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## **MEDIA RELEASE**

### **LEGISLATION OF INDUSTRY ADVOCATE**

The Australian Subcontractors Association (ASA) welcomes the government's intention to embed the role of the Industry Advocate into legislation, following the recent release of an Industry Advocate Bill for consultation.

Paul Williams, Chair of the ASA says that association members have already seen the benefits of the role that was created four years ago. "Around 96% of South Australian businesses are small to medium enterprises, and they're now seeing greater opportunities through the application of industry participation plans extending to sub-contractors and suppliers" he said. "The proposed legislation would give the Industry Advocate the power to go into bat for those small to medium sized businesses".

Many of the ASA's members would be too small to tender independently for government work, and without local participation targets applying at the subcontractor and supplier level the risk is that lead contractors would look interstate for those inputs, without consideration of the economic benefit to South Australia of sourcing them locally.

The facts from the Industry Advocates Office show that since the introduction of the Industry Advocate, government performance indicators have identified significant improvement in the economic contribution from goods and services procured across the State Government (up almost 40 percentage points in 2014/15 over the 2012/13 baseline) (State Procurement Board Annual Report 2014/15). There has also been very high economic contribution from major projects valued above \$50 million, with expenditure for sub-contracted work packages going to South Australian based small – medium enterprises being as high as 90%

The ASA strongly supports the Industry Advocate Bill, reflecting government's commitment to maintaining the role of the Industry Advocate. It believes the continuation and strengthening of the Industry Participation Policy will provide confidence and certainty for businesses to invest in capital and increasing employment. "This approach sends a strong signal to our members that the government is committed to maintaining local inputs when it comes to purchasing, and we would be hopeful of seeing bi-partisan support for the Bill as it progresses so that level of confidence and positivity can be carried forward into the future", Mr Williams said.

The ASA is a membership based industry association with a national agenda to represent the views of sub-contractors, and to ensure the interests of their members are promoted in contractual arrangements and government policy. Any subcontractors wishing to become members of the ASA can contact the association Chair, Paul Williams via email at [paulw@asaonline.org.au](mailto:paulw@asaonline.org.au)