

INDUSTRY ADVOCATE
2024/25
ANNUAL REPORT





Government
of South Australia

Office of the
Industry Advocate

Office of the Industry Advocate

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Date presented to the Treasurer: 10th October 2025

To: The Hon. Tom Koutsantonis MP

Treasurer

Minister for Energy and Mining

This annual report will be presented to Parliament to meet the statutory reporting requirements of the *Industry Advocate Act 2017* and the requirements of Premier and Cabinet Circular PC013 Annual Reporting.

The report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

A handwritten signature in black ink, appearing to read 'John Chapman'.

John Chapman OAM

Industry Advocate

10th October 2025

This Annual Report has been submitted later than usual to ensure the Office of the Industry Advocate (OIA) could obtain important across-Government data pertaining to expenditure with South Australian businesses prior to finalising its 2024/25 Annual Report. This information was not able to be provided to OIA before early October 2025.

Cover image: Work underway on the River Torrens to Darlington Project. Photo courtesy of the Department for Infrastructure and Transport.

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MESSAGE FROM THE INDUSTRY ADVOCATE

Stepping up to the challenge would be an apt description for 2024/25.

The State Government procurement landscape continues to change and expand with the Office of the Industry Advocate (OIA) now managing a record 2,100 contracts and in-progress procurements with a total value of \$50.1 billion.

In 2023/24 the corresponding numbers were 1,752 and \$30.4b.

This year I am pleased to report that 88% – or \$6.68b of the total value of \$7.56b – of all State Government contracts over \$55,000 went to South Australian businesses, compared with 83% or \$4.81b in 2023/24. The data shows significant growth, reinforcing the State Government’s commitment to supporting local businesses and in-turn the South Australian economy.

I am particularly and personally focussing on the two largest infrastructure projects in the state – the \$15.4b River Torrens to Darlington Project (T2D) and the \$3.2b New Women’s and Children’s Hospital.

The contractors on both projects have made significant commitments to the use of South Australian suppliers, labour and products and I will hold them accountable to these targets.

We are also implementing Industry Participation Advisory Groups on both projects which will initially meet a minimum of monthly to ensure the commitments made remain at the forefront of thinking as procurements proceed on these projects.

Looking ahead, contracting opportunities on T2D will be broken down into packages worth up to \$1 million, between \$1m and \$5m and above \$5m. These opportunities represent a unique chance for South Australian businesses of all sizes to contribute to the state’s largest infrastructure project.

I am pleased to say the Department for Infrastructure and Transport has set a clear performance and financial penalty framework within its contract for T2D.

“ THESE OPPORTUNITIES REPRESENT A UNIQUE CHANCE FOR LOCAL BUSINESSES OF ALL SIZES TO CONTRIBUTE TO SOUTH AUSTRALIA’S LARGEST INFRASTRUCTURE PROJECT. ”

Table 1: Contracts Monitored by OIA in 2023/24 and 2024/25

| Information | 2023/24 | 2024/25 |
|---|---------|---------|
| Procurement processes monitored – number | 714 | 700 |
| Procurement processes monitored – value | \$13.2b | \$24.9b |
| Active IPPs – number | 1,038 | 1,400 |
| Active IPPs – value | \$17.2b | \$25.2b |
| Total projects/contracts monitored – number | 1,752 | 2,100 |
| Total projects/contracts monitored – value | \$30.4b | \$50.1b |

Source: DTF Procurement Activity Reporting System.

Further, my office will also require the contracted parties to provide detailed information around apprentices and trainees which will be cross-referenced with the South Australian Skills Commission. This is to ensure data can be appropriately verified.

I have also revised the definition of what constitutes a long-term unemployed person for new Tailored Industry Participation Plans (TIPPs) with the new definition of 12 months or more reflecting both the Australian Bureau of Statistics (ABS) and Organisation for Economic Co-Operation and Development (OECD) standards.

Internally, there has been a reset on the collection and use of data from contracts being overseen by my office.

Changes over time have made data collection and consolidation challenging and accordingly this annual report has much greater detail on procurement operations and outcomes. It is noted that agencies reported with varying success and consistency on a number of State Government policy requirements and as a result, a number of data sets are qualified.

The growth in procurement and an increase in compliance with the Treasurer's Instruction

Table 2: IPPs Monitored by OIA

| Year | Number of IPPs Monitored | % Change |
|---------|--------------------------|----------|
| 2019/20 | 295 | N/A |
| 2020/21 | 525 | 78% |
| 2021/22 | 600-700 | 33% |
| 2022/23 | 907 | 30% |
| 2023/24 | 1,038 | 14% |
| 2024/25 | 1,400 | 35% |

Source: OIA Annual Reports and DTF Procurement Activity Reporting System.

18 requirement to utilise the centralised Procurement Activity Reporting System (PARS) within the Department of Treasury and Finance has led to a significant increase in the volume of pre- and post-contract work in addition to ongoing monitoring of commitments made by businesses in their Industry Participation Plans (IPPs).

This has been recognised with an additional allocation of \$0.5m ongoing in the 2024/25 Mid-Year Budget Review. This funding will assist in improving internal processes and stabilising the operational workforce to respond to increasing demands on the office.

Our role also includes assisting

State Government agencies in understanding the requirements of the South Australian Industry Participation Policy (SAIPP) and to that end we have revised our online training to procurement staff to supplement the direct interaction of my team with agency staff.

Increasing the economic participation by South Australian Aboriginal businesses and Aboriginal Community Controlled Organisations (ACCOs) is another strong focus of my office.

A dedicated resource engages with all relevant stakeholders including the Aboriginal business sector, ACCOs, Public Authorities and managing contractors to identify

Table 3: State Government Expenditure with South Australian Aboriginal Businesses

| | 2023/24 | 2024/25 |
|--|---------------|---------------|
| Total reported procurement spend with South Australian Aboriginal businesses | \$141,625,747 | \$176,385,486 |
| Spend with South Australian Aboriginal businesses – % of total procurement spend | 1.46% | 1.61% |

This data incorporates expenditure reporting from 100 State Government entities. These 100 reports included expenditure information for a further 60 smaller entities which reported through the larger Public Authority to which they are connected. Source: Agency self-reporting.

supply chain and employment opportunities for this disadvantaged cohort.

Commitments to both Aboriginal supply chain and Aboriginal workforce targets remain at the forefront of TIPP negotiations and are monitored during contract delivery.

A return to manual collection of Aboriginal procurement spend data through Public Authority verified reporting, in place of Basware spend collection, seeks to ensure the quality and accuracy of the reported data in Table 3.

Supporting the growth of this sector will assist with the State Government’s commitment to Closing the Gap.

We are also in the process of revamping the Ready to Tender modules on our website to improve access for all stakeholders, including Aboriginal suppliers.

My office was closely involved with the Department of Treasury and Finance in revising informational material on the SAIPP and the SAIPP Procedural Guidelines into one, hopefully much easier to read, document which is currently

“ *THERE MUST BE ACCOUNTABILITY FOR THOSE WHO FAIL TO MEET TARGETS WHICH MAY HAVE ASSISTED THEM IN SECURING THE CONTRACT IN THE FIRST PLACE.* ”

awaiting final approval.

While agencies and suppliers are generally good at focussing on the Standard or Tailored IPPs, there has been less of a focus by OIA on the verification of the six-monthly reports required.

In one case, a major supplier to the State Government sought to amend its TIPP as it had overstated a key target. I refused to accept the proposal on the basis that they were a sophisticated company of scale and should have been capable of calculating what was achievable.

The concept of changing targets

after they have been agreed, and set, does not sit well with me.

Further, there must be accountability for those who fail to meet targets which may have assisted them in securing the contract in the first place.

In addition, I have spent considerable time reviewing the final contracting reports provided to this office.

I have been disappointed in the standard of the reports with gaps including the absence of key information such as the name of the person verifying the information and other data.

I have also been “surprised” at the number of the reports where the actual spend data exactly equals target data provided to this office.

My office will continue to work with suppliers to check the veracity and improve the quality of data being provided through the reporting regime.

Government agencies must look much harder at implementing contractual penalties for breach of performance, which includes delivery of IPP commitments.



Industry Advocate John Chapman OAM at Meet the Buyer 2024.



The busy SA Health Hub at Meet the Buyer 2024.

These commitments must be seen and dealt with seriously by contract participants.

To assist agencies in this regard, I am investigating the mechanisms to allow agencies to take responsibility for the collection of the six-monthly progress and final reports on all State Government contracts captured by the SAIPP.

Agencies would be responsible for ensuring that these reports are provided to my office in a timely manner for review, which is consistent with the requirements of the SAIPP Procedural Guidelines.

This functional change is aimed at providing agencies and their contract managers with a greater insight into the performance of suppliers in terms of their contractual IPP commitments.

The success of our major engagement event, Meet the Buyer, continues with more than 700 business representatives attending the 2024 event, which featured 55 exhibitor booths.

In the year ahead, Meet the Buyer will be expanded in partnership with the South Australian Business Chamber to include industry

associations to maximise the benefits of State Government procurement with their members.

In addition, the event will include representatives from the successful contractor of the \$15.4b T2D tunnel project.

I am looking at every opportunity to improve the connection between State Government and businesses.

Our regional focus also continued in 2024/25 with attendances at the Tactic events at Port Augusta, Port Pirie and Whyalla.

“ I AM LOOKING AT EVERY OPPORTUNITY TO IMPROVE THE CONNECTION BETWEEN STATE GOVERNMENT AND BUSINESSES. ”

WHYALLA

The State Government’s dramatic intervention into the operations of GFG Alliance’s steelworks and mines at Whyalla triggered the need for an on-the-ground role in coordinating support for the local community.

I was honoured to be asked to extend my role as Industry Advocate to include that of Whyalla Regional Coordinator in February 2025.

Having supported Whyalla in my former role as Small Business Commissioner during the Arrium administration, I did not hesitate in stepping up to assist local businesses, workers, community and other stakeholders on another distressing journey not of their making.

With Federal Government support, the State Government provided an unprecedented package of \$2.4b to fund the Whyalla operations through the administration and hopefully to a new and positive future.

Pivotal to my extended role was a comprehensive grant program for both Whyalla and South Australian businesses whereby their outstanding invoices for work

Table 4: SA Business Creditor Assistance Scheme

| | Whyalla | | South Australia | | Total | |
|--|---------|----------------|-----------------|----------------|--------|-----------------|
| Stage | Number | Value | Number | Value | Number | Value |
| Approved | 30 | \$9,350,263.37 | 33 | \$5,959,846.30 | 63 | \$15,310,109.67 |
| Pending departmental assessment information from the applicant or verification | 14 | \$6,950,925.64 | 22 | \$1,366,367.13 | 36 | \$8,317,292.77 |

Figures are at 30th June 2025 and are exclusive of GST. Source: Department of State Development.

Table 5: Whyalla Small Local Business Support Grants (\$10,000)

| Stage | Number | Value |
|---|--------|-----------|
| Approved | 60 | \$600,000 |
| Pending info – applicant under DSD assessment | 33 | \$330,000 |

Figures are at 30th June 2025. Source: Department of State Development.

undertaken or products supplied as at 19th February 2025 were covered by the State Government up to \$5m (see Table 4).

This massive pipeline of funding provided hope to businesses which had been left with nothing but promises to pay by GFG.

The grants are part of the State Government’s \$53m support package.

The State Government also provided grants of \$10,000 to Whyalla

businesses that could show a downturn of 20% or more over a three-month period compared to a year prior (see Table 5). These businesses do not have to have been suppliers to the steelworks and mines.

As the grants program rolled out, I provided support and information to businesses to navigate their way through the program.

I would like to thank the Department of State Development for their fulsome support in this difficult time.

I would like to thank the Treasurer, Hon. Stephen Mullighan MP, for his commitment to ensuring South Australian businesses have every reasonable opportunity to not only bid for State Government work and product supply – but also to win these contracts.

I would also like to commend the many State Government agencies that undertake procurement tasks for their commitment to complying with the SAIPP.

Finally, I would like to thank my



Industry Advocate and Whyalla Regional Coordinator John Chapman OAM and Whyalla Mayor Phill Stone (right) with Whyalla Small Local Business Support Grant recipient Dene Dempsey from StaySafe Training.



Staff from the Department of State Development’s Office of Small and Family Business in Whyalla to promote the support available to local businesses.



Steel produced at the Whyalla Steelworks.



Workers at the Whyalla Steelworks.



Premier Peter Malinauskas addressing Whyalla contractors and business owners in February.



Industry Advocate and Whyalla Regional Coordinator John Chapman OAM, Andrew 'Cosi' Costello and Westland Hotel Motel's Darren Beare giving away free chicken packs and promoting the Whyalla Local Small Business Support Grant program.



Premier Peter Malinauskas and Federal Industry Minister Tim Ayres at the Whyalla Steelworks in June, announcing the sale process for the steelworks and mines was underway.

dedicated team for their work every day to ensure South Australian businesses get the best possible chance at securing the State Government contractual dollar.



Premier Peter Malinauskas with Prime Minister Anthony Albanese announcing a joint support package for the Whyalla Steelworks.



Workers at the Whyalla Steelworks in June.

John Chapman OAM
Industry Advocate
30th June 2025



KordaMentha's Sebastian Hams provides an update on the Whyalla Steelworks to attendees at a OneWhyalla meeting.



Whyalla Steelworks Industrial Transformation State Lead Sam Crafter with KordaMentha's Sebastian Hams at a OneWhyalla meeting.



Industry Advocate and Whyalla Regional Coordinator John Chapman OAM with ABC Radio Adelaide's Spence Denny and Member for Giles Eddie Hughes MP.



Federal Industry Minister Tim Ayres, Whyalla City Council's Kathy Jarrett and Premier Peter Malinauskas open the \$32m Whyalla Airport runway upgrade.

AGENCY OVERVIEW

OUR VISION

A STATE WHERE SOUTH AUSTRALIAN BUSINESSES ARE AT THE FOREFRONT OF GOVERNMENT PROCUREMENT – EMPOWERED, RECOGNISED, AND VITAL TO OUR ECONOMIC FUTURE.

OUR VALUES

- TRUST
- MUTUAL RESPECT
- ENJOYMENT
- EMPATHY

OUR PURPOSE

The *Industry Advocate Act 2017* stipulates that the Minister must establish and maintain a policy – the SAIPP – relating to industry participation in State Government contracts and seek to promote State Government expenditure that results in economic development for South Australia.

The Industry Advocate is an independent statutory authority established by the *Industry Advocate Act 2017*, enacted by the South Australian Parliament on 1st January 2018.

