continue being placed in newspapers. The Liberal Government used its (then) majority to defeat these amendments.

Therefore, there is currently no requirement for government agencies to place notices and advertisements in newspapers, including regional newspapers. Labor understands the importance of government advertising to regional communities and the papers they appear in – and so we have already committed to re-introducing requirements on all government agencies to place these notices and advertisements in regional newspapers.

Additionally, Labor believes we need to ensure a fairer distribution of the State Government’s general advertising expenditure by ensuring all statewide campaigns are reflected in the state’s regional newspapers. Additionally, there will be regional specific campaigns which we will ensure are well promoted through the media that locals are reading.



We have received representations from regional newspapers seeking greater certainty over what income they can expect from government advertising, including seeking a dedicated percentage of the annual State Government spend.

Labor will ensure 10% of all government advertising is spent in regional media.

Additionally, Labor will ensure interstate companies will no longer be the first choice for government advertising work, as they have been under the Marshall Liberal Government. What that delivered us was the woeful “Old Mate” series of adverts for the South Australian Tourism Commission. Our creative agencies need to understand South Australians and our state, so we will be appointing South Australian agencies to deliver our creative services.



