



**Government
of South Australia**

TRS19D3173

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Hon Stephen Mullighan MP
Member for Lee
Unit 1, 62 Semaphore Road
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lee@parliament.sa.gov.au


Dear Mr Mullighan

APPLICATION UNDER THE FREEDOM OF INFORMATION ACT 1991

I refer to your application made under the *Freedom of Information Act 1991* (the Act), dated 12 November 2019.

Your application seeks access to:

"All minutes, briefings and correspondence titled 'Industry Advocate – Meeting with Intract Indigenous Contractors and McMahon Services' as described on the Objective document management system, between 23 February 2019 and 12 November 2019."

The legislative prescribed timeframe to determine this application has expired and is now deemed to have refused you access to all documents relevant to your application. I refer to my letter dated 19 November 2019 where I sought additional time to make my determination.

The purpose of this letter is to advise you of my determination. An extensive search was conducted within this office. A total of 1 document was identified as answering the terms of your application.

I grant you access in full to 1 document; a copy of which is enclosed.

Please note, in compliance with Premier and Cabinet Circular PC045 - *Disclosure Logs for Non-Personal Information Released through Freedom of Information* (PC045), the Department of Treasury and Finance is now required to publish a log of all non-personal information released under the Act.

In accordance with this Circular, any non-personal information determined for release as part of this application, may be published on the DTF website. A copy of PC045


can be found at the following address: <https://dpc.sa.gov.au/resources-and-publications/premier-and-cabinet-circulars>. Please visit the website for further information.

As I am determining this application as Principal Officer, section 29(6) of the Act does not provide for an internal review. If you are dissatisfied with my determination you are entitled to exercise your rights of external review with the Ombudsman.

Alternatively, you can apply to the South Australian Civil and Administrative Tribunal. If you wish to seek a review, section 39(3) of the Act states you must do so within 30 calendar days of receiving the determination.

If you require any further information, please contact Vicky Cathro on 8226 9769.

Yours sincerely



Hon Rob Lucas MLC
Principal Officer

11 October 2020

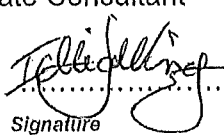
RELEASE

12/6/19
 T19/081
 TRS19D1430



File No: OIA1901363

TO: PREMIER
CC: TREASURER
SUBJECT: MEETING WITH INTRACT INDIGENOUS CONTRACTORS AND
 MCMAHON SERVICES

Division	Office of the Industry Advocate		
Prepared by	Sue Panagaris, Industry Advocate Consultant		
Approved by	Ian Nightingale Industry Advocate	 Signature	12/6/19 Date

RECOMMENDATION

N
 Not here
 22/6/19

It is recommended that you note:

- On Friday 3 May 2019, Mr Steven Kochergen, Manager- Infrastructure and Transport, McMahon Services and Mr John Briggs, General Manager and Aboriginal majority owner of Intract Indigenous Contractors met with Ian Nightingale, the Industry Advocate, Sue Panagaris from the Office of the Industry Advocate (OIA) and Ms Khatija Thomas, Director, Aboriginal Engagement, Department for Planning, Transport and Infrastructure (DPTI).
- A number of matters were identified which would assist Intract Indigenous Contractors to be in a better position to successfully tender for State Government funded projects.

<p>.....</p> <p>Hon Steven Marshall MP Premier of South Australia</p> <p>Date:</p>	<p><input type="checkbox"/> Approved</p> <p><input type="checkbox"/> Not Approved</p> <p><input type="checkbox"/> Noted</p> <p>Other comment</p> <p>.....</p> <p>.....</p>
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PURPOSE

- To provide you with an overview of my meeting on Friday 3 May 2019 with Steven Kochergen, Manager- Infrastructure and Transport, McMahon Services, and Mr John Briggs, General Manager, Intract Indigenous Contractors and the resulting actions.

BACKGROUND

- On 2 April 2019, you met with Steven Kochergen and John Briggs to discuss increasing Aboriginal participation in State Government funded contracts. After this meeting you requested that Mr Biggs and Mr Kochergen meet with the Industry Advocate to further this discussion.
- A follow-up meeting was held on Friday 3 May 2019 where both parties raised their concerns about their inability to secure State Government infrastructure contracts and this was followed by a discussion about the support available from the State government.
- An invitation to attend this meeting was accepted by Khatija Thomas, Director, Aboriginal Engagement, DPTI. In this role, Ms Thomas is responsible for increasing the Aboriginal supply chain and workforce content of infrastructure projects delivered by DPTI in South Australia.
- Mr Briggs informed the meeting Intract Indigenous Contractors does not tender directly for State Government funded infrastructure projects because their cost structures make them uncompetitive against non-Aboriginal businesses due to the additional costs associated with training and mentoring Aboriginal employees.
- Mr Briggs wanted to see South Australian procurement policy changed in line with the Federal Government where a limited tender approach is used in remote and regional areas for Aboriginal businesses only. This quarantine of funding approach to procurement is not included in the Aboriginal Economic Participation Policy however the use of a Tailored Industry Participation Plan with increased weighting used by Agencies can achieve favourable outcomes for local Aboriginal enterprise.
- Ms Thomas committed to investigate opportunities for Intract Indigenous Contractors, along with other South Australian Aboriginal businesses, for future projects but it will require they tender for contracts above \$220,000. There may be opportunities as sub-contractors for large projects such as the \$200 million Joy Baluch AM Bridge Duplication project in Pt Augusta.

KEY POINTS

- Opportunities have been provided to Mr Briggs to promote his business to decision makers and procurement staff across government and the private sector through Aboriginal Meet the buyer events, the Aboriginal Business Expo; the Adelaide Indigenous Trade Fair 2018; General Meet the Buyer event plus Supplying to Government workshops. Such opportunities will continue to be provided to Intract Indigenous Contractors and all other South Australian owned Aboriginal businesses with another Indigenous Trade Fair scheduled for Adelaide in August 2019.

- The Industry Participation Consultant – Aboriginal Business also works closely with Mr Briggs, providing one on one consulting as required and forwarding relevant tenders as they are released by State Government Agencies.
- Ms Khatija Thomas, Director of Aboriginal Engagement, DPTI will be sourcing increased opportunities for Intract Indigenous Contractors and other South Australian Aboriginal businesses to participate in the supply chain of major projects delivered by DPTI in this State.
- Intract Indigenous Services is a Supply Nation certified business and included on the South Australian Government owned, and Supply Nation administered, online Aboriginal Business Directory - Aboriginal Business Connect.
- Responsible Government Agencies (RGAs) have set targets for Aboriginal Procurement as a percentage of their total expenditure and the OIA will work closely with procurement staff and Tier 1 contractors to ensure these targets are met. There will be an increased focus on opportunities for Aboriginal businesses to quote and tender for State Government contracts, including direct negotiation for contracts valued under \$220,000.
- The OIA is delivering two of the Premier's Priority Projects through the South Australian Aboriginal Action Plan 2018- 2020 and will continue to provide support and advocate for all eligible South Australian Aboriginal owned businesses providing economic benefit to Aboriginal South Australians.

CONCLUSION

Mr Briggs accepts strategies are needed to lower operating costs for Intract Indigenous Contractors. OIA has already contacted Indigenous Business Australia (IBA) to discuss the opportunity for Intract Indigenous Contractors and IBA to co-fund a business consultant to work with Mr Briggs to assist in this process.