A key objective of the Industry Advocate is to facilitate economic contribution and economic development from public expenditure and to ensure capable businesses based in South Australia are given full, fair and reasonable opportunity to tender and participate in State Government contracts.



OIA's Whyalla Meet the Buyer event in May 2025 attracted a strong turnout of local business representatives.



Industry Advocate John Chapman OAM addresses the crowd at Meet the Buyer 2024.

OUR FUNCTIONS, OBJECTIVES & DELIVERABLES

The *Industry Advocate Act 2017* creates functions for the Industry Advocate, supported by the Office of the Industry Advocate.

These are:

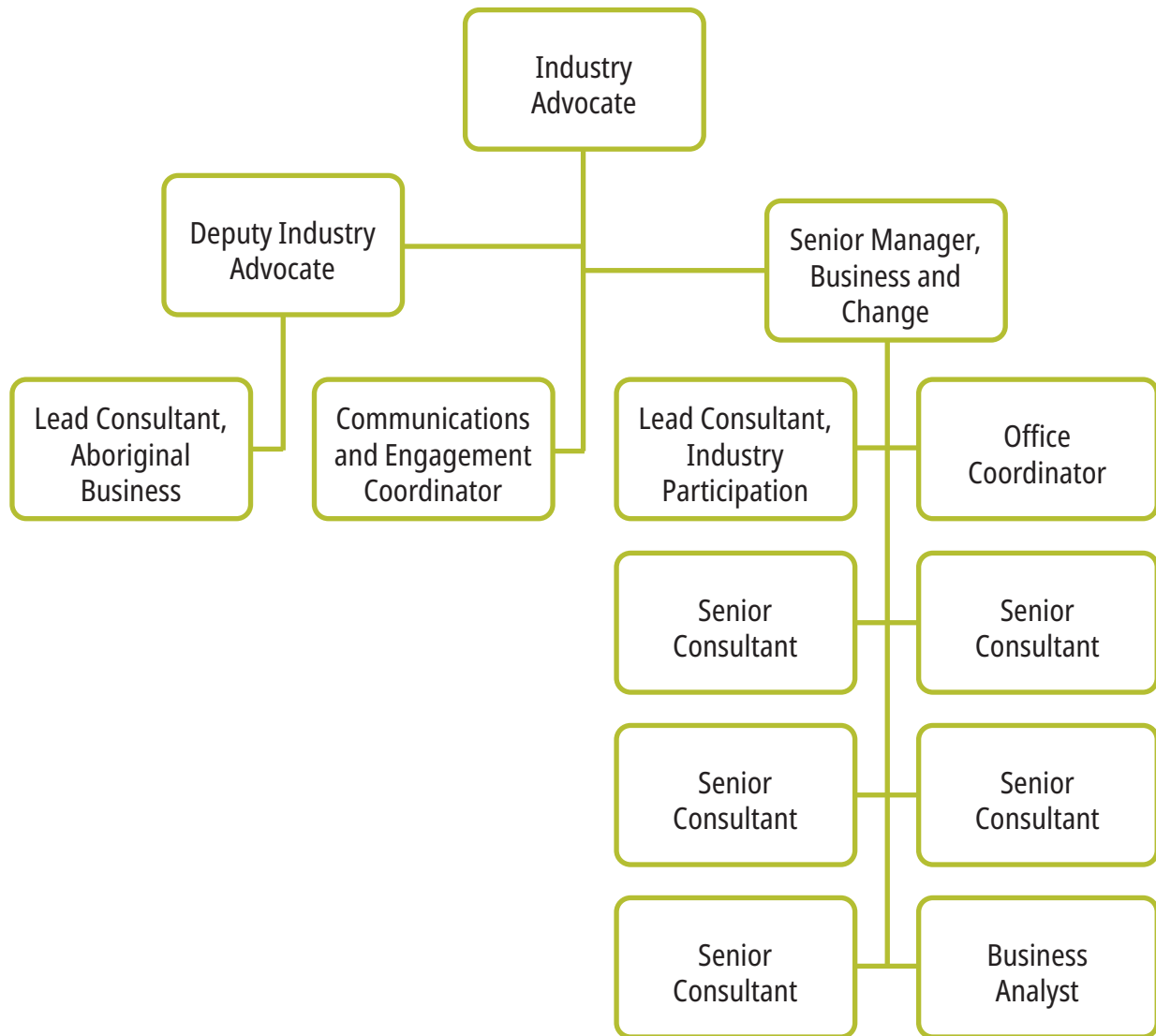
- to take action to further the objectives of the SAIPP (including, without limitation, by building the capability and capacity of businesses based in South Australia to participate in State Government contracts)
- to receive and investigate complaints by and on behalf of business and their industry representatives about the SAIPP
- to make recommendations (taking into account requirements under any other law) to responsible officers for procurement and principal officers of public authorities to resolve complaints, remove impediments or improve procurement practices and processes
- to refer unresolved complaints and issues to the Minister for consideration
- to review, and assist in the negotiations for, IPPs to ensure they comply with the SAIPP prior to the finalisation of contract conditions
- to investigate and monitor compliance with the SAIPP by participants in State Government contracts
- to take action to promote and ensure compliance with the SAIPP, including by issuing directions to participants in State Government contracts requiring them to comply with their contractual obligations in respect of the SAIPP and reporting to the Minister in relation to non-compliance where appropriate
- to encourage the adoption of industry participation policies by Local Government
- to investigate and monitor compliance with Local Government industry participation policies by participants in contracts to which such policies apply
- to take any other action considered necessary for the purpose of exercising the functions conferred on the Industry Advocate
- to exercise other functions conferred on the Industry Advocate by the Minister or under the *Industry Advocate Act 2017* or any other Act.



In November 2024, OIA held a Supply to Government workshop focussed on Advanced Manufacturing at Flinders University's Factory of the Future.

OUR ORGANISATIONAL STRUCTURE

The Industry Advocate may, under an arrangement by the Minister, establish an administrative unit of the Public Service and make use of the services or staff of that administrative unit. Staff are assigned to the Office of the Industry Advocate by the Department of Treasury and Finance.



Deputy Industry Advocate Phillip Dowsett speaking at OIA's Whyalla Meet the Buyer event in May 2025.



The OIA team exhibiting at the River Torrens to Darlington Project Construction Industry Briefing in June 2025.

OUR **MINISTER**

The Hon. Stephen Mullighan MP is the Treasurer.



CHANGES **TO THE AGENCY**

During 2024/25 there were no changes to the agency's structure and objectives as a result of internal reviews or machinery of government changes.

LEGISLATION **ADMINISTERED BY THE AGENCY**

Industry Advocate Act 2017

OTHER **RELATED AGENCIES**

Department of Treasury and Finance

Caveat: The Office of the Industry Advocate liaises with all State Government Public Authorities regarding procurement.

OUR **EXECUTIVE TEAM**

The Industry Advocate and Deputy Industry Advocate are responsible for the functions under the *Industry Advocate Act 2017* and for leading the Office of the Industry Advocate.

INDUSTRY ADVOCATE

JOHN CHAPMAN OAM



DEPUTY INDUSTRY ADVOCATE

PHILLIP DOWSETT



2024/25 OVERVIEW

WHYALLA

In February 2025, following the State Government placing OneSteel Manufacturing – operator of the Whyalla Steelworks – into administration, John Chapman OAM’s role as Industry Advocate was expanded to also encompass that of Whyalla Regional Coordinator.

As Whyalla Regional Coordinator, he works up to three days a week in Whyalla, working with business owners, Local Government and the broader community on issues as they arise.

As part of the State Government’s efforts to support the people and businesses of Whyalla, Treasurer the Hon. Stephen Mullighan MP approved the establishment of Whyalla as an Economic Participation Region for the application of the SAIPP.

Following the establishment of the Whyalla Special Economic Zone (WSEZ), a WSEZ Tailored Industry Participation Plan (WTIPP) is to be used by Public Authorities for any procurements valued above \$220,000, including secondary procurement processes, that can drive economic benefit to the WSEZ.

One WTIPP was submitted in the 2024/25 financial year. This was for the Department for Infrastructure and Transport’s Lincoln Highway & McBryde Terrace Intersection Upgrade.

Under the *Industry Advocate Act 2017*, the Minister must ensure the SAIPP promotes economic development and value for money in government spending, growth of strategically important industries (such as steel), and fair opportunities for capable South Australian businesses to compete for government contracts.

All Public Authorities, businesses, universities, and not-for-profits contracting with the State Government must comply with the SAIPP. Contracts over \$550,000 (GST inclusive) must include a clause requiring suppliers to implement an IPP approved by the Industry Advocate.

The volume of procurement processes and contracts monitored by the Office of the Industry Advocate (OIA) increased yet again

in 2024/25, continuing a trend that extends back at least as far as 2019/20 (See Graph 3).

At 30th June 2025, OIA was monitoring a total of 2,100 procurement processes and active IPPs, with a combined reported value of \$50.1 billion. This comprised 700 procurement processes valued at a reported \$24.9b and 1,400 active IPPs worth a reported \$25.2b.

A total of 200 final reports for completed IPPs were received in 2024/25, with a further five remaining outstanding despite repeated requests from OIA. This compares to 162 final reports received and nine outstanding in 2023/24.

Table 6: Contracts Monitored by OIA in 2023/24 and 2024/25

| Information | 2023/24 | 2024/25 |
|---|---------|---------|
| Procurement processes monitored – number | 714 | 700 |
| Procurement processes monitored – value | \$13.2b | \$24.9b |
| Active IPPs – number | 1,038 | 1,400 |
| Active IPPs – value | \$17.2b | \$25.2b |
| Total projects/contracts monitored – number | 1,752 | 2,100 |
| Total projects/contracts monitored – value | \$30.4b | \$50.1b |
| Number of final reports received | 162 | 200 |
| Number of final reports not received | 9 | 5 |

Source: OIA/DTF Procurement Activity Reporting System.

Of the 1,400 active IPPs monitored by OIA at 30th June 2025, 1185 were Standard IPPs, 159 were TIPP and 56 were longer-running legacy IPPs.

The total commitments made across these 1185 Standard IPPs tallied a combined \$7.4b, with \$5.06b in commitments with South Australian suppliers (both metropolitan and regional) – 68.4% of the total. Metropolitan commitments

accounted for 57.1% of the total, with regional commitments at 11.3%.

Across completed IPPs, expenditure with South Australian suppliers remains around 90% of total reported expenditure – 90.7% in 2023/24 and 89.3% in 2024/25.

Reported spend with regional South Australian suppliers rose from 8.9% in 2023/24 to 17.6% in 2024/25.

Spend with non-South Australian suppliers also rose marginally year-to-year, from 9.3% to 10.7%. Metropolitan expenditure fell from 81.4% to 71.7% of the reported total.

It should be noted that large fluctuations in this year-to-year expenditure data are to be expected, due to the unique nature of IPPs completed in any given year.

Table 7 and Graph 1: Active IPPs - Commitments by Supplier Location

| | 2024/25 | |
|--------------------------------------|----------------|--|
| Metropolitan | \$4.22b | |
| Regional | \$838m | |
| South Australia (Metro and Regional) | \$5.06b | |
| Outside South Australia | \$2.34b | |
| Total | \$7.40b | |

This data represents commitments made across 1185 active Standard IPPs, which account for 85% of the 1,400 active IPPs managed by OIA at 30th June 2025. This data does not include 159 active Tailored IPPs, as the commitments made in these plans cannot be consolidated due to each plan's unique nature. Similarly, data from 56 active legacy IPPs has also not been included due to differing policy requirements over time which affect data consolidation. Source: DTF Procurement Activity Reporting System.

Table 8 and Graph 2: Completed IPPs - Reported Expenditure by Supplier Location

| | 2023/24 | 2024/25 | |
|--------------------------------------|-----------------|-----------------|--|
| Metropolitan | \$1.29b | \$1.09b | |
| Regional | \$142m | \$268m | |
| South Australia (Metro and Regional) | \$1.436b | \$1.356b | |
| Outside South Australia | \$148m | \$163m | |
| Total | \$1.584b | \$1.519b | |

Source: Supplier IPP reporting.



FINANCIAL PERFORMANCE

OIA concluded the financial year \$142,000 below budget. This outcome includes an additional \$500,000 in funding allocated for 2024/25 and future years to cover increased expenses associated with expanded staff numbers.

Additionally, with the Industry Advocate holding a dual role as Whyalla Regional Coordinator, all costs associated with this position have been incorporated as both

additional revenue and expenses.

Further information on OIA's financial performance can be found in the Financial Performance at a Glance section on page 38, as well as in the Audited Financial Statements, beginning on page 52.

PROCESS REVIEW

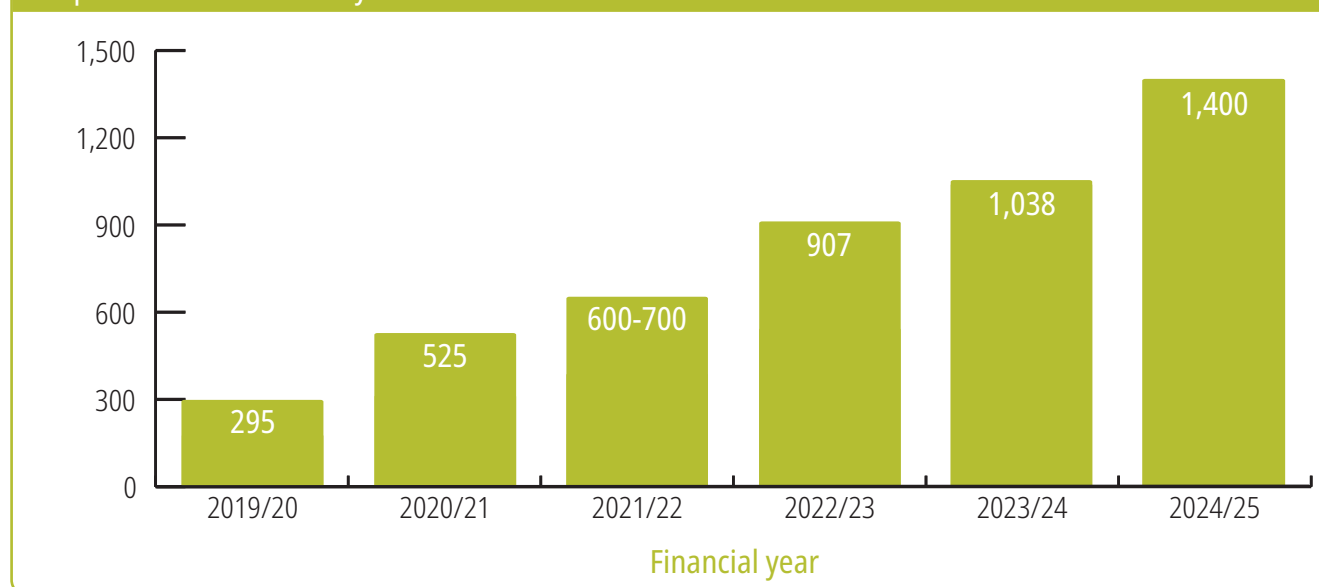
During 2024/25, OIA has commenced a comprehensive review and streamlining of all internal processes. This foundational reform work will eventually lead to the design,

development and implementation of a Customer Relationship Management (CRM) system.

