**TASMANIAN INDUSTRY PARTICIPATION PLAN**

As part of the *Buy Local Policy*, the government’s aim is to improve opportunities for local small and medium enterprises. Big projects can positively impact smaller local businesses; however in the past many businesses have felt let down by undelivered promises of opportunities flowing from large-scale projects.

Venarchie is 100% Tasmanian owned and operated. Having started as a two man crew 25 years ago, Venarchie understands the challenges that small businesses face. Today, we still strongly support our own community and base our ethos on good family values.

### Procurement details

<table>
<thead>
<tr>
<th>Procurement Reference No.</th>
<th>2273</th>
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<tbody>
<tr>
<td>Procurement title</td>
<td>ROAD SPECIFIC MAINTENANCE</td>
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<tr>
<td></td>
<td>PAVEMENT RESURFACING 2015/2016 – NORTH</td>
</tr>
<tr>
<td>Name of Responsible Agency/Entity</td>
<td>Department of State Growth</td>
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### Supplier details

<table>
<thead>
<tr>
<th>Name of supplier</th>
<th>Venarchie Contracting Pty Ltd</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact details for supplier</td>
<td>Contact Name: Andrew Virieux</td>
</tr>
<tr>
<td>Address</td>
<td>11 Cavalry Road, Mowbray, Tasmania, 7248</td>
</tr>
<tr>
<td>Email</td>
<td><a href="mailto:Andrew.Virieux@venarchie.com.au">Andrew.Virieux@venarchie.com.au</a></td>
</tr>
<tr>
<td>Tel</td>
<td>03 6326 8440</td>
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</table>

### Location and ownership details

<table>
<thead>
<tr>
<th>Head Office</th>
<th>11 Calvary Road, Mowbray, TAS 7248</th>
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<tbody>
<tr>
<td>Registered Office</td>
<td>Deloitte, 1/117 Cimitiere Street, Launceston, TAS 7250</td>
</tr>
<tr>
<td>St Helens Address</td>
<td>17 Rex Court, St Helens, TAS 7248</td>
</tr>
<tr>
<td>Other Address</td>
<td>Lot 4, 134 Kennedy Drive, Cambridge, TAS 7243</td>
</tr>
<tr>
<td>Ownership</td>
<td>Allan Virieux (Sole Director)</td>
</tr>
<tr>
<td>Shareholder</td>
<td>Shareholder Virieux Family Trust</td>
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</table>
Local SME industry impact
- How we directly and positively impact local industry

Venarchie is a local SME, with a total number of 101 staff including 21 casual workers, most of whom live in the communities of northern Tasmania. We employ engineers, project managers, site supervisors, foremen, plant operators, qualified mechanics and administrative staff, and currently have apprentices under training.

We have developed a wide network of reputable specialist subcontractors and suppliers, and are always on the look-out for new local suppliers, subcontractors and consultants. Local procurement is always the first and best option for us.

We directly contribute to the local industry in the following ways:

Creating up to 8 new jobs

If awarded this contract we would potentially create up to 8 new jobs:

- A full time Contract Administrator position will be created to assist the Project Manager and Project Engineer.
- Up to Four new positions to backfill the experienced staff which we will dedicate to this contract.
- Since there is a transfer of skills between asphalt and sealing, we would operate two crews and would need to backfill those positions.
- Three more traffic management staff to safely undertake the proposed work.

Business growth and reinvestment has provided more local opportunities

Venarchie has demonstrated a confidence and commitment to growth in Tasmania through ongoing investment for the Venarchie operations. This investment extends to acquisition of property, employing local tradespersons and designers, completion of capital improvement and building works.

The establishment of an asphalt plant at our premises in Mowbray, brought new jobs and skill development opportunities to the area. We have also developed a bitumen storage facility which not only mitigates risk to our project, but has created additional business for local companies such as Tas Star Transport. Other examples of Venarchie’s investment are:

- Office and workshop expansion (2010).
- Acquisition of property for civil yards (Cavalry Road, Mowbray – 2010).
- Purchase of yard, offices and workshop (Rex Court St Helens - 2011)
- Concrete plant (Tasman Highway St Helens - 2014)
- Yard & temporary offices, Kennedy Drive, Cambridge (2014)
Figure 1: Venarchie’s supply chain. Our supply chain incorporates and supports local businesses while also guaranteeing certainty of supply.
Goods and services to be utilised in the contract

Over the 25 years of operation, we have formed long-term trusted relationships with many of our suppliers. They understand our business, and know the high expectations we have for quality products and timeliness of delivery. We know that they can be relied upon.

Our valued Suppliers. Our 25 years’ experience working in northern Tasmania means we know who we can rely upon.

