

**Question on Notice
No. 465
Asked on 5 April 2011**

MRS STUCKEY ASKED THE MINISTER FOR TOURISM, MANUFACTURING AND SMALL BUSINESS (MS JARRATT)—

With reference to contestable work packages identified under the local industry policy and for 2006-07, 2007-08, 2008-09, 2009-10 and 2010-11 (to date) (reported separately)—

- (1) How many contestable work packages were identified and how many packages received bids from Queensland suppliers?
- (2) How many contracts were awarded, what proportion of these received bids from Queensland suppliers and what percentage of contracts did Queensland suppliers win?
- (3) What was the dollar value of contracts awarded, and what was the dollar value of contracts awarded to Queensland suppliers and to regional Queensland suppliers (reported separately)?

ANSWER:

Under the *Local Industry Policy – a fair go for local industry updated October 2010*, the Industry Capability Network Queensland (ICN) has a role in assisting project proponents to meet their obligations under the Policy and project proponents are strongly encouraged to utilise the ICN.

ICN is nationally and internationally recognised as Australia's foremost authority on Australian industry capability in the manufacturing and related services sectors. ICN is staffed by qualified specialists who have a wide range of experience in engineering, technology and procurement. This enables ICN to identify products, services and capabilities to assist project proponents and their contractors in acquiring goods and services to replace imports and retain opportunities for local industry.

The ICN offers business matching services in relation to 'contestable work packages' for projects subject to the Local Industry Policy. These work packages may include multiple contracts that can be contested by Queensland suppliers against other Australian and overseas suppliers. The ICN does not assist with contracts that Queensland suppliers are unable to contest.

The ICN reports on the number of contestable work packages against which it provides business matching services and the wins reported to it by Queensland industry and project proponents. The ICN does not report on the number of Queensland bidders.

The ICN has provided information relating to the years 2006-07, 2007-08, 2008-09, 2009-10, 2010-11 (to December 2011) as outlined below:

2006-07:

1. ICN identified 437 work packages
2. 249 contracts were awarded with 235 contracts going to Queensland companies
3. Of the contracts awarded for contestable work packages worth an estimated \$472 million, contracts worth \$290 million were awarded to Queensland suppliers, of which contracts worth \$42 million were awarded to regional Queensland suppliers.

2007-08:

1. ICN identified 565 work packages
2. 566 contracts were awarded with 504 contracts going to Queensland companies
3. Of the contracts awarded for contestable work packages worth an estimated \$597 million, contracts worth \$387 million were awarded to Queensland suppliers, of which contracts worth \$90 million were awarded to regional Queensland suppliers.

2008-09:

1. ICN identified 1,256 work packages
2. 714 contracts were awarded with 629 contracts going to Queensland companies
3. Of the contracts awarded for contestable work packages worth an estimated \$1.872 billion, contracts worth \$1.11 billion were awarded to Queensland suppliers, of which contracts worth \$356 million were awarded to regional Queensland suppliers.

2009-10:

1. ICN identified 690 work packages
2. 831 contracts were awarded with 795 contracts going to Queensland companies
3. Of the contracts awarded for contestable work packages worth an estimated \$1.297 billion, contracts worth \$836 million were awarded to Queensland suppliers, of which contracts worth \$176 million were awarded to regional Queensland suppliers.

2010-2011 (to December 2010) (preliminary figures):

1. ICN identified 223 work packages
2. 140 contracts were awarded with 80 contracts going to Queensland companies.
3. Of the contracts awarded for contestable work packages worth an estimated \$307 million, contracts worth \$283 million were awarded to Queensland suppliers. The breakdown of the value of contracts awarded to regional Queensland suppliers is yet to be reported to ICN.