The CRM will enhance the Office's ability to manage stakeholder relationships, track engagement and outcomes, improve data quality, support reporting and decision-making, and provide more timely and actionable insights.

Ultimately, it will strengthen organisational efficiency, transparency, and the delivery of services across the Office.

Graph 3: IPPs Monitored by OIA



Source: OIA Annual Reports and DTF Procurement Activity Reporting System.

COMPLIANCE AND EXEMPTIONS

SAIPP Exemptions

Exemptions under the SAIPP are enabled through the SAIPP Procedural Guidelines Section 3.12:

Exemptions from any requirement of the Policy will be considered by the Industry Advocate. Grounds for an exemption may include when there is a third-party requirement to use

a specific procurement criterion or there is no relevant supplier in South Australia or Australia.

Exemptions are rarely issued by the Industry Advocate, and agencies are required to provide substantive reasoning for seeking such an exemption.

A register of all authorised SAIPP exemptions is maintained by the Office of the Industry Advocate.

A total of seven exemptions were issued in the 2024/25 financial year.

Details of these exemptions can be found in Table 9.

Table 9: SAIPP Exemptions Issued by the Industry Advocate in 2024/25

| Agency | Title of Exemption Matter | Date approved by the Industry Advocate |
|---------------------------------------|--|--|
| Department of Human Services | Australian Criminal Intelligence Commission National Police Checking Service | 26 th July 2024 |
| South Australian Motor Sport Board | 2025 Supercars Grand Final Formula One Activation Agreement | 20 th December 2024 |
| South Australian Motor Sport Board | 2023/2024/2025/2026/2027 VAILO Adelaide 500 – After Race Concerts | Approved 31 st March 2025 for 2025 exemption only |
| Lifetime Support Authority | Attendant Care Panel | 24 th March 2025 |
| Lifetime Support Authority | LSA0153 Reinsurance Brokerage | 24 th March 2025 |
| Department of the Premier and Cabinet | Gather Round for Footy on 9 Broadcast production | 11 th March 2025 |
| Department of State Development | Support for Whyalla Based Business and Workers | 17 th April 2025 |

Source: OIA Exemptions Register

Directions Notices Issued Under the *Industry Advocate Act 2017*

Under the *Industry Advocate Act 2017*, if the Industry Advocate reasonably believes that a participant in a State Government contract is not complying with their contractual obligations in respect of the SAIPP, the Industry Advocate may, by notice in writing, direct the participant to comply with those obligations.

Table 10: Directions Issued by the Industry Advocate

| Year | Number of directions issued |
|---------|-----------------------------|
| 2024/25 | 0 |

MAJOR PROJECTS AND CONTRACTS

VENTIA ACROSS GOVERNMENT FACILITIES MANAGEMENT ARRANGEMENTS

Ventia has held the Across Government Facilities Management Arrangements (AGFMA) contract since December 2021.

On behalf of more than 47 State Government agencies across South Australia, the AGFMA covers asset management for 3500 State Government-owned facilities such as schools, hospitals and police stations. It is a multi-year contract which generates several hundred million dollars in revenue annually. The initial five-year contract has the options for three two-year extensions.

Ventia is active in promoting opportunities for South Australian businesses, conducts its own contractor event annually and is an active participant in the Office of the Industry Advocate's (OIA) annual Meet the Buyer.

Ventia engages extensively regionally with roadshows covering all major regional centres.

Given the contract's size and potential impact positively (and negatively) on South Australian businesses, OIA is monitoring progress against targets set out in the TIPP that applies to the contract.

Ventia has reported that 100% of all AGFMA works in metropolitan Adelaide have been directed to South Australian businesses.

Ventia has also reported that it achieved a direct labour outcome of 98.5% South Australian labour content compared with 97% the previous year and against a 2024/25 target of 79%.

Regionally, Ventia claimed a 100% outcome for direct South Australian employment but fell short in the indirect area with only 78% against a target of 98%.

The amount of work allocated to regional South Australian businesses under the AGFMA fell short of the 98% target with an outcome of 74.4%.

With the establishment of the Whyalla Special Economic Zone (WSEZ) on 19th February 2025, Ventia has reported spend with subcontractors that reside within the WSEZ at over \$2.4m. Ventia also attended OIA's successful Meet the Buyer event in Whyalla on 8th May 2025.

Ventia, however, fell short in a number of other areas including indirect Aboriginal supply chain participation, Aboriginal workforce participation, social procurement, female representation (all other roles) and apprentices/trainees/graduates, which is of concern.

It appears that numerous commitments agreed contractually by Ventia in the original TIPP were overly ambitious, but none the less still apply, and will continue to be monitored by OIA.

The Industry Advocate will work with Ventia to improve its performance against its targets.



Ventia's Thomas Baulderstone speaking at OIA's Whyalla Meet the Buyer event.



Ventia is an active participant in OIA's annual Meet the Buyer event in Adelaide.



RIVER TORRENS TO DARLINGTON PROJECT

Work on the River Torrens to Darlington (T2D) upgrade of South Road commenced in earnest immediately following the signing of the contract in September 2024.

The 10.5-kilometre project consists of the construction of two tunnels – North and South connected in the middle by a 2.5km open motorway – plus ancillary roadways.

It is reasonably expected the project will be complete by 2031, or even earlier.

At a budgeted cost of \$15.4 billion, it is the largest infrastructure project in South Australia’s history and as such has warranted special attention under the SAIPP and the *Industry Advocate Act 2017*.

The project is being constructed under an alliance arrangement with the Department for Infrastructure and Transport, with John Holland leading partners Bouygues Construction Australia, Arcadis Australia, Jacobs and Ventia.

During the year there were regular discussions on the implementation of procurement activities and how South Australian businesses would benefit. After lengthy consideration, the Industry Advocate decided that given the size of the project and available resources of the Office of the Industry Advocate (OIA), a direct approach to monitoring was required.

With the agreement of the parties, an Industry Participation Advisory

Table 11: T2D Alliance Component Programs

| Tunnelling and Plant | Surface Work | Mechanical and Engineering | Other Project Wide |
|--|--|---|---|
| <ul style="list-style-type: none"> • Cross Passages • Precast • Tunnel • Tunnel Civil Fitout | <ul style="list-style-type: none"> • Precast • FRP • Roadworks (including Asphalt) • Landscaping • Bridge Construction • Waterproofing • Piling • Civil Packages | <ul style="list-style-type: none"> • General and Emergency Lighting • Tunnel Electrical – High Voltage • Tunnel Electrical – Low Voltage • Tunnel Ventilation • Tunnel Earthing and Bonding • Tunnel Fire and Smoke Detection/Suppression • Heating and Cooling Systems • Other | <ul style="list-style-type: none"> • Wet Hire • Consumable and Materials • Tools and Equipment • Support Services |

Source: T2D Alliance.

Table 12: T2D Contract Values

| Value by Location of Contracted Party | Value in AUD | % of Total Value of Contracts Executed |
|---|------------------|--|
| Value of Contracts Signed – Australia** | \$455,918,130.41 | 69% |
| Value of Contracts Signed – South Australia | \$272,130,137.22 | 41% |
| Value of Contracts Signed – Overseas | \$208,916,393.37 | 31% |
| Value of Contracts Signed – Total | \$664,834,523.78 | 100% |

** Value includes South Australian companies. Source: T2D Alliance.

Table 13: T2D Tender and Contract Numbers

| | |
|--|-----|
| Prequalified Companies | 688 |
| Tenders Issued | 246 |
| Recommendations Approved | 118 |
| Contracts Fully Executed | 85 |
| Contracts with South Australian Businesses | 67 |
| Major Overseas Contracts | 10 |
| Industry Briefing Participants | 700 |

Source: T2D Alliance.

Group (IPAG) has been formed with representatives from the Alliance and the Office of the Industry Advocate who meet directly a minimum of monthly.

Priorities for discussion at these meetings are the level and substance of complaints by SA businesses over procurement processes as well as contracted procurements, procurements in progress and the three-month forward plan.

This information is designed to ensure the Industry Advocate and his team can identify potential procurement challenges and opportunities for SA businesses.

A detailed TIPP sits behind the Alliance contract covering allocation

Table 14: T2D Areas of Commitment

| Commitment category | Commitment (Minimum) | Commitment (Stretch) | 2024/25 Actual – AUD | 2024/25 Actual – % | Baseline |
|---|----------------------|----------------------|----------------------|--------------------|---------------|
| Sourced from SA Businesses | 87.347% | N/A | \$51,514,342.18 | 14.5% | \$355,822,564 |
| Sourced from SA Regional Businesses | 3.014% | N/A | \$8,493,318.40 | 2.4% | \$355,822,564 |
| Sourced from SA Aboriginal-owned Businesses | 1.7% | 2.5% | \$7,654,947.89 | 2.2% | \$355,822,564 |

Source: T2D Alliance.

Table 15: T2D Project Spend from September 2024 to June 2025

| Spend category | Total Project Spend | % of Total Spent to Date |
|---|---------------------|--------------------------|
| Total Spend Design Non-Owner Participants | \$131,793,021 | 37% |
| Total Spend Construction Non-Owner Participants | \$146,709,624 | 41% |
| Total Spend Overseas | \$77,319,919 | 22% |
| Total Spend Recorded | \$355,822,564 | 100% |

In the reporting period a total spend of \$356 million was reported representing 4.3% of the total cost of the project. Source: T2D Alliance.

of spend with SA businesses of 87.35%; with opportunities for SA businesses totalling \$8.82bn.

To date \$51,514,342 has been spent, and some \$272,130,137 contracted, with SA businesses.

It is recognised that the project expenditure will be heavily weighted outside of SA businesses in the early stages with the purchase of the three imported tunnel boring machines and that labour targets will be more meaningful as the project moves to full capacity.

The Alliance commenced in 2024 and the component programs are listed in Table 11.

The Alliance provided the data contained in Tables 12, 13, 14

and 15 to OIA in its report from September 2024 to June 2025.

As at the end of June 2025, 67 South Australian contractors (including regional businesses) had been awarded work packages, with approximately \$60 million in total across three contracts to Bowhill Engineering, Ahrens and Hallett.

A total of \$18.3m is reported to have been contracted with SA Aboriginal businesses, which was 2.8% of total contracts signed, with \$7.6m already expensed.

The Aboriginal supply chain target has a commitment of 1.7% and a stretch target of 2.5% by the end of the project.

The State Government commitments around labour

hours on major construction projects being performed by South Australians will be closely monitored on T2D.

These commitments relate to on-site construction effort, and the Alliance's targets are outlined in Table 16 below.

Across the project more broadly, it is recognised that in the early stages there will be heavy use of interstate design staff, which does not dilute the SA component of on-site labour hours.

Reporting on T2D will continue to develop as the project unfolds and the Alliance will be required to formally report six monthly to OIA in line with the SAIPP and its TIPP commitments.

Table 16: T2D Labour Target Commitments

| Labour Category | TIPP Target | Stretch Target by Project End | 2024/25 Actual |
|---|--------------|-------------------------------|---------------------------|
| The % of SA FTEs that will be used in the delivery of this contract | 92% minimum | 94% | 92.28% |
| The % of total SA trainees and apprentices that will be employed directly and indirectly in the delivery of this contract | 15% minimum | 16% | Not Reported ¹ |
| The % of long-term unemployed to be engaged directly and indirectly in the delivery of this contract | 2.5% minimum | 4% | Not Reported |
| Commitment to SA Aboriginal Workforce | 6% minimum | 8.5% | Not Reported |

¹ As the project develops, the Alliance will be required to provide detailed information around apprentices and trainees which will be cross-referenced with the South Australian Skills Commission under a Memorandum of Administrative Arrangement dated 26th June 2025. This is to ensure data can be appropriately verified. Source: T2D Alliance.

Work underway at the New Women's and Children's Hospital site. Photo courtesy of Lendlease.



NEW WOMEN'S AND CHILDREN'S HOSPITAL

The second-largest State Government project under close review is the construction of the New Women's and Children's Hospital (nWCH).

The State Government entered into an Early Contractor Involvement (ECI) agreement with Lendlease on 16th July 2022 and a TIPP was completed and submitted by Lendlease in June 2022.

The project has evolved and the current project ECI is expected to convert to a main works contract in 2026, at which time Lendlease

will be required to finalise a second TIPP for the remaining and bulk of the work on the project.

In April 2024, the Office of the Industry Advocate (OIA) added a further requirement to Lendlease that it include in its procurements and reporting State Government policy requirements that track the use of South Australian labour, apprentice/trainee/long-term unemployed and Aboriginal workers data.

It is recognised that the project is in its infancy and that some of the key

data metrics (as shown in Table 17) will not be met under early-stage design and works.

Given the scale of this project, OIA is implementing a more rigorous monitoring role, similar to that for T2D, with the formation of a second Industry Participation Advisory Group (IPAG) which will meet monthly or more often as required.

This will allow oversight of current work, procurement in progress and forward procurement plans on an ongoing basis.

Table 17: New Women's and Children's Hospital Key Data Metrics

| Description | Target | Actual as at 30 th June 2025 | Comment |
|---|--------|---|---|
| Estimated % of total contract value to be delivered by SA primary suppliers | 45% | 63.27% | |
| Estimated % of total contract value to be delivered by secondary suppliers and supply chain | 35% | 29.09% | |
| Total South Australian business spend | 80% | 92.36% | 43 South Australian Businesses 9 Non-South Australian Businesses |
| Estimated % of South Australian FTEs that will be used in the delivery of the contract | 90% | 94.49% | |
| Estimated % of apprentices and trainees directly and indirectly employed | 15% | 2.36% | Lendlease advises this result reflects the stage of the project and that it will increase as trade services work progresses |
| Long-term Unemployed | 2.5% | 0% | Lendlease advise that this metric is expected to increase as onsite project activity increases. |
| Aboriginal Supply Chain Participation | 3% | 16.4% | |
| Aboriginal Workforce Participation | 2% | 6.27% | |

Source: Lendlease.