<table>
<thead>
<tr>
<th>Identified goods or services</th>
<th>Total estimated value</th>
<th>Name of supplier anticipated to be used (if already determined)</th>
<th>Location of supplier (where already determined)</th>
<th>If supplier not yet determined, is there a local SME market for same? (Yes/No)</th>
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<tbody>
<tr>
<td>Removal of Pavement Markings</td>
<td>$99,892.00</td>
<td>Straight Path Enterprises</td>
<td>Blackmans Bay, TAS</td>
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<td>Pavement Markings</td>
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<td>Hardings Hotmix</td>
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<td>Bitumen</td>
<td>$1,367,288.00</td>
<td>Viva Energy</td>
<td>Geelong, VIC</td>
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</table>

Managing our supply chain

A reliable supply chain is vital to the overall efficiency of a project. We use local suppliers wherever they are able to provide high quality and timely delivery of materials. Over the past few years we have sought to mitigate supply issues associated with critical materials such as asphalt and bitumen, by reducing reliance on others. This has been achieved through:

- Establishing an operating our own Asphalt Plant
- Establishing a reliable approach to bitumen supply

Our own asphalt plant provides greater assurance of supply. In 2006 we installed a Speco 80 ton/hour asphalt plant at our Mowbray facility. This enables us to guarantee reliable supply of asphalt and materials.

As a contingency for this particular project we have identified an alternative asphalt plant—Hardings Hotmix which is located in the region, and we will use them as a subcontractor if in the unlikely event that we are not able to supply from Venarchie Asphalt.

Secure bitumen supply chain. We source our bitumen direct from Victoria where we have the option of 2 suppliers. We then transport it using SeaRoad Shipping and store it at our Mowbray bulk tank facility. This means we are not reliant on the single default Tasmanian supplier (BP Bitumen).
Opportunity for other local SME involvement

Venarchie has grown our SME capabilities over time for optimal self-sufficiency. However, having started as a small local company, we recognise the importance of supporting other small local businesses.

Identifying and engaging with local subcontractors.

We always go to our existing local suppliers and subcontractors first. Over many years we have built a comprehensive register of approved subcontractors, and know which ones have met our high expectations. We are also a member of the Industry Capability Network (ICN) which we use to identify location-specific subcontractors, plant hire and materials.

We have already obtained quotes and confirmed availability of supply for key subcontractors for this project. Key factors in our supply chain are:

- Our long-term relationships with our key suppliers enable us to source the best quality products at the best price.
- By only using aggregate suppliers that have a history of meeting DOSG specifications and achieving successful outcomes, we lower the risk of poor quality product or workmanship.

Once selected, subcontractors are formally engaged by one of two methods: For larger or more complex subcontracts, subcontractors are contracted using a standard form contract, while smaller engagements, e.g. for a one-off supply of materials is 'contracted' via a detailed purchase order.

For this project we will outsource linemarking to key local subcontractors; and have already identified Hardings as our preferred subcontractor. Materials such as aggregates will also be sourced from local quarries.

Should we be awarded this contract, local heavy equipment businesses will also benefit from the purchase of additional heavy machinery and the associated ongoing maintenance contracts.

Opportunities for local hospitality businesses

On average our teams spend 50% of the contract period away from home and rely on local accommodation and food and beverage providers. We have existing arrangements with accommodation suppliers in the region, including:

- Beachway, Ulverstone
- Argosy, Devonport
- Top of the Town, Burnie
- Tall Timbers, Smithton
- Bayside, St Helens
- Kendalls, Scottsdale

Broader economic opportunities

In addition to the direct benefits Venarchie has brought to the region, communities also continue to benefit indirectly. Award of this contract will enable Venarchie to continue to demonstrate our genuine commitment to employment and growth in the community, and to the future of our industry.

Supporting trainees and apprentices

Venarchie is an employer that is in Tasmania for the long-haul. We understand that we need to continue investing in the local employees to maximise outcomes for the business and the communities in which we operate. Our investment in training and development covers a wide range of skills and job types:
Graduate Engineers. Venarchie has a structured recruitment process for graduate engineers and currently employs 3 qualified engineers. For the past 3 years we have offered paid work experience placements for undergraduate engineers to support them in meeting their degree requirement.

Apprentices & Traineeships. Trainees typically start with our smaller crews to ensure they get more attention and are trained in low-risk situations. We anticipate some of the additional positions created will be traineeships.

Other training. Ongoing training is provided to our employees dependent on the requirements of the job. Other opportunities are offered to develop people, for advancement within the company or for personal development. Our casual and contract employees are offered the same training as permanent employees.

Keeping jobs in the region

Many of Tasmania’s regional areas have experienced difficult economic conditions. Venarchie’s commitment to regional Tasmania was evident when the St Helens community was significantly impacted by a downturn in the forestry industry. We acquired the concrete plant from BIS in August 2014 and thereby provided job security for the existing employees. The St Helens division now employs 10 people including two new positions recruited from the local St Helens community.

Contributing to community groups

Venarchie is an active part of the communities in which we operate. We sponsor senior and junior football teams in the West Tamar region and provide financial and other support to community groups in the region including:

- Bridgenorth Senior and Junior Football clubs
- Hazards under 12 Touch Football
- St Helens Athletics Club annual race carnival
- St Helens Sporting Complex
- Exeter Bowls & Community Club
- Rotary and Lions club sponsorships
- Royal Launceston Agricultural Show
- Sjeika Launceston Cycling Classic

Supporting our community. Venarchie is proud to sponsor local sporting groups.

We look forward to maintaining this local support.

Supporting Tasmanian industry

Venarchie takes a keen interest in the development of our industry throughout Tasmania. Naomi Walsh represents Venarchie on the board of the Civil Contractors Federation (Tasmania). This organisation represents the interests of the industry in optimising local contribution to Tasmanian projects. The CCF also undertakes projects to increase capacity and skills at all levels of the industry.