



# 2023-24 Industry Advocate Annual Report



# 2023-24 Annual Report

---

Cover Image: Supplied by Fusco Constructions, Managing Contractor - Port Augusta Ambulance Station

Office of the Industry Advocate

Level 17, 30 Wakefield Street

<https://industryadvocate.sa.gov.au>

Contact: 08 8226 8956

Email: [ويا@sa.gov.au](mailto:ويا@sa.gov.au)

ISSN: 2209-8372

Date presented to the Treasurer: 30 September 2024

---

To: The Hon Stephen Mullighan MP  
Treasurer

This annual report is to be presented to Parliament to meet the statutory reporting requirements of the *Industry Advocate Act 2017* and meets the requirements of the 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.

Submitted on behalf of the Office of the Industry Advocate by:



Phillip Dowsett  
**Deputy Industry Advocate**

30/09/2024

2023-24

# Contents

---

<b>Message from the Deputy Industry Advocate.....</b>	<b>4</b>
<b>Overview: about the Agency.....</b>	<b>7</b>
<b>Our organisational structure.....</b>	<b>9</b>
<b>Our Minister.....</b>	<b>10</b>
<b>Our Performance.....</b>	<b>11</b>
<b>Industry Participation Commitments 2023-24.....</b>	<b>12</b>
<b>Our Performance continued.....</b>	<b>15</b>
<b>Employment opportunity programs.....</b>	<b>16</b>
<b>Executive employment in the agency.....</b>	<b>16</b>
<b>Work health, safety and return to work programs.....</b>	<b>17</b>
<b>Financial performance.....</b>	<b>18</b>
<b>Consultants and Contractors disclosure.....</b>	<b>19</b>
<b>Risk management.....</b>	<b>20</b>
<b>Public complaints.....</b>	<b>21</b>
<b>Business engagement initiatives.....</b>	<b>23</b>
<b>Aboriginal Economic Participation.....</b>	<b>25</b>
<b>Appendix: Audited financial statements 2023-24.....</b>	<b>28</b>

# A message from the Deputy Industry Advocate

---

Throughout 2023-24 the Office of the Industry Advocate (OIA) has continued to collaborate across state government and industry to drive and maximise the South Australian economic benefit from the State Government's expenditure. We are proud of our achievements and have been purposeful in assisting local businesses to participate through direct and indirect engagement in government-funded projects and contracts.



With the retirement of the State's inaugural Industry Advocate, Ian Nightingale in December 2023 the office has continued to refine and develop its suite of Industry Participation Plans and the systems that improve the monitoring of compliance of contractors with the State Government.

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.

The OIA maintains a pivotal role in shaping and implementing comprehensive Industry Participation Plan frameworks for some of the most significant strategic infrastructure projects in the state's history. Notably among these are the new Women's and Children's Hospital, the transformative River Torrens to Darlington Project (T2D), the pioneering Hydrogen Jobs Plan and the Northern Water Project. Each project presents unique challenges and opportunities, and the strategic contributions of the OIA have played a crucial role in advancing them towards fulfilling both the goals of the SAIPP and the election commitments of the South Australian Government.

The office has delivered a number of successful events under the “*Connecting with Business Program*.” Our successful “*Meet the Buyer*” event, held on 12 September 2023, facilitated meaningful engagement between Public Authorities and South Australian businesses. Opened by the Hon Andrea Michaels MP, Minister for Small and Family Business, it was attended by over 400 participants representing 300 businesses and 34 Public Authorities, plus 4 head contractors delivering current state-funded projects. This event supported Public Authority staff in increasing their knowledge of the local industry and provided businesses better visibility, access to Public Authorities forward procurement plans and relevant stakeholders.

We continued to foster better alignment between state government and industry through the four themed industry specific *Supply to Government workshops* aimed at educating local businesses on how to improve their position in securing government contracts or working within the supply chain of state-funded projects. These events demystified government procurement processes, identified upcoming opportunities and guidance on preparing for and participating in government contracts. These events covered; Information, Communication and Technology (ICT); Goods and Services; Delivering projects in the Anangu Pitjantjatjara Yankunytjatjara (APY Lands) and Remote Communities; and a regionally focussed event in Mt Gambier.

Major projects such as the Hydrogen Jobs Plan and the Northern Water Project has seen our office represented at various regional industry briefings and strategic networking events in Port Lincoln and across the Upper Spencer Gulf. The anticipation of these projects for South Australian businesses, including regional and Aboriginal, is significant and we have been working with all stakeholders to promote the economic benefits to the state to unlock investment, employment, skills and knowledge transfer opportunities.

In 2016 the Aboriginal Economic Participation Policy was embedded into the SAIPP with an aim to increase the level of South Australian Aboriginal business engagement and participation through employment and economic opportunities arising out of the government's expenditure. This year I am proud to report that both industry and government have shown even stronger commitment to increasing engagement with the Aboriginal business sector across major projects being delivered on Kurna Land and other Aboriginal lands across South Australia. Supported by the OIA, Aboriginal specific industry briefings and workshops have been delivered; Public Authority procurement staff have utilised the direct market approach to remove the costs associated with tendering for Aboriginal businesses; and the *Far North Aboriginal Economic Collective* (FNAEC) has been recognised as the single point of contact in the Upper Spencer Gulf and surrounding regions by Northern Water and Hydrogen Jobs Plan Teams. The South Australian Aboriginal business sector is continuing to strengthen in 2023/24 and with the support of the SAIPP, identifying Aboriginal supply chain opportunities is now more a focal point for local buyers.