STATE GOVERNMENT PROCUREMENT POLICY INITIATIVES

The Office of the Industry Advocate has taken responsibility for reporting on the progress of several State Government policies relating to Public Authorities' procurement activities; the use of South Australian businesses, products and workers; and procurement education and training initiatives.

POLICY INITIATIVE: PUBLIC HOUSING CONSTRUCTION AND MAINTENANCE PROGRAMS

Public Authorities (PAs) will procure South Australian manufactured products for public housing construction and maintenance programs, where available, for procurements valued above \$55,000. PAs should review existing design specifications, and ensure future specifications are focused on these outcomes.

Design, construction, and maintenance contracts for public housing must include the following clauses for all contracts above \$55,000:

- *Project design and tender specifications must not be an obstacle to the South Australian supply of required goods or services.*
- *Design and tender specifications must use Australian standards, or standards regularly used in Australia and be performance based rather than design specific where possible.*
- *References to a specific brand or product made should only be used in exceptional circumstances and followed by the words "or equivalent".*

The Industry Advocate will review and monitor compliance and report on progress.

The South Australian Housing Trust (SAHT) currently has a mandated list of South Australian products/components that are used on public housing construction. These include:

- bricks
- timber and steel frames
- concrete
- reinforcing steel
- windows
- security doors
- steel – roofing, fencing and rainwater tanks.

In the first instance, the Industry Advocate has focussed on the use of the mandated products with new Trust builds.

In working with the Trust it was evident that the data capture of the mandated products had created considerable challenges.

Balancing the issue of red tape demands on businesses, the Industry Advocate and the Trust agreed that a suitable mechanism to gather data would be the development of a model which accurately estimated the cost

of each of the eight mandated products. This model was developed by a recognised South Australian quantity surveyor.

The Trust also agreed to improve its current certification process to take the form of a statutory declaration to provide an avenue for appropriate verification of data.

In 2024/25, the total expenditure on new builds by SAHT was reported as \$120,446,084 to the Industry Advocate compared with \$102,455,786 the previous financial year (see Table 18).

Table 18: South Australian Housing Trust Expenditure on Local Products for New Builds

| Product | % of local products 2023/24 & 2024/25 | Total product spend 2023/24 ¹ | Total product spend 2024/25 ² |
|--|---------------------------------------|--|--|
| Bricks | 1.9% | \$1,946,659 | \$2,288,475 |
| Timber frames* | 2.5% | \$2,561,394 | \$3,011,152 |
| Steel frames* | | | |
| Concrete | 1.6% | \$1,639,292 | \$1,927,137 |
| Reinforcing steel | 0.8% | \$819,646 | \$963,568 |
| Windows | 5.5% | \$5,635,068 | \$6,624,534 |
| Security doors | 0.2% | \$204,911 | \$240,892 |
| Steel – roofing, fencing and rainwater tanks | 5.5% | \$5,635,068 | \$6,624,534 |
| Total spend on mandated products | 18% | \$18,442,041 | \$21,680,295 |
| Total spend on all SA materials | 31.3% | \$32,068,661 | \$37,699,624 |
| Total spend on new builds | | \$102,455,786 | \$120,446,084 |

¹ Calculated through SAHT Model on product costs

² Ibid

* Cost estimates for timber and steel frames have been consolidated, as builders typically use one or the other material in a single construction.

Source: South Australian Housing Trust.

POLICY INITIATIVE: TRAINING OF PROCUREMENT STAFF

Require departmental procurement staff to undertake regular training on the industry participation policies of State Government, and education of local industry participants and providers.

All Public Authority staff responsible for complying with the SAIPP are required to undertake annual training on the policy.

The Office of the Industry Advocate (OIA) holds fortnightly online training sessions via MS Teams for State Government procurement staff who have yet to complete the training or those requiring their annual refresher.

The training aims to build awareness and understanding of:

- the SAIPP and associated procedural guidelines
- the role of the Industry Advocate, as well as the support and guidance OIA can provide to agency staff
- compliance and reporting requirements

- Public Authorities' responsibilities related to the policy and guidelines
- OIA's efforts to lift Aboriginal Economic Participation.

In 2024/25, a total of 270 procurement staff participated in the fortnightly sessions, compared with 323 in the 2023/24 financial year.

POLICY INITIATIVE: PROFESSIONAL SERVICES

Public Authorities will procure local project managers, architects, designers, engineers, surveyors and planners from South Australian businesses for Government projects above \$55,000. An Industry Advocate Sourcing and Outcome checklist must be completed, and a copy provided to the Industry Advocate. The Industry Advocate will review and monitor compliance and report on progress.

Professional Service contractors to the State Government can often influence economic benefit realisation outcomes through the delivery of construction and infrastructure projects.

Tender and design specifications should be performance-based rather than using proprietary brand names and should not be an obstacle for South Australian businesses, their products, services, systems, technologies and innovations.

In early 2025 the New Women’s and Children’s Hospital Project undertook a new procurement to engage professional services contractors with the following scopes; Structural and Civil Engineering (awarded to WGA SA Pty Ltd), Building Services Engineering (awarded to Aurecon Australasia Pty Ltd) and Architectural Services (awarded to Billard Leece Partnership Pty Ltd).

A TIPP approach was developed by the Office of the Industry Advocate (OIA) for both the multi-stage procurement process with a Statement of Intent approved and signed by the Industry Advocate for the Expression of Interest phase. The Statement of Intent was then benchmarked against the TIPP submitted by shortlisted proponents through the Request for Tender phase.

Per the functions of the *Industry Advocate Act 2017*, the Industry Advocate was able to review and assist in the negotiations for each of the TIPPs prior to the finalisation of contract conditions. All three TIPPs have now been approved by the Industry Advocate and Lendlease will have full responsibility to provide six-monthly reporting to OIA for all three professional services contractors’ commitments for the entire term of the contract.

The data recorded in Table 19 is as supplied by 74 agencies. It is noted that while the Department for Health and Wellbeing reported a Professional Services Panel contract value of \$400 million in 2023/24 and \$300m in 2024/25, the data has not been included in Table 19 due to the difficulty separating the split between South Australian and non-South Australian businesses.

There is some evidence that not all agencies are entering all their procurement information into PARS. There were a number of other inconsistencies in reporting and as such, it is recommended that the reported information be taken as a guide in terms of State Government expenditure. Further work will be undertaken with agencies in 2025/26 to refine reporting requirements.

Table 19: Professional Services Contracts Over \$55,000 Reported by State Government Agencies

| | South Australian businesses | | Non-South Australian businesses | |
|---|-----------------------------|------------------|---------------------------------|-----------------|
| | 2023/24 | 2024/25 | 2023/24 | 2024/25 |
| Reported contracts by number | 175 | 243 | 12 | 20 |
| Reported contracts by number – percentage of total reported | 93.6% | 92.4% | 6.4% | 7.6% |
| Reported contracts by value | \$394,438,018.06 | \$301,239,572.54 | \$2,762,864.24 | \$10,594,596.77 |
| Reported contracts by value – percentage of total reported | 99.3% | 96.6% | 0.7% | 3.4% |

Source: Agency self-reporting.

POLICY INITIATIVE:

UNIFORMS AND MANUFACTURED PERSONAL PROTECTIVE EQUIPMENT

Public Authorities will procure locally manufactured uniforms and locally manufactured personal protective equipment, where possible, for procurements above \$55,000. Public Authorities will review and develop specifications such as types and quantities of uniforms with a view to future forecasting of requirements and identifying collaborative opportunities. The Industry Advocate will review and monitor compliance and report on progress.

The Australian textile industry has faced significant decline for the past few decades attributed to a lack of investment and support to drive advanced manufacturing nationally. This is further impacted by skills shortages and a decrease in new workforce to the industry.

Many textiles and clothing and apparel are produced in Asia and predominantly China, India, Bangladesh, Vietnam and Indonesia. These represent a low-cost manufacturing base with increasing global competition.

The majority of suppliers to the State Government are distributors, wholesalers, and retailers through to specialised total apparel management businesses with

either South Australian or Australian operations.

There are a number of South Australian businesses that deliver economic benefit to the state through the local measuring and fitting of government personnel, customisation and modifications, warehousing/distribution, finishing and embellishment of uniforms and customer/management reporting both directly and indirectly.

The personal protective equipment requirements of State Government Public Authorities are diverse and range from highly-specialised structural fire-fighting apparel and breathing apparatus through to consumable products in eye, hearing and respiratory protection.

The data recorded in Table 20 is as supplied by 74 agencies. It is noted that some agencies considered the spend to relate to when the contract was entered into and not the actual agency spend in the financial year – for example, the Department for Health and Wellbeing submitted a nil return. There were a number of other inconsistencies in reporting and as such, it is recommended that the reported information be taken as a guide in terms of State Government expenditure.

Further work will be undertaken with agencies in 2025/26 to refine reporting requirements.

Table 20: Uniform and PPE Contracts and Purchases Over \$55,000 Reported by State Government Agencies

| | 2023/24 | 2024/25 |
|--|-----------------|-----------------|
| Total reported value of contracts and purchases over \$55,000 | \$42,082,934.24 | \$89,937,397.65 |
| Total reported contracts and purchases over \$55,000 | 18 | 21 |
| Contracts where supplier has a South Australian operation | 11 | 15 |
| Reported contracts and purchases of South Australian-made products – number | 3 | 5 |
| Reported contracts and purchases of South Australian-made products – percentage of total contracts | 16.67% | 23.81% |
| Reported spend on South Australian-made products | \$455,270.00 | \$846,279.00 |

Source: Agency self-reporting.

POLICY INITIATIVE:

SA LABOUR ON MAJOR PROJECTS

Tailored Industry Participation Plans (TIPPs) for major projects above \$50 million will seek to achieve South Australian workers delivering a minimum 90% of labour hours. The Industry Advocate will review and monitor compliance across all projects and report on progress. Penalties will apply to lead contractors for not achieving targets.

Infrastructure projects often traverse multiple financial year periods and, depending on the maturity of the project, actuals reporting against the 90% and 20% targets will vary in the early stages of the project.

The below data is for all applicable major infrastructure projects where

actuals reporting has been received.

While it is pleasing to see the 90% SA labour target has been met in those infrastructure projects where reports have been submitted in the relevant financial year – with the exception of the Tram Grade Separation Projects, which are in their early stages – there are

considerable shortfalls in most cases in relation to the 20% target for apprentices/trainees, Aboriginal workers and long-term unemployed.

Further discussions will be held with key agencies and contractors on this shortfall and the need for ongoing monitoring.

Table 21: Major Infrastructure Projects' Progress Against Labour Targets

| Project | Progress against 90% SA labour target as reported to the Industry Advocate |
|--|--|
| Tram Grade Separation Projects | 72.32% |
| Deeper Maintenance and Modification Facility | 95.89% |
| Flinders Medical Centre Redevelopment | 98.33% |
| Modbury Hospital Mental Health Precinct | 100.00% |
| Heysen Tunnels Refit and Safety Upgrade | 91.83% |
| SA Ambulance EOC/SHCC Headquarters and Adelaide Ambulance Station | 100.00% |
| Design and Construction of Majors Road Interchange | 98.86% |
| Noarlunga Hospital Mental Health Rehabilitation Unit and Inpatient Expansion | 99.98% |

¹ Target in approved TIPP is 13% rather than 20%

² No target for long-term unemployed set in TIPP

Source: Supplier IPP reporting.

POLICY INITIATIVE: WORKFORCE UPLIFT

Tailored Industry Participation Plans (TIPPs) for major projects above \$50 million will seek to achieve apprentices, trainees, Aboriginal workers, and long-term unemployed delivering 20% of all labour hours. The Industry Advocate will review and monitor compliance across all projects and report on progress. Penalties will apply to lead contractors for not achieving targets.

| SA apprentice hours as % of total | SA Aboriginal hours as % of total | Long-term unemployed hours as % of total | Progress against 20% labour target as reported to the Industry Advocate |
|-----------------------------------|-----------------------------------|--|---|
| 3.54% | 1.48% | 0.00% | 5.03% |
| 9.68% | 6.78% | 0.46% | 16.92% |
| 8.42% | 1.53% | 0.00% | 9.95% ¹ |
| 11.60% | 1.27% | 1.10% | 13.96% |
| 7.73% | 0.91% | 0.00% ² | 8.64% |
| 9.14% | 2.67% | 0.00% | 11.82% |
| 5.87% | 9.20% | 0.86% | 15.93% |
| 11.71% | 0.51% | 0.00% | 12.22% |

POLICY INITIATIVE: PROCUREMENT APPROVALS

Chief Executives must approve any procurement outcome above \$55,000 where there is a South Australian business that can supply the required good or service, but the successful supplier is not a South Australian business. The Industry Advocate will monitor compliance and total percentage of contracts award to non-South Australian businesses.

Data provided by Procurement SA shows that while the total number of contracts above \$55,000 reported by State Government Public Authorities fell from 2705 in 2023/24 to 2226 in 2024/25 (see Table 22), the value of contracts to South Australian businesses increased from \$4.81

billion to \$6.66b – a rise from 83% to 88% of the total value contracted. This continues a positive trend line from 2021/22 to 2024/25.

While the number of contracts approved by Chief Executives or their delegate increased from 233 to 277, overall non-SA business

approval fell from 623 to 536.

Further work is required to ensure that data entered into the system effectively responds to the policy requirement. This matter will be raised with Chief Executives by the Industry Advocate in the coming year.

Table 22: Number of Contracts by Supplier Location, as Reported by Public Authorities

| Supplier | Contracts by number and percentage of total | | | | | | | |
|--|---|-----|--------------|-----|--------------|-----|--------------|------|
| | 2021/22 | | 2022/23 | | 2023/24 | | 2024/25 | |
| South Australian Business | 1,284 | 68% | 1,805 | 71% | 2,010 | 74% | 1,687 | 76% |
| Non-South Australian Business | 385 | 21% | 523 | 20% | 623 | 23% | 536 | 24% |
| No data reported by the public authority | 203 | 11% | 231 | 9% | 72 | 3% | 3 | 0.1% |
| Total | 1,872 | | 2,559 | | 2,705 | | 2,226 | |

Source: Procurement SA.

Table 23: Value of Contracts By Supplier Location, as Reported by Public Authorities

| Supplier | Contracts by value and percentage of total | | | | | | | |
|--|--|-----|----------------|-----|----------------|-----|----------------|-------|
| | 2021/22 | | 2022/23 | | 2023/24 | | 2024/25 | |
| South Australian Business | \$5.06b | 73% | \$4.71b | 85% | \$4.81b | 83% | \$6.68b | 88% |
| Non-South Australian Business | \$1.21b | 17% | \$0.54b | 9% | \$0.87b | 15% | \$0.88b | 12% |
| No data reported by the public authority | \$0.65b | 10% | \$0.32b | 6% | \$0.09b | 2% | \$0.002b | 0.03% |
| Total | \$6.92b | | \$5.57b | | \$5.77b | | \$7.56b | |

Source: Procurement SA.

