

SCHEDULE 5

Tasmanian Industry Participation Plan

The Tasmanian Government is committed to maximising opportunities for local SME¹ businesses to compete for and win Government procurements. Suppliers are requested to prepare a Tasmanian Industry Participation Plan:

- For all procurements with a value exceeding \$5 million;
- For nominated procurements (at the discretion of the procuring Government entity) greater than \$2 million and up to \$5 million.

Your Tasmanian Industry Participation Plan is an essential part of your submission and will be used by the procuring entity to evaluate your submission. The Plan will contribute a minimum of 10% of the procurement evaluation. Suppliers that fail to submit a Plan will receive a zero score in relation to this criterion.

This Plan is your opportunity to demonstrate how your submission will positively impact on the local industry/economy. You do not need to answer all of the questions below and your submission may not necessarily be limited to these issues (which are provided as prompts). You will need to ensure you can verify the information you submit and where possible should provide actual numbers of staff (full-time equivalent)/values of goods and/or services.

Procurement details

Procurement Reference No.	C2304
Procurement title	Midland Highway Kempton to Melton Mowbray Road Improvements Stage I
Name of Responsible Agency/Entity	Department of State Growth

Supplier details

Name of supplier	Shaw Contracting (Aust) Pty Ltd
Contact details for supplier	Shaw Contracting (Aust) Pty Ltd 776 Whitemore Road Whitemore, Tasmania, 7303 Tel.: (03) 63 97 02 15

¹ Local SME are Australian and New Zealand businesses employing less than 200 people.

Local SME industry impact

What is the direct local impact of your business?

Examples: Are you a local SME (how many full time employees and casual employees do you employ, where is your business located, what is the ownership)? How many people do you employ in Tasmania? Would any new SME jobs be created by the proposed contract, and if so how many people will be employed to undertake this contract, and how many new jobs are likely to be created should your company be awarded the contract? Optimise

In this project Shaw Contracting is a major local SME. Shaw Contracting is based at Whitemore, 25km from Launceston in the north of the state and employs 78 full time staff.

This project would require construction staff to work away from home and boost local accommodation business close to the Kempton area.

Beyond the contribution that the Midland Highway, Kempton to Melton Mowbray Road Improvements Project will make to the Tasmanian economy, we recognise, as part of our corporate responsibility, that we can support local SMEs in many areas that are important to them.

We have set about to achieve this goal through the building of strong relations, throughout the Project life, with the local SMEs surrounding the areas where the Project is being developed and by using a sustainable approach to development as we undertake SME support initiatives.

Small and medium enterprises (SMEs) are the back bone of Tasmania's economy. To maximize opportunities for local SMEs to participate in the supply chain of the project, and to promote good, profitable business, a strong understanding of business administration is needed. To that end, we will leverage the expertise of our systems management, in particular safety, environment and quality programs that aims to strengthen the capacity of local SMEs through the provision of training, workshops and coaching sessions.

To date, we have invested significant resources in the development of those local SMEs whom we have engaged on other projects across Tasmania. This investment has benefitted the local SMEs in understanding and complying with relevant legislation as well as improving safety performance.

Occupational Health & Safety

Access to safety legislation can also be a major constraint to growth and participation on projects for SMEs. Having recognised this challenge, in 2013 we deliberately set about to educate and provide the relevant documentation to all SMEs on our projects that enable them to comply with legislation. This approach to engaging with SMEs has resulted in significant improvements in safety across our projects which Shaw was recognised for at the State Growth Safety and Roadworks Award for 2015.

Goods and services to be utilised in the contract

Identify the goods and/or services (including plant hire) you expect to purchase in order to complete the contract and provide the requested information in relation to same, where known.

