Support SA jobs and boost your chances of winning Govt work

The State Government today sent a clear message to companies wanting to win Government contracts - support South Australian jobs and you’ll increase your chances of success.

Treasurer Tom Koutsantonis said the State Government is increasing the minimum weighting for “local jobs” within tender evaluations to 15 per cent for Government contracts worth $220,000 and above.

Under current arrangements, the minimum weighting is set at five or 10 per cent depending on the project.

“That means the more South Australian jobs supported, the better a business or company’s odds of winning a State Government contract,” Mr Koutsantonis said.

In a boost for the north, contracts relating to the $93 million Northern Adelaide infrastructure spend, announced in the 2015-16 State Budget, will require a 20 per cent minimum weighting for economic benefit from local jobs.

Projects in the north include upgrades to schools, children’s centres and public housing as well $55 million over three years to build a new Gawler East Collector Link Road.

Mr Koutsantonis said when tendering for State Government work - whether it is a major infrastructure project or providing goods or services - companies are required to cover a range of factors within their bid including capability, cost and the economic benefit from local jobs.

“Under these changes to our Industry Participation Policy, the economic benefit from local jobs will now make up 15 per cent of tender evaluations – or 20 per cent of tender evaluations if the project is part of our $93 million infrastructure spend in northern Adelaide,” he said.

“By increasing the ‘local jobs’ weighting, this gives companies who support South Australian workers an advantage when bidding for Government work.

“It will encourage tenderers to partner with local sub-contractors and suppliers to boost their chances of success.

“In addition, these changes make it more likely that a close tender will be won by the bid with more South Australian jobs supported.

“The State Government is taking these steps to ensure the power of its $3 billion annual procurement drives greater employment creation and supports local jobs and innovation.”

Transport and Infrastructure Minister Stephen Mullighan said a new 20 per cent weighting will also apply to the recently announced $985 million Northern Connector project, jointly funded by the Federal and State Governments.
“These changes will drive significant economic benefits for this State,” Mr Mullighan said.

“A good example is the consortium that won the Torrens Road to Torrens River project.

“The T2T Alliance consortium has committed to 90 per cent of all labour hours being from South Australians, worth more than $70 million, and more than 90 per cent of SA sub-contractors, worth $290 million,” Mr Mullighan said.

“The State Government will be seeking similar economic benefits from new major projects including the Northern Connector.”

The changes come into effect on 6 November 2015.