Table 24: Approval of Contracts with Non-South Australian Businesses

| | Contracts by number and percentage of total | | | |
|---|---|-----|------------|-----|
| | 2023/24 | | 2024/25 | |
| Chief Executive approved | 233 | 37% | 277 | 51% |
| Approved by delegate other than the Chief Executive | 73 | 12% | 95 | 18% |
| No approval indicated | 194 | 31% | 111 | 21% |
| No data reported by the public authority | 123 | 20% | 53 | 10% |
| Total | 623 | | 536 | |

Source: Procurement SA.

POLICY INITIATIVE: FEDERAL AND LOCAL GOVERNMENT PROCUREMENT

Ensure staff in the Office of the Industry Advocate liaise with Australian Government agencies with a significant presence in SA to discuss their local procurement requirements, and highlight local businesses available to fulfil their requirements.

Also, require South Australian councils to adopt State Government industry participation policies.

In November 2024, the Industry Advocate was invited to present at a Department of Finance Conference in Canberra to speak to approximately 500 Commonwealth procurement professionals on the benefits of industry engagement.

This conference provided the opportunity to share South Australia's experiences in shifting the dial on local procurement and the value it provides to the economy.

The Industry Advocate has had discussions with Local Government both at individual council level and with the Local Government

Association on the benefits of local procurement.

The Office of the Industry Advocate (OIA) has worked with a number of local councils to promote the local procurement principles and was instrumental in the State Government establishing a special economic zone in Whyalla to help boost local participation of businesses.

This work supported the Whyalla City Council in its \$32m Federal, State and Local Government-funded airport upgrade project.

In March 2025, the Deputy Industry Advocate was invited by the South

Australian Local Government Officers Association – Southern and Hills Branch to present to their members on the SAIPP and its application across State Government-funded projects.

The presentation was an opportunity to re-educate council representatives on the adoption of the SAIPP and the accessibility that they all have to the State Government's systems, as well as an overview for attending businesses as to how they can get involved directly and indirectly in State Government projects plus the programs run by OIA.

POLICY INITIATIVE: MARKET ANALYSIS

Undertake a broad market assessment to identify SA businesses that can deliver projects, goods or services to State Government and advise departmental procurement staff of industry capability.

The Office of the Industry Advocate (OIA) constantly assesses market opportunities and supplier capability and capacity through regular engagement with South Australian businesses seeking to contract directly or indirectly with the State Government.

This extends to culturally respectful engagement with the growing Aboriginal business sector in metropolitan and regional South Australia.

OIA is responsible for reviewing all

Public Authorities' (PAs) acquisition plans for procurements over \$550,000 and for providing advice on the application of the SAIPP.

This provides OIA with an early opportunity to consult with the PAs on their market analysis to consider additional South Australian (including regional) Aboriginal and start-up businesses.

OIA's annual Meet the Buyer event also provides the opportunity for businesses to connect with procurement officers from across

the State Government plus a number of managing contractors delivering state-funded projects.

OIA refers businesses to the Industry Capability Network SA (ICN SA) which provides a pivotal connection between major projects and suppliers in South Australia. ICN SA provides businesses with the opportunity to develop capability profiles and a platform to promote capability/capacity to State Government procurement officers and industry buyers researching procurement capabilities.

POLICY INITIATIVE: PROCUREMENT SPENDING

Ensure the Auditor-General audits Government agency spending on procurement and annually reporting how much is spent on South Australian and non-South Australian goods and services.

Requirements for relevant disclosures to be included in agency financial statements were incorporated into Treasurer's Instructions from the 2023/24 financial year. This requirement applies to agencies that prepare financial statements applying 'Tier 1' Australian Accounting Standards.

The Auditor-General audits these disclosures as part of the annual audit of public authorities' financial statements.

POLICY INITIATIVE: PROCUREMENT EDUCATION

Assist local business become tender ready, holding regular industry specific workshops conducted by the Industry Advocate, helping more local businesses win work.

The Office of the Industry Advocate (OIA) continues to assist South Australian businesses to become tender ready through a suite of targeted programs and engagement activities.

One of the cornerstone initiatives supporting this objective is the Ready to Tender program, which offers a series of self-paced learning modules designed to give businesses a solid understanding of the State Government's tendering process. These modules cover:

- understanding procurement frameworks
- finding opportunities that best suit the business

- writing effective responses
- meeting financial and quality requirements.

The Ready to Tender modules are complemented by the agency's Meet the Buyer and industry-specific Supply to Government events, which further build businesses' understanding of the procurement process and facilitate engagement between suppliers and State Government procurement staff.

These events provide valuable insights into upcoming procurement opportunities, allow businesses to ask questions and clarify expectations, and foster relationships that support future

tendering success. In 2024/25, OIA held popular Meet the Buyer events in Adelaide and Whyalla, while the Flinders Factory of the Future was the venue for a successful Supply to Government workshop focusing on advanced manufacturing in construction.

The Industry Advocate and Deputy Industry Advocate also regularly speak at events and conferences organised by industry and the business community, and use these opportunities to further raise awareness of OIA's role and purpose, as well as the programs and support available to help South Australian businesses win more work with the State Government.

POLICY INITIATIVE: INDUSTRY PARTICIPATION AND JOBS

Target an increase of \$425 million per year in State Government spending going to SA businesses away from interstate/overseas suppliers from the current annual State Government procurement spending (currently \$8.5 billion per year on goods, services and infrastructure, so a 5% shift).

Reporting on procurement expenditure is ongoing through the Department of Treasury and Finance.

CASE STUDY

HANNAN & PARTNERS: EMPOWERING INNOVATION THROUGH LOCAL PROCUREMENT

– By **MAT HANNAN**
Founder and Director
Hannan & Partners

In recent years, the State Government has implemented strategic procurement reforms aimed at empowering local businesses and removing barriers that may impact their ability to win State Government contracts.

These policies have not only stimulated economic growth but also supported innovation in key sectors such as cybersecurity and digital infrastructure.

One example of the impact of these policies is Adelaide-based consultancy Hannan & Partners.

The Challenge

Founded in South Australia, Hannan & Partners faced the typical challenges of small businesses in the tech sector: limited resources, difficulty accessing large-scale contracts, and the need to build credibility in a competitive market.

The firm needed consistent opportunities to grow its team, expand its services, and demonstrate its capabilities on a broader scale.

Government Policy as a Catalyst

The State Government's decision to restructure procurement processes – dividing large projects into smaller, more accessible work packages – created a level playing field for small and medium enterprises (SMEs).

This policy shift enabled Hannan & Partners to compete for and secure State Government contracts, which became a cornerstone of its growth. More than half of Hannan & Partners' work now comes from State Government agencies.

This has provided a stable pipeline of work, allowing the firm to expand to a team of more than 25 professionals, invest in staff development and expand its footprint nationally and internationally.

Key Project: SA Health

One notable project involved Hannan & Partners' work with SA Health to implement Splunk, an innovative digital monitoring and cybersecurity platform.

By transforming SA Health's digital monitoring environment, the project resulted in:

- enhanced cybersecurity and operational efficiency
- improved platform stability and availability
- the establishment of a Digital Operations Centre.

This initiative not only demonstrated Hannan & Partners' technical expertise, but also helped to reinforce South Australia's reputation for cyber resilience and innovation.

Impact and Outcomes

Business Growth

Hannan & Partners has evolved from a solo consultancy into

a dynamic team of over 25 professionals, driven by consistent State Government support and strategic partnerships.

Industry Expansion

The cybersecurity industry in South Australia has seen rapid growth, with the number of companies increasing by 40% since the early 2020s¹.

As of early 2024, 56 cybersecurity firms were operating in the state, reflecting a thriving and competitive ecosystem.

Global Recognition

Hannan & Partners' collaboration with SA Health earned international accolades, including the Splunk Asia Pacific Award for Innovation and Best Practice, elevating South Australia's reputation in global cybersecurity circles.

Strategic Alignment

In addition, growing a robust cybersecurity industry supports South Australia's objective of

¹ [Department of State Development](#)

² [SA Economic Statement](#)

positioning the state as a stable and secure partner of choice in an increasingly insecure world, as outlined in the SA Economic Statement².

This vision aligns with the state's broader ambition to lead in national and international security and technology initiatives, reinforcing its role as a trusted hub for innovation and resilience.

Conclusion

The growth of Hannan & Partners illustrates the positive impact inclusive State Government policy can have.

By investing in local capability and enabling SMEs to participate in major initiatives, South Australia is not only driving economic growth but also building a resilient, innovative tech ecosystem.

This case study highlights how strategic procurement can serve as a launchpad for local businesses to achieve national and international impact.

“*SOUTH AUSTRALIA IS A PLACE OF CONNECTIONS. IT'S THROUGH OUR NETWORKS AND WILLINGNESS TO 'GET STUCK IN' THAT SMALL BUSINESSES ARE ABLE TO PROVIDE WORLD-CLASS SERVICES TO GOVERNMENT AND INDUSTRY ALIKE.*”

OUR PERFORMANCE

Employment Opportunity Programs

| Program Name | Performance |
|--------------|-------------|
| Nil | N/A |

Agency Performance Management and Development Systems

| Performance Management and Development System | Performance |
|---|---|
| Performance discussions | <p>All Office of the Industry Advocate (OIA) employees participate in performance discussions, which are facilitated and recorded in the Department of Treasury and Finance's corporate system, myCareer. The formal Performance and Development Conversations process highlights the importance of ongoing dialogue between employees and managers, supported by structured, planned, and documented conversations about progress.</p> <p>In addition to these formal discussions, managers also hold informal one-on-one check-ins with each OIA employee on a monthly basis.</p> |

Executive Employment in the Agency

| Executive Classification | Number of Executives |
|--------------------------|----------------------|
| SAES | 2 |

Data from previous years is available at industryadvocate.sa.gov.au.

The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information page](#) that provides further information on the breakdown of executive gender, salary and tenure by agency.

Work Health, Safety and Return to Work Programs

| Program Name | Performance |
|--------------|-------------|
| Nil | N/A |

| Workplace Injury claims | 2023/24 | 2024/25 | % Change (+/-) |
|---|---------|---------|----------------|
| Total new workplace injury claims | Nil | Nil | 0% |
| Fatalities | Nil | Nil | 0% |
| Seriously injured workers* | Nil | Nil | 0% |
| Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE) | Nil | Nil | 0% |

* Number of claimants assessed during the reporting period as having a whole person impairment meeting the relevant threshold under the *Return to Work Act 2014* (Part 2 Division 5).

| Work Health and Safety Regulations | 2023/24 | 2024/25 | % Change (+/-) |
|--|---------|---------|----------------|
| Number of notifiable incidents (<i>Work Health and Safety Act 2012</i> , Part 3) | Nil | Nil | 0% |
| Number of provisional improvement, improvement and prohibition notices (<i>Work Health and Safety Act 2012</i> Sections 90, 191 and 195) | Nil | Nil | 0% |

| Return to Work Costs** | 2023/24 | 2024/25 | % Change (+/-) |
|---|---------|---------|----------------|
| Total gross workers compensation expenditure (\$) | Nil | Nil | 0% |
| Income support payments – gross (\$) | Nil | Nil | 0% |

** Before third party recovery

Data from previous years is available at industryadvocate.sa.gov.au.

FINANCIAL PERFORMANCE

Financial Performance at a Glance

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2024/25 are included in this report, starting on page 52.

| Statement of Comprehensive Income | 2024/25 Budget \$000s | 2024/25 Actuals \$000s | Variations \$000s | 2023/24 Actuals \$000s |
|-----------------------------------|-----------------------------|------------------------------|----------------------|------------------------------|
| Total Income | 2,266 | 2,489 | 223 | 1936 |
| Total Expenses | 2,266 | 2,347 | (81) | 1816 |
| Net Result | - | 142 | | 120 |
| Total Comprehensive Result | 0 | 142 | 142 | 120 |

| Statement of Financial Position | 2024/25 Budget \$000s | 2024/25 Actuals \$000s | Variations \$000s | 2023/24 Actuals \$000s |
|---------------------------------|-----------------------------|------------------------------|----------------------|------------------------------|
| Current assets | 585 | 768 | 183 | 585 |
| Non-current assets | - | - | 0 | - |
| Total assets | 585 | 768 | 183 | 585 |
| Current liabilities | 241 | 281 | (40) | 241 |
| Non-current liabilities | 206 | 207 | (1) | 206 |
| Total liabilities | 447 | 488 | (41) | 447 |
| Net assets | 138 | 280 | 142 | 138 |
| Equity | 138 | 280 | 142 | 138 |

CONSULTANTS AND CONTRACTORS DISCLOSURE

The following is a summary of external consultants and contractors that have been engaged by the agency, the nature of work undertaken, and the actual payments made for the work undertaken during the financial year.

Consultancies With a Contract Value Below \$10,000 Each

| Consultancies | Purpose | \$ Actual Payment |
|--|---------|-------------------|
| All consultancies below \$10,000 each – combined | | Nil |
| Total | | – |

Consultancies With a Contract Value Above \$10,000 Each

| Consultancies | Purpose | \$ Actual Payment |
|------------------|---------------------------------|-------------------|
| Bound Consulting | Staff training and consultation | \$11,125 |
| Total | | \$11,125 |

Data from previous years is available at industryadvocate.sa.gov.au.

See also the Consolidated Financial Report of the Department of Treasury and Finance for total value of consultancy contracts across the South Australian Public Sector.

Contractors With a Contract Value Below \$10,000 Each

| Contractors | Purpose | \$ Actual Payment |
|--|---------|-------------------|
| All contractors below \$10,000 each – combined | | Nil |
| Total | | – |

Contractors With A Contract Value Above \$10,000 Each

| Contractors | Purpose | \$ Actual Payment |
|---------------|-------------------------------------|-------------------|
| Kevin Cantley | Acting Whyalla Regional Coordinator | \$41,275 |
| Total | | \$41,275 |

Data from previous years is available at industryadvocate.sa.gov.au.

The details of State Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts.](#)

The website also provides details of [across government contracts.](#)

RISK MANAGEMENT

Fraud Detected in the Agency

| Category/Nature of Fraud | Number of Instances |
|--------------------------|---------------------|
| Nil | N/A |

NB: Fraud reported includes actual and reasonably suspected incidents of fraud.