Identified goods or services	Total estimated value	Name of supplier anticipated to be used (if already determined through existing supply chain arrangements)	Location of supplier (where already determined through existing supply chain arrangements)	If supplier not yet determined, is there a local SME market for same? (Yes/No)
Gravel Supply	\$850,000 \$890,000	Hazel Bros Boral	Leslie Vale Bridgewater	
Spray Sealing	\$715,000	Venarchie Contracting	Launceston	
Asphalt	\$275,000	Venarchie Contracting	Launceston	
Concrete Pipework	\$75,000 \$30,000	Humes Hudson Civil	Launceston Launceston	
Concrete Supply				
Fencing	15000	K & JM Agricultural Contractors	Colebrook	
Guardrail	\$125,000	Tranex	Deloraine	
Wire Rope Safety Fence	\$325,000	Tranex	Deloraine	

NOTE: All Goods and Services must be to State Growth Specifications and Standards and may be subject to a Contract Hold Point.

Opportunity for local SME involvement

Will you source components of your offer from other local SME companies/sub-contractors or is there new work to be undertaken locally as a result of you fulfilling the contract or workers travelling to the local area to undertake the work? How much?

Detail how you intend to identify and engage with sub-contractors and/or other SMEs in relation to the delivery of the contract including your supply chain ie use of existing supply chains, advertising of sub-contracting or supply opportunities, liaison with industry groups and ICN etc.

Shaw will be sourcing pavement materials, concrete, truck hire, some excavator, general labouring, accommodation and meals from the local area. In addition to this, Shaw will have a base of existing full time employees leading the team.

There will be significant transport of fill material and pavement materials.

SME Engagement

Shaw's enduring objective is that the operating culture of our projects delivers safe, compliant and reliable operations. These operations rely on the ongoing capability, performance and commitment of SMEs whose values are ideally closely aligned to Shaw's.

Shaw recently introduced a procedural requirement that supports this objective through the Contractor Prequalification process. This process aims to identify SMEs who are qualified to undertake work or supply to our project(s) and is condition precedence to carrying out work for Shaw.

Labour Hire

Access to additional staff during this project will be drawn from the surrounding areas. Our approach is always to build capability and the development of skills within the local communities in which we operate.

Broader economic opportunities

Are there any other impacts that your business and/or this specific supply will provide to the local/regional economy?

Examples: Your supply may lead to: new skills being developed locally; trainees/apprentices being appointed; cross transfer skills to a local SME partner/sub-contractor; your company (if you are not a local SME) setting up an office/employing local staff; scale for you to take your products/services interstate/overseas; local community sponsorship, estimated value of subcontracting arrangements and estimated salary impacts etc.

Our philosophy of "people working together for the future" means that we are committed to working with our suppliers and sub-contractors to build the capacity of the local industry.

In the 80 years of working in Tasmania, Shaw has established strong collaborative relationships with the local business community where, working together, we have established a competitive team that delivers successful business outcomes for all involved as well as economic benefits for the state.

The nature of our industry sees us delivering projects throughout Tasmania. To fully engage the region we're in, we have a policy to employ casuals from the local area. Further, we invest in up-skilling casual employees in safety systems so when we finish a project we leave behind, not just a completed project, but also a more highly skilled workforce for the future of the industry in Tasmania.

We recognise and respect that our subcontractors are also in business and need to return a profit and grow for the good of the industry in Tasmania. To support our subcontractors, we have developed a program of investing in them by up-skilling their Safety Management Systems.

Professional Development

We are passionate about the professional development of our team members and, as a partner of the Tasmania Division of Engineers Australia; we have a program for three graduate engineers to gain Chartered Status. As industry leaders, we see it as an essential part of our being that we assist in developing the future generation of Tasmanian industry experts.

Shaw has employed a Graduate Engineer from UTAS in each of the last three years and gives work experience to Engineering students

Community Involvement

Our shareholders agreement guarantees that we reinvest in the company to grow and support the Tasmanian community. As a result we are able to support the activities of a range of local organisations from local sporting programs, to disability services and charities including:

- *Junior Hockey*
- *Downs syndrome*
- *Carrick Park Pacing Club junior program*
- *Special Children's Christmas Club*
- *St Helens Athletics Carnival*
- *Deloraine Golf Club*
- *Whitemore Recreation Ground*
- *St Patrick's Old Collegians Football Club*
- *Tamar Yacht Club Junior Sailing Program*

Note: Where determined appropriate by the procuring entity, the supplier's obligations under this Plan are to be captured in the contract and monitored as part of the contract performance.