Strategies Implemented to Control and Prevent Fraud

Following the Industry Advocate's establishment as a statutory authority on 1st January 2018, the Office of the Industry Advocate (OIA) developed its policy in alignment with the Department of Treasury and Finance (DTF) Fraud and Corruption Policy Control Framework.

The OIA is committed to preventing, detecting, and addressing fraud, corruption, misconduct, and maladministration in all activities associated with the Office and its employees.

All OIA employees are expected to comply with their legal obligations and adhere to the standards outlined in DTF policy.

Data from previous years is available at industryadvocate.sa.gov.au.

Public Interest Disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the Public Interest Disclosure Act 2018: **Nil**

Data from previous years is available at industryadvocate.sa.gov.au.

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1st July 2019.

PUBLIC COMPLAINTS

Number of Public Complaints Reported

| Complaint Categories | Sub-categories | Example | Number of Complaints 2024/25 |
|------------------------|-----------------------|---|------------------------------|
| Professional behaviour | Staff attitude | Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency | 0 |
| Professional behaviour | Staff competency | Failure to action service request; poorly informed decisions; incorrect or incomplete service provided | 0 |
| Professional behaviour | Staff knowledge | Lack of service specific knowledge; incomplete or out-of-date knowledge | 0 |
| Communication | Communication quality | Inadequate, delayed or absent communication with customer | 0 |
| Communication | Confidentiality | Customer's confidentiality or privacy not respected; information shared incorrectly | 0 |
| Service delivery | Systems/technology | System offline; inaccessible to customer; incorrect result/information provided; poor system design | 0 |
| Service delivery | Access to services | Service difficult to find; location poor; facilities/environment poor standard; not accessible to customers with disabilities | 0 |
| Service delivery | Process | Processing error; incorrect process used; delay in processing application; process not customer responsive | 0 |
| Policy | Policy application | Incorrect policy interpretation; incorrect policy applied; conflicting policy advice given | 0 |

Table continued on next page

Number of Public Complaints Reported (continued)

| Complaint Categories | Sub-categories | Example | Number of Complaints 2024/25 |
|----------------------|------------------------|---|------------------------------|
| Policy | Policy content | Policy content difficult to understand; policy unreasonable or disadvantages customer | 0 |
| Service quality | Information | Incorrect, incomplete, out-dated or inadequate information; not fit for purpose | 0 |
| Service quality | Access to information | Information difficult to understand, hard to find or difficult to use; not plain English | 0 |
| Service quality | Timeliness | Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met | 0 |
| Service quality | Safety | Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness | 0 |
| Service quality | Service responsiveness | Service design doesn't meet customer needs; poor service fit with customer expectations | 0 |
| No case to answer | No case to answer | Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate | 0 |

Data from previous years is available at industryadvocate.sa.gov.au.

Service Improvements

In line with PC039 - *Complaint Management in the South Australian Public Sector*, the Office of the Industry Advocate maintains a complaint management system via a web-based collaboration tool.

Compliance Statement

| | |
|--|-----|
| Office of the Industry Advocate is compliant with Premier and Cabinet Circular 039 – <i>Complaint Management in the South Australian Public Sector</i> . | Yes |
| Office of the Industry Advocate has communicated the content of PC 039 and the agency's related complaints policies and procedures to employees. | Yes |

BUSINESS ENGAGEMENT INITIATIVES

2024 MEET THE BUYER

Meet the Buyer remains the Office of the Industry Advocate's (OIA) flagship event and continues to grow in popularity and scope.

The half-day annual event is designed to facilitate meaningful engagement between Public Authorities and South Australian businesses, providing them with an opportunity to raise their profile and match their product and/or service with the right State Government buyers.

The 2024 iteration took place on Tuesday, 2nd July in the Adelaide Entertainment Centre Theatre and was the largest Meet the Buyer to-date, attracting over 700 attendees. The Hon. Andrea Michaels MP, Minister for Small and Family Business, opened the event.

State Government agencies continue to strongly support the Meet the Buyer concept, with 183 State Government staff located among the 55 exhibitor booths.

This year, OIA welcomed several new exhibitors, including the Office of Hydrogen Power SA, Northern Water, Office for Autism, and Adelaide Venue Management Corporation.

The SA Health Hub was a standout feature, encompassing 10 booths staffed by specialists from PSCM, Local Health Networks, Digital Health, Infrastructure, the New Women's and Children's Hospital Project and the SA Ambulance Service.



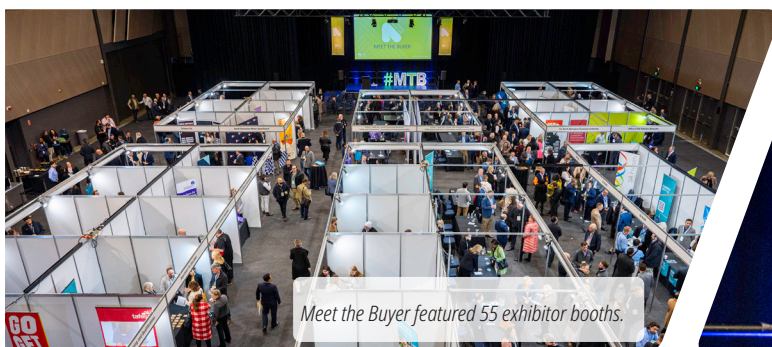
Industry Advocate John Chapman OAM addresses the crowd at Meet the Buyer.



The Department of State Development stand was busy throughout the event.



Staff and suppliers in the SA Health Hub.



Meet the Buyer featured 55 exhibitor booths.



The Hon. Andrea Michaels MP, Minister for Small and Family Business.

2025 MEET THE BUYER **PRE-EVENT WEBINAR**



Presenter Brenton Gowland and Deputy Industry Advocate Phillip Dowsett recording the Strategic Networking webinar.

Ahead of Meet the Buyer 2025, the Office of the Industry Advocate (OIA) hosted a free Strategic Networking webinar on 25th June 2025, giving local businesses tailored advice on how to get the most out of the event. Filmed in the Department of State Development’s studio, the webinar attracted 122 registrations, many of whom had not previously attended Meet the Buyer.

The webinar was presented by seasoned Meet the Buyer

participant and strategic communicator Brenton Gowland of Adapt_CO, alongside Deputy Industry Advocate Phillip Dowsett and Procurement SA’s Barb Rudge.

The session covered the value of networking and how to effectively network with State Government and peers, while also providing tips and advice to help businesses prepare for Meet the Buyer. Feedback following the session was overwhelmingly positive.

WHYALLA **MEET THE BUYER**

Whyalla played host to a special Meet the Buyer event in May 2025, with local businesses embracing the opportunity to connect directly with State Government agencies and major project proponents who are active in the Upper Spencer Gulf and eager to build productive partnerships with local suppliers.

Exhibitors included the Department for Infrastructure and Transport,

SA Water and its Major Framework Partners, Northern Water, the Small Business Commission SA, South Australian Skills Commission, BHP, Ventia and Hallett Group.

The event was delivered by the Office of the Industry Advocate in partnership with Tactic, with the support of the Industry Capability Network SA and the Department of State Development.

Industry Advocate and Whyalla Regional Coordinator John Chapman OAM promoted the Australian and State Government support measures for Whyalla businesses impacted by the challenges at the Whyalla Steelworks.

Deputy Industry Advocate Phillip Dowsett discussed the Whyalla Special Economic Zone and how it will benefit local businesses.



Hallett Group’s Craig Cresp.



Industry Capability Network SA’s Bettina Venner emceed the event.



Deputy Industry Advocate Phillip Dowsett.



KordaMentha partner Sebastian Hams gave an update on the challenges facing the Whyalla Steelworks.



Industry Advocate and Whyalla Regional Coordinator John Chapman OAM, BHP Corporate Affairs Manager Jeremy Milne and City of Whyalla Mayor Phill Stone and Chief Executive Officer Justin Commons.

SUPPLY TO GOVERNMENT WORKSHOPS

Supply to Government workshops are designed to help South Australian businesses build their understanding of the State Government procurement process, while also providing insight into how the SAIPP shapes procurement outcomes.

Held as interactive panel sessions, Supply to Government workshops bring together representatives from

the Office of the Industry Advocate (OIA), State Government agencies, and successful local suppliers.

These sessions offer a valuable blend of expert advice and real-world experience.

In November 2024, OIA partnered with Flinders University's Factory of the Future, the Torrens to Darlington Alliance and TAFE SA to host a Supply to Government

workshop titled Innovating Construction: Advanced Manufacturing and Skills for the Future.

The audience of more than 80 people were given invaluable insights into the transformative role advanced manufacturing is playing in reshaping the construction industry in South Australia.



Deputy Industry Advocate Phillip Dowsett speaking at the Innovating Construction: Advanced Manufacturing and Skills for the Future workshop.



Industry Advocate John Chapman OAM with TAFE SA's Julie Pisano, T2D Alliance's Ron Azzi and the Factory of the Future's Stuart Davis at the Innovating Construction: Advanced Manufacturing and Skills for the Future workshop.



Industry Advocate John Chapman OAM with Minister for Small and Family Business the Hon. Andrea Michaels MP and Business Victor Harbor's Colin Shearing.



Industry Advocate John Chapman OAM presenting at the Commonwealth Procurement and Contract Management Conference in Canberra.



Industry Advocate John Chapman OAM speaking at the Tactic Conference in Port Augusta.

CONFERENCES AND EXHIBITIONS

The Office of the Industry Advocate (OIA) continues to receive invitations to speak or exhibit at a range of events, and endeavours to take up as many of these offers as possible.

These speaking engagements and opportunities to exhibit allow OIA to raise awareness of its work and the support available to businesses, helps the agency engage with new audiences and demonstrates the

State Government's commitment to increasing local industry participation.

In 2024/25, this included project and industry-specific events such as the T2D Construction Industry Briefing and the Australian Steel Institute's SA Fabricators Forum, as well as regional events like the Tactic Conference and Trade Expo, and the Victor Harbor Small

Business Round Table.

In November 2024, Industry Advocate John Chapman OAM addressed approximately 500 Commonwealth procurement professionals at the 2024 Commonwealth Procurement and Contract Management Conference, where he detailed the role of the Industry Advocate and promoted the benefits of industry engagement.



BlueScope, Novar Gardens.



Genis Steel, Elizabeth South.

P: (08) 7078 4449

SITE VISITS

Site visits remain an important engagement activity, with both the Industry Advocate and Deputy Industry Advocate visiting numerous South Australian businesses and project sites throughout 2024/25.

Touring local facilities and project sites helps the agency maintain a strong understanding of the ever-evolving capabilities of South Australian suppliers, while also learning about innovative technologies and identifying industry-specific strengths and challenges.

This allows the Office of the Industry Advocate to advocate more effectively for local suppliers in State Government procurement and policy settings.



Bedford Group, Panorama.



EC Carpets, Lonsdale.



Whyalla Airport Upgrade, Whyalla.



Acura Group, Tonsley.

WEBSITE REDEVELOPMENT

In March 2025 the Office of the Industry Advocate (OIA) launched a new website design, delivering improved functionality and creating a more modern look and feel aligned with OIA's brand identity.

The new hierarchical website structure was developed in collaboration with the Department of Treasury and Finance to streamline site navigation and allow all users to find the information they are searching for quickly and efficiently.

Across the 2024/25 financial year, OIA's website received 113,113 views from 34,556 users.

The vast majority of users came directly to the website, while search engines (Google and Bing) were the most prominent indirect sources.

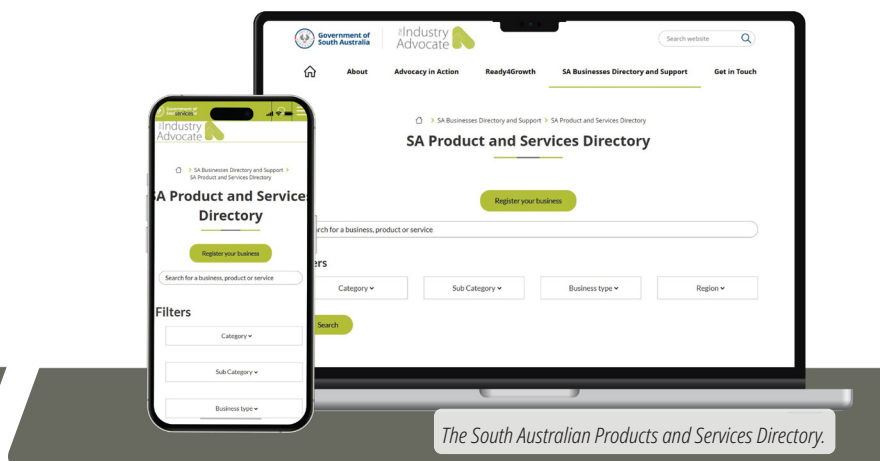
Referrals from other State Government websites including procurement.sa.gov.au, buying4.sa.gov.au and business.sa.gov.au were also common.

Most visited pages

- SA Products and Services Directory – Search by Industry (18,800 views)
- SA Industry Participation Policy Documents and Guidelines (16,600)
- Industry Advocate homepage (15,600)
- Policies and Procurement (6,000)
- Ready to Tender (4,000)
- IP Plan Submission (3,700)



OIA's new website homepage.



The South Australian Products and Services Directory.

SOUTH AUSTRALIAN PRODUCTS AND SERVICES DIRECTORY

Housed on the Office of the Industry Advocate website, the South Australian Product and Services Directory is a free comprehensive online database designed to showcase South Australian businesses. It promotes these companies to State Government buyers, project managers and head contractors looking to engage local

suppliers of products and services.

Those using the Directory to identify local suppliers can not only search by industry sector and South Australian region, but are also able to search for South Australian-based start-ups and South Australian Aboriginal-owned businesses.

There are currently 1,997 South

Australian-based businesses featured on the Directory, including 118 South Australian-based start-ups and 175 South Australian Aboriginal-owned businesses.

The South Australian Product and Services Directory's search page was visited 18,800 times in the 2024/25 financial year.

READY TO TENDER

Ready to Tender is a self-paced online learning resource intended to not only guide South Australian businesses through the procurement process, but to also help businesses set themselves up for success.

Split into four modules, Ready to Tender helps suppliers:

- assess their businesses to determine how prepared they are to supply
- qualify which procurement opportunities are the best fit for their business

- learn how to plan and complete a tender response
- understand the submission and evaluation process, and how to improve their bids.

The online format ensures businesses can access the program, regardless of whether they are located in Adelaide or regional and remote South Australia.

The Ready to Tender modules on the Office of the Industry Advocate website attracted a combined total of almost 14,000 page views in 2024/25.

Ready to Tender



Are you Ready?



Qualify the Opportunity



Plan & Manage the Response



Review & Submit

QUARTERLY NEWSLETTER

The Office of the Industry Advocate's (OIA) quarterly newsletter is distributed to a subscriber base of 3,000, and remains one of the agency's most valuable channels to engage directly with South Australian businesses.

The newsletter promotes OIA events, objectives and achievements, while also sharing important information on relevant topics such as State Government support initiatives, awards programs and upcoming workshops or conferences.



**OFFICE OF THE INDUSTRY ADVOCATE
DECEMBER E-NEWS**

Working with South Australian businesses to ensure they are provided fair and reasonable access to participate in state-funded projects

Industry Advocate Annual Report 2023-24

The Industry Advocate Annual Report 2023-24 was tabled in Parliament on the 28 November 2024.

The OIA has continued to provide information, services and resources to assist both Public Authorities and bidders to the state government in understanding and interpreting the South Australian Industry Participation Policy (SAIPP).

We have also assisted Public Authorities and head contractors in identifying local businesses with the relevant capabilities and capacity for project delivery through our ongoing advocacy.

As of 30 June 2024, the office was responsible for the monitoring 1,752 South Australian Government projects, which incorporates 714 procurement processes (value of \$13.2 billion) and 1,038 active Industry Participation Plans (value of \$17.2 billion) with a combined reported total value of \$30.4 billion.

\$30.4 BILLION



**OFFICE OF THE INDUSTRY ADVOCATE
APRIL E-NEWS**

Whyalla Emergency Response Package unveiled

The Industry Advocate John Chapman is playing a key role in the implementation and management of the Government of South Australia's Whyalla Emergency Response Package.

His role has been expanded to include Whyalla Regional Coordinator, assisting all businesses in the city which have been adversely affected by the difficulties of the steelworks. He will also work with other stakeholders including Federal and Local Government and other community representatives on issues as they arise.

Together, the State and Federal Governments have committed a total of \$2.4 billion to secure the future of the Whyalla steelworks and related operations, which are critical to Australia's sovereign capability.



The response package includes more than \$50 million to assist Whyalla-based and SA businesses who were owed money for goods and services by the former operators of the steelworks, GFG Alliance. In addition, there is a further grant program which provides payments of \$10,000 for Whyalla-based small businesses that can show a downturn of 20% or more over a three-month period compared with the same period 12 months prior.

SOCIAL MEDIA

The Office of the Industry Advocate's (OIA) social media presence continued to grow throughout 2024/25, with LinkedIn remaining the agency's primary channel.

Followers of OIA on LinkedIn rose by approximately 25% in 2024/25

to 1914 at 30th June 2025, while the agency's LinkedIn content amassed a total of more than 95,000 impressions.

Growth on OIA's Facebook page was more modest, with followers rising 4% to 433 at 30th June 2025.



Office of the Industry Advocate South Australia

460 followers • 77 following

ABORIGINAL ECONOMIC PARTICIPATION

ABORIGINAL BUSINESS PROCUREMENT SPEND TARGET

In 2024/25, State Government Public Authorities reported Aboriginal Procurement Spend rose \$34.8 million from the previous year to \$176.4m, an increase of almost 25%.

This \$176.4m reported spend equates to 1.61% of the general State Government goods and services expenditure of \$10.792 billion¹ in 2024/25.

This compares to a reported Aboriginal Procurement Spend of \$141.6m in 2023/24 – equating to 1.46% of the general State Government goods and services expenditure of \$9.671b² in that year.

Importantly, the number of Public Authorities exceeding the State Government Aboriginal Procurement Spend target of 0.5% also rose in 2024/25 to 43, up from 35 the year prior.

It should be noted that the total Aboriginal indirect procurement spend across major infrastructure projects and the Across Government Facilities Management Arrangements (AGFMA) contract spend is not included in this data.

In the 2023/24 Industry Advocate Annual Report the total Aboriginal Procurement Spend by the State Government was incorrectly

reported at \$119m based on system data.

The Industry Advocate determined that accuracy would be achieved if Public Authorities individually reported and verified their total spend with Aboriginal businesses directly to the Office of the Industry Advocate.

These reports have now been consolidated for both the 2023/24 and 2024/25 financial years, and it was found that the 2023/24 spend was \$141.6m, more than \$22m higher than stated in the 2023/24 Industry Advocate Annual Report.

¹ Data obtained from 2025/26 Budget Statement Table A:3 Non-financial public sector operating statement.

² Data obtained from 2024/25 Budget Statement Table A:3 Non-financial public sector operating statement.

Table 25: State Government Expenditure with South Australian Aboriginal Businesses

| | 2023/24 | 2024/25 |
|--|---------------|---------------|
| Total reported procurement spend with South Australian Aboriginal businesses | \$141,625,747 | \$176,385,486 |
| Spend with South Australian Aboriginal businesses – % of total procurement spend | 1.46% | 1.61% |
| State Government agencies achieving 0.5% or more Aboriginal Procurement Spend target | 35 | 43 |

This data incorporates expenditure reporting from 100 State Government entities. These 100 reports included expenditure information for a further 60 smaller entities which reported through the larger Public Authority to which they are connected. Source: Agency self-reporting.

ADVOCATING FOR THE SOUTH AUSTRALIAN ABORIGINAL BUSINESS SECTOR

Since 2016, the Office of the Industry Advocate (OIA) has delivered the South Australian Aboriginal Economic Participation Initiative which is embedded in the SAIPP.

The SAIPP definition of a South Australian Aboriginal business aims to ensure that maximum economic benefit is provided by State Government procurement to the South Australian Aboriginal Community through supply chain and workforce opportunities.

The eligibility criteria include: 50% or more Aboriginal ownership; demonstrated involvement of the Aboriginal owner in the daily operations of the enterprise and have effective control at least equal to the degree of ownership; and provision of economic benefit through ongoing employment of Aboriginal South Australians.

The SAIPP criteria assists in reducing the risk of 'black-cladding'. This is the practice of a non-Aboriginal business entity or individual taking unfair advantage of an Aboriginal business entity or individual for the purpose of gaining access to otherwise inaccessible Aboriginal procurement policies or contracts.

It is a situation being addressed on both State and Federal Government levels and involves arrangements that do not represent a genuine partnership and may disadvantage or benefit the Aboriginal party unfairly.

The SAIPP criteria seek to ensure that Aboriginal owners are in a

decision-making role within the business and there is ongoing Aboriginal employment in South Australia.

A South Australian Aboriginal Business Registration Form was developed in late 2024 to confirm identity of the Aboriginal owner and their role in the business.

“ *THE SAIPP CRITERIA SEEK TO ENSURE THAT ABORIGINAL OWNERS ARE IN A DECISION-MAKING ROLE WITHIN THE BUSINESS AND THERE IS ONGOING ABORIGINAL EMPLOYMENT IN SOUTH AUSTRALIA.* ”

This form is available on the OIA website and is completed by all new Aboriginal businesses seeking to be included on the OIA Aboriginal Business List and/or identifying on the South Australian Products and Services Directory as an Aboriginal business.

The Lead Consultant, Aboriginal Business, supports Aboriginal businesses by identifying and maximising match-fit opportunities in the supply chain of State Government, including the delivery of major projects. This extends to recipients of State Government funding.

The Lead Consultant, Aboriginal Business, held in-person meetings with 54 Aboriginal businesses in metropolitan Adelaide and regional areas of the state in 2024/25.

These meetings were to better understand capability and capacity to provide services to State Government and/or State Government-funded projects.

In addition, work package referrals were regularly provided to managing contractors across major projects seeking Aboriginal businesses for their supply chain; Aboriginal business sector capability and capacity knowledge was provided context to Acquisition Plans and TIPPs; and attendance at Industry Briefings ensured that the Aboriginal business sector was represented and informed of potential supply chain opportunities.

In addition, the Lead Consultant, Aboriginal Business regularly meets with Public Authorities to promote the use of South Australian Aboriginal businesses.

This can be through presentations to large groups, such as Reconciliation Action Plan (RAP) committees, or one-on-one meetings with senior staff members.

CONNECTING WITH REGIONAL ABORIGINAL BUSINESSES

Office of the Industry Advocate (OIA) staff maintain connections to the Upper Spencer Gulf and Eyre Peninsula through travel and regular communications to build culturally-respectful relationships with the developing regional Aboriginal business sector and industry partners.

OIA staff attend Tactic's regional events and encourage local

Aboriginal businesses to participate in these networking events to meet with potential State Government and industry buyers.

The Far North Aboriginal Economic Collective (FNAEC) comprises Traditional Owner groups and Aboriginal-owned businesses seeking economic participation in State Government supply chain opportunities in this region.

OIA works closely with the FNAEC Board and member businesses to support their engagement on major projects and introduced them to the Northern Water and Hydrogen Jobs Plan project teams. As a result, regular meetings have been held by these stakeholders to maximise potential opportunities on major regional projects for the local Aboriginal business sector and Aboriginal Communities.



Industry Advocate John Chapman OAM and Lead Consultant, Aboriginal Business, Sue Panagaris with FNAEC's Sharon Platt and Jared Davies at the Tactic Conference in Port Augusta.

Deputy Industry Advocate Phillip Dowsett and Lead Consultant, Aboriginal Business, Sue Panagaris (second from right) with FNAEC's Sharon Platt and Alwyn McKenzie at The Circle's First Nations Business Showcase.

SOUTH AUSTRALIAN ABORIGINAL BUSINESS LIST

A list of 300 eligible South Australian Aboriginal businesses is maintained by the Office of the Industry Advocate (OIA) and shared with Public Authority procurement staff upon request.

The list for use by State Government procurement staff has 17 categories to improve the ability to search and

readily identify suitable businesses.

This list is not a comprehensive list of all Aboriginal businesses operating in South Australia, but rather is a list of those Aboriginal businesses that are tender ready; provide suitable goods and/or services; and have made known to OIA their interest in the supply

chain of State Government.

A category sector is included in the register to assist Public Authorities seeking to identify Aboriginal Community Controlled Organisations (ACCOs) to support the Closing the Gap Priority Reform Two: Supporting Growth in Aboriginal Community Controlled Organisations.

**AUDITED
FINANCIAL
STATEMENTS**

Office of the Industry Advocate

Financial Statements

for the year ended 30 June 2025

Office of the Industry Advocate
Certification of the Financial Statements
for the year ended 30 June 2025

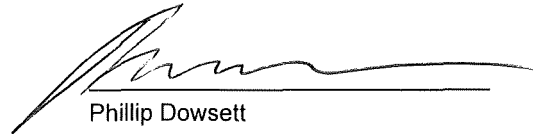
We certify that the:

- financial statements of the Office of the Industry Advocate :
 - are in accordance with the accounts and records of the Office of the Industry Advocate;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the Office of the Industry Advocate at the end of the financial year and the result of its operation and cash flows for the financial year.
- internal controls employed by the Office of the Industry Advocate for the financial year over its financial reporting and its preparation of financial statements have been effective.



John Chapman
Industry Advocate

24th September 2025



Phillip Dowsett
Deputy Industry Advocate

24th September 2025

Office of the Industry Advocate
Statement of Comprehensive Income
for the year ended 30 June 2025

| | Note | 2025 \$'000 | 2024 \$'000 |
|-----------------------------------|------|----------------|----------------|
| <u>Income</u> | | | |
| Intra-government transfers | 3.1 | 2 269 | 1 928 |
| Resources received free of charge | 3.2 | 17 | 7 |
| Other income | 3.3 | 203 | 1 |
| Total income | | 2 489 | 1 936 |
| <u>Expenses</u> | | | |
| Employee related expenses | 4.1 | 1 818 | 1 512 |
| Supplies and services | 4.2 | 529 | 304 |
| Total expenses | | 2 347 | 1 816 |
| Net result | | 142 | 120 |
| Total comprehensive result | | 142 | 120 |

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

Office of the Industry Advocate
Statement of Financial Position
as at 30 June 2025

| | Note | 2025 \$'000 | 2024 \$'000 |
|---------------------------------------|------|----------------|----------------|
| <u>Current assets</u> | | | |
| Cash and cash equivalents | 5.1 | 763 | 582 |
| Receivables | 5.2 | 5 | 3 |
| Total current assets | | 768 | 585 |
| Total assets | | 768 | 585 |
| <u>Current liabilities</u> | | | |
| Payables | 6.1 | 19 | 48 |
| Employee related liabilities | 6.2 | 259 | 189 |
| Provisions | 6.3 | 3 | 4 |
| Total current liabilities | | 281 | 241 |
| <u>Non-current liabilities</u> | | | |
| Employee related liabilities | 6.2 | 197 | 190 |
| Provisions | 6.3 | 10 | 16 |
| Total non-current liabilities | | 207 | 206 |
| Total liabilities | | 488 | 447 |
| Net assets | | 280 | 138 |
| <u>Equity</u> | | | |
| Retained earnings | | 280 | 138 |
| Total equity | | 280 | 138 |

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner.

Office of the Industry Advocate
Statement of Changes in Equity
for the year ended 30 June 2025

| | Retained earnings \$'000 | Total equity \$'000 |
|---|--------------------------------|---------------------------|
| Balance at 1 July 2023 | 18 | 18 |
| Net result for 2023-24 | 120 | 120 |
| Total comprehensive result for 2023-24 | 120 | 120 |
| Balance at 30 June 2024 | 138 | 138 |
| Net result for 2024-25 | 142 | 142 |
| Total comprehensive result for 2024-25 | 142 | 142 |
| Balance at 30 June 2025 | 280 | 280 |

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

Office of the Industry Advocate
Statement of Cash Flows
for the year ended 30 June 2025

| | 2025 | 2024 |
|---|----------------|----------------|
| Note | \$'000 | \$'000 |
| Cash flows from operating activities | | |
| Cash inflows | | |
| Intra-government transfers | 2 269 | 1 928 |
| GST recovered from DTF | - | 32 |
| Other receipts | 203 | 1 |
| Cash generated from operations | 2 472 | 1 961 |
| Cash outflows | | |
| Employee related payments | (1 742) | (1 747) |
| Payments for supplies and services | (545) | (321) |
| GST paid to DTF | (4) | - |
| Cash used in operations | (2 291) | (2 068) |
| Net cash used in operating activities | 181 | (107) |
| Net increase/(decrease) in cash and cash equivalents | 181 | (107) |
| Cash and cash equivalents at the beginning of the period | 582 | 689 |
| Cash and cash equivalents at the end of the period | 763 | 582 |
| 5.1 | | |

The accompanying notes form part of these financial statements.

Office of the Industry Advocate

Notes to and forming part of the financial statements

for the year ended 30 June 2025

1. About the Office of the Industry Advocate

The Office of the Industry Advocate (OIA/the Office) is a not for profit statutory authority of the State of South Australia, established pursuant to the *Industry Advocate Act 2017* proclaimed under *Public Sector Notice 2017* (dated 31 October 2017).

The Industry Advocate is appointed by the Governor and is an agency of the Crown.

1.1. Basis of preparation

The financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the *Public Finance and Audit Act 1987*
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards, applying simplified disclosures.

For the purposes of preparing the financial statements, The Office is not a not-for-profit entity. The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000). The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

Assets that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets. Liabilities that are due to be settled within 12 months after the end of the reporting period or for which OIA has no right to defer the settlement for at least 12 months after the end of the reporting period are classified as current liabilities. All other assets and liabilities are classified as non-current.

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office (ATO), in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

The Office is grouped with the Department of Treasury and Finance (DTF) for GST purposes, and accordingly DTF prepares the Business Activity Statement on behalf of the Office via the grouping provisions of the GST legislation. Notwithstanding the use of these grouping provisions, intercompany cash alignment occurs to ensure the Office either recovers the net amount of GST recoverable from or disburses the amount payable to the ATO from DTF.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the ATO is classified as part of operating cash flows.

Office of the Industry Advocate
Notes to and forming part of the financial statements
for the year ended 30 June 2025

1.2. Objectives and programs

The objectives of the Office of the Industry Advocate are to ensure all functions of the *Industry Advocate Act 2017* are exercised, including but not limited to:

- Promote competitive, capable local businesses to government purchasers and private sector companies delivering contracts on behalf of the government.
- Recommend reforms to procurement and contracting practices to ensure local businesses are not disadvantaged.
- Ensure local businesses have a full, fair and reasonable opportunity to win work on major projects under the South Australian Industry Participation Policy.
- To take action to further the objectives of the South Australian Industry Participation Policy.

2. Board, committees and employees

2.1. Key management personnel

Key management personnel of the Office include the Minister, the Industry Advocate and one member of the executive team who have responsibility for the strategic direction and management of the Office.

The compensation for key management personnel was \$521 000 (2024: \$539 000).

The compensation disclosed in this note excludes salaries and other benefits the Minister receives. The Minister's remuneration and allowances are set by the (*Parliamentary Remuneration Act 1990*) and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 the *Parliamentary Remuneration Act 1990*.

Transaction with Key Management Personnel and other related parties

Apart from the remuneration for key management personnel, the Office of the Industry Advocate does not have material transactions with key management personnel, their close family members and/or their controlled or jointly controlled entities.

3. Income

3.1. Intra-government transfers

| | 2025 | 2024 |
|---|--------------|--------------|
| | \$'000 | \$'000 |
| Intra-government transfers | 2 269 | 1 928 |
| Total Intra-government transfers | 2 269 | 1 928 |

Intra-government transfers which is funding from the Department of Treasury and Finance and are recognised as revenues when the Office obtains control over the funding. Control over transfers is normally obtained upon receipt. Intra-government transfers are recognised as income on receipt.

Office of the Industry Advocate
Notes to and forming part of the financial statements
for the year ended 30 June 2025

3.2. Resources received free of charge

| | 2025 | 2024 |
|--|-----------|----------|
| | \$'000 | \$'000 |
| Services received free of charge - Shared Services SA | 9 | 7 |
| Services received free of charge - Audit Office of South Australia | 8 | - |
| Total resources received free of charge | 17 | 7 |

Contributions of services are recognised only when a fair value can be determined reliably and the services would be purchased if they had not been donated.

The Office receives financial accounting, taxation, payroll, accounts payable and accounts receivable services from Shared Services SA. The Office also received audit services free of charge from the Audit Office of South Australia.

A corresponding expense is recognised in the financial statements refer note 4.2.

3.3. Other income

| | 2025 | 2024 |
|-------------------------------------|------------|----------|
| | \$'000 | \$'000 |
| Recoveries | 195 | 1 |
| Derecognition of audit fees payable | 8 | - |
| Total other income | 203 | 1 |

The recoveries for 2024-25 relate to salaries and wages, travel expenses and other costs associated with the Industry Advocate's expanded role as the Whyalla Regional Co-ordinator.

From 1 July 2024, audit fees are accounted for as auditing services received free of charge, under AASB 1004 Contributions. Audit fees payable of \$8 300 for 2023-24 have been derecognised in accordance with the changes.

Office of the Industry Advocate
Notes to and forming part of the financial statements
for the year ended 30 June 2025

4. Expenses

4.1. Employee related expenses

| | 2025 | 2024 |
|--|--------------|--------------|
| | \$'000 | \$'000 |
| Salaries and wages | 1 253 | 1 047 |
| Annual leave | 169 | 71 |
| Long service leave | 56 | 17 |
| Superannuation | 248 | 286 |
| Skills and experience retention leave | 6 | 1 |
| Workers compensation | (8) | 12 |
| Other employee related expenses | 94 | 78 |
| Total employee related expenses | 1 818 | 1 512 |

Employment expenses

The Office employees are employed under Part 7 of the *Public Sector Act*.

Superannuation

The Superannuation expense represent the Office contributions to superannuation plans in respect of current services of current employees.

Employee remuneration

The number of employees whose remuneration received or receivable falls within the following bands:

| | 2025 | 2024 |
|-----------------------|----------|----------|
| | No | No |
| \$191 001 - \$211 000 | - | 1 |
| \$211 001 - \$231 000 | 1 | - |
| \$291 001 - \$311 000 | 1 | - |
| \$331 001 - \$351 000 | - | 1 |
| Total | 2 | 2 |

The table includes two employees who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits.

The total remuneration received by these employees for the year was \$521 000 (2024: \$539 000).

Office of the Industry Advocate
Notes to and forming part of the financial statements
for the year ended 30 June 2025

4.2. Supplies and services

| | 2025 | 2024 |
|---|------------|------------|
| | \$'000 | \$'000 |
| Accommodation | 164 | 170 |
| Information technology and communications | 148 | 4 |
| Office administration expenses | 57 | 49 |
| Travel and related expenses | 48 | 5 |
| Contractors | 47 | 42 |
| Staff related expenses | 39 | 20 |
| Consultants | 11 | 4 |
| Audit fees* | 8 | 8 |
| Marketing | 6 | 2 |
| Other | 1 | - |
| Total supplies and services | 529 | 304 |

Accommodation

All of the Office accommodation is provided by the Department for Infrastructure and Transport under Memorandum of Administrative Arrangement issued in accordance with Government-wide accommodation policies. These arrangements do not meet the definition of a lease set out in *AASB 16* and accordingly are expensed (disclosed within 'Accommodation').

* Audit services received from the Audit Office of South Australia for work performed under the *Public Finance and Audit Act 1987*. No other services were provided by the Audit Office of South Australia.

5. Assets

5.1. Cash and cash equivalents

| | 2025 | 2024 |
|--|------------|------------|
| | \$'000 | \$'000 |
| Cash and cash equivalents | | |
| Cash at bank | 763 | 582 |
| Total cash and cash equivalents | 763 | 582 |

Special deposit accounts are established under Section 8 of the *Public Finance and Audit Act 1987*. Special deposit accounts must be used in accordance with their approved purpose.

OIA does not earn interest on its deposits with the Treasurer.

Office of the Industry Advocate
Notes to and forming part of the financial statements
for the year ended 30 June 2025

5.2. Receivables

| | 2025 | 2024 |
|--------------------------------------|-----------------|-----------------|
| | \$'000 | \$'000 |
| Current | | |
| Contractual receivables | | |
| Prepayments | 1 | 3 |
| Total contractual receivables | <u>1</u> | <u>3</u> |
| Statutory receivables | | |
| GST receivable | 4 | - |
| Total statutory receivables | <u>4</u> | <u>-</u> |
| Total current receivables | <u>5</u> | <u>3</u> |
| Total receivables | <u><u>5</u></u> | <u><u>3</u></u> |

Contractual Receivables

Contractual receivables arise in the normal course of selling goods and services to other government agencies and to the public. Contractual receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual agreement.

Statutory Receivables

Statutory receivables do not arise from contracts with customers. They are related to taxes and tax equivalents as well as statutory fees and charges. Statutory receivables are recognised and measured similarly to contractual receivables. Statutory receivables are not financial assets.

No impairment loss was recognised in relation to statutory receivables.

The net amount of GST recoverable from the ATO is included as part of receivables. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost. The Office did not recognise an allowance for doubtful debts, it is not anticipated that SA Government counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

Refer to note 8.1 for further information on risk management.

Office of the Industry Advocate
Notes to and forming part of the financial statements
for the year ended 30 June 2025

6. Liabilities

6.1. Payables

| | 2025 \$'000 | 2024 \$'000 |
|-------------------------------|----------------|----------------|
| Current | | |
| Accrued expenses | 19 | 48 |
| Total current payables | <u>19</u> | <u>48</u> |
| | | |
| Total payables | <u>19</u> | <u>48</u> |

Payables and accruals are raised for all amounts owing but unpaid. Sundry payables are normally settled within 30 days from the date the invoice is first received. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature.

6.2. Employee related liabilities

| | 2025 \$'000 | 2024 \$'000 |
|---|----------------|----------------|
| Current | | |
| Accrued salaries and wages | 5 | - |
| Annual leave | 132 | 93 |
| Long service leave | 77 | 65 |
| Skills and experience retention leave | 5 | 4 |
| Employment on-costs | 40 | 27 |
| Total current employee related liabilities | <u>259</u> | <u>189</u> |
| | | |
| Non-current | | |
| Long service leave | 179 | 172 |
| Employment on-costs | 18 | 18 |
| Total non-current employee related liabilities | <u>197</u> | <u>190</u> |
| | | |
| Total employee related liabilities | <u>456</u> | <u>379</u> |

Employee related liabilities are accrued as a result of services provided up to the reporting date that remain unpaid. Non-current employee related liabilities are measured at present value and current employee related liabilities are measured at their nominal amounts.

Salaries and wages, annual leave, skills and experience retention leave (SERL) and sick leave

The liability for salaries and wages is measured as the amount unpaid at the reporting date at remuneration rates current at reporting date.

The annual leave liability and the skills and experience retention leave liability are expected to be payable within twelve months and is measured at the undiscounted amount expected to be paid.

No provision has been made for sick leave, as all sick leave is non-vesting and it is assumed that the average sick leave to be taken in future years will be less than the annual entitlement.

Office of the Industry Advocate
Notes to and forming part of the financial statements
for the year ended 30 June 2025

6.2. Employee related liabilities (continued)

Long service leave liability - measurement

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

The expected timing and amount of long service leave payment is determined through whole-of-government actuarial calculations, which are based on actuarial assumptions on expected future salary and wage levels, experience of employee departure and periods of service.

The discount rate used in measuring the liability is reflective of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds remained at 4.25% for both 2024 and 2025.

The net financial effect of the changes to actuarial assumptions in the current financial year is immaterial. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions – including the long-term discount rate.

Following the actuarial assessment performed by the DTF the salary inflation rate has remained at 3.5% both 2024 and 2025 for long service leave liability.

Employment on-costs

Employment on-costs include payroll tax, Return to Work SA levies and superannuation contributions and are settled when the respective employee benefits that they relate to is discharged.

The Office makes contributions to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to the superannuation scheme.

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the percentage of the proportion of long service leave taken as leave has remained at 44% both 2024 and 2025 and the average factor for the calculation of employer superannuation on-costs has increased from 11.5% to 12% in 2025. These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is immaterial.

Office of the Industry Advocate
Notes to and forming part of the financial statements
for the year ended 30 June 2025

6.3. Provisions

All Provisions relate to workers compensation.

| | 2025 | 2024 |
|---|-----------|-----------|
| | \$'000 | \$'000 |
| Movement in provisions | | |
| Carrying amount at the beginning of the period | 20 | 8 |
| Additional provisions recognised | - | 12 |
| Reductions resulting from re-measurement or settlement without cost | (7) | - |
| Carrying amount at the end of the period | 13 | 20 |

A provision has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2025 provided by a consulting actuary engaged through the Office of the Commissioner for the Public Sector Employment. The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

There is a significant degree of uncertainty associated with estimating future claim and expense payments and also around the timing of future payments due the variety of factors involved. The provision is impacted by agency claim experience relative to other agencies, average claim sizes and other economic and actuarial assumptions.

In addition to these uncertainties, the additional compensation scheme is impacted by the limited claims history and the evolving nature of the interpretation of, and evidence required to meeting, eligibility criteria. Given these uncertainties, the actual cost of additional compensation claims may differ materially from the estimate.

Office of the Industry Advocate
Notes to and forming part of the financial statements
for the year ended 30 June 2025

7. Outlook

7.1. Unrecognised commitments

Commitments arising from contractual sources are disclosed at their nominal value and are inclusive of non-recoverable GST.

| | 2025 | 2024 |
|--------------------------------------|----------|------------|
| | \$'000 | \$'000 |
| Within one year | - | 135 |
| Total expenditure commitments | - | 135 |

The Office's expenditure commitments for 2023-24 relates to accommodation expenses.

7.2. Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

The Office is not aware of any contingent assets and liabilities at reporting date.

7.3. Events after the reporting period

There are no known events after balance date that affect the office.

8. Measurement and risk

8.1. Financial instruments

Classification of financial instruments

The Office of Industry Advocate measures all financial instruments at amortised cost.

INDEPENDENT AUDITOR'S REPORT



Government of South Australia
Audit Office of South Australia

Level 9
State Administration Centre
200 Victoria Square
Adelaide SA 5000
Tel +618 8226 9640
ABN 53 327 061 410
enquiries@audit.sa.gov.au
www.audit.sa.gov.au

To the Industry Advocate Office of the Industry Advocate

Opinion

I have audited the financial report of the Office of the Industry Advocate for the financial year ended 30 June 2025.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Office of the Industry Advocate as at 30 June 2025, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards – Simplified Disclosures.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2025
- a Statement of Financial Position as at 30 June 2025
- a Statement of Changes in Equity for the year ended 30 June 2025
- a Statement of Cash Flows for the year ended 30 June 2025
- notes, comprising material accounting policy information and other explanatory information
- a Certificate from the Industry Advocate and the Deputy Industry Advocate.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Office of the Industry Advocate. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Industry Advocate for the financial report

The Industry Advocate is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Industry Advocate is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the Office of the Industry Advocate for the financial year ended 30 June 2025.

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Office of the Industry Advocate's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Industry Advocate

- conclude on the appropriateness of the Industry Advocate’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor’s report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Industry Advocate about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Daniel O’Donohue
Deputy Auditor-General

25 September 2025



Office of the
Industry Advocate

Advocate, Collaborate, Innovate