The office has continued its dedicated advocacy to increase the level of engagement of eligible South Australian Aboriginal businesses and participation through the employment of Aboriginal people arising from the state government's expenditure. In 2023-24 we proudly report that Public Authority expenditure is \$119 million.

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.

In closing I would like to thank the OIA team whose tireless work and dedication to our objectives and obligations, whilst challenging, has assisted in driving the office forward. On July 1, 2024, we welcomed the appointment of John Chapman OAM, as Industry Advocate, and will continue to carry this momentum forward to enhance and optimise the government's agenda to turn the dial on South Australian Industry participation into 2025.

# Overview: About the Agency

---

## Purpose

The *Industry Advocate Act 2017* requires the Minister must establish and maintain a policy; the *South Australian Industry Participation Policy (SAIPP)* relating to industry participation in government contracts and seek to promote 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 1 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 government projects.

## Functions, objectives and deliverables

The *Industry Advocate Act 2017* creates functions for the Industry Advocate, supported by the Office of the Industry Advocate, which include:

- 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 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 of industry participation plans to ensure they comply with the SAIPP prior to the finalisation of contract conditions;

# Overview: About the Agency

---

## Functions, objectives and deliverables

- to investigate and monitor compliance with the SAIPP by participants in government contracts;
- to take action to promote and ensure compliance with the SAIPP, including issuing directions to participants in 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; and
- to exercise other functions conferred on the Industry Advocate by the Minister or under this or any other Act.



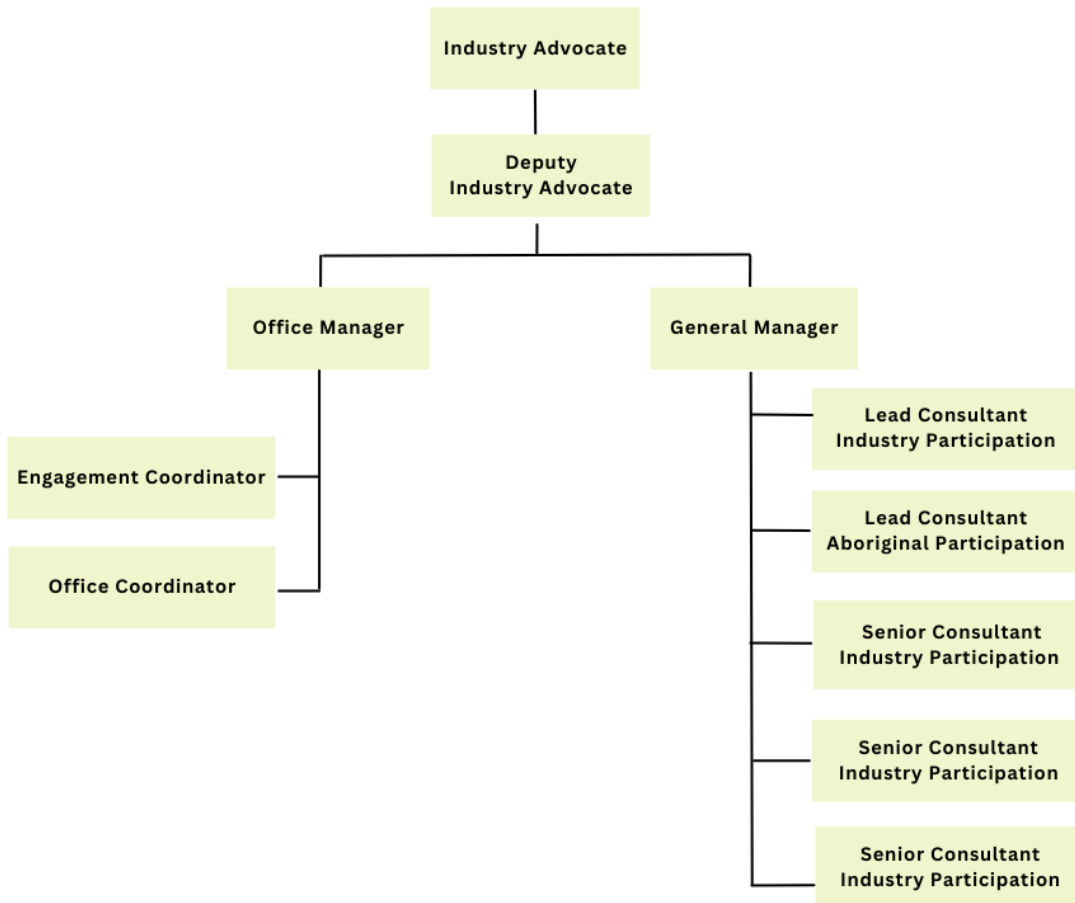
*Photo supplied by Brown Falconer: Findon Technical College Upgrade Lead Professional Services*

# 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.

The organisational chart for the Office of the Industry Advocate as of 30 June 2024 follows:



*Organisational structure as at 30 June 2024*

## Our Executive

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.

# Our Minister

---

The Hon Stephen Mullighan MP is the Treasurer



## Legislation administered by the agency

*Industry Advocate Act 2017*

## Other related Agencies (within the Minister's area/s of responsibility)

Department of Treasury and Finance

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



*Photo supplied: Mossop, Managing Contractor - Yatala Labour Prison Redevelopment. Photographer: David Sievers Photography*

# Our Performance

As at June 30, 2024, the Office of the Industry Advocate was monitoring **1,752** South Australian government projects including **714 (\$13.2 billion)** procurement process and **1,038 (\$17.2 billion)** active IP Plan contracts with a combined total reported value of **\$30.4 billion**.

**3,932** Industry Participation Plans were submitted through the government's Procurement Activity Reporting System (PARS), with an average South Australian economic contribution of **73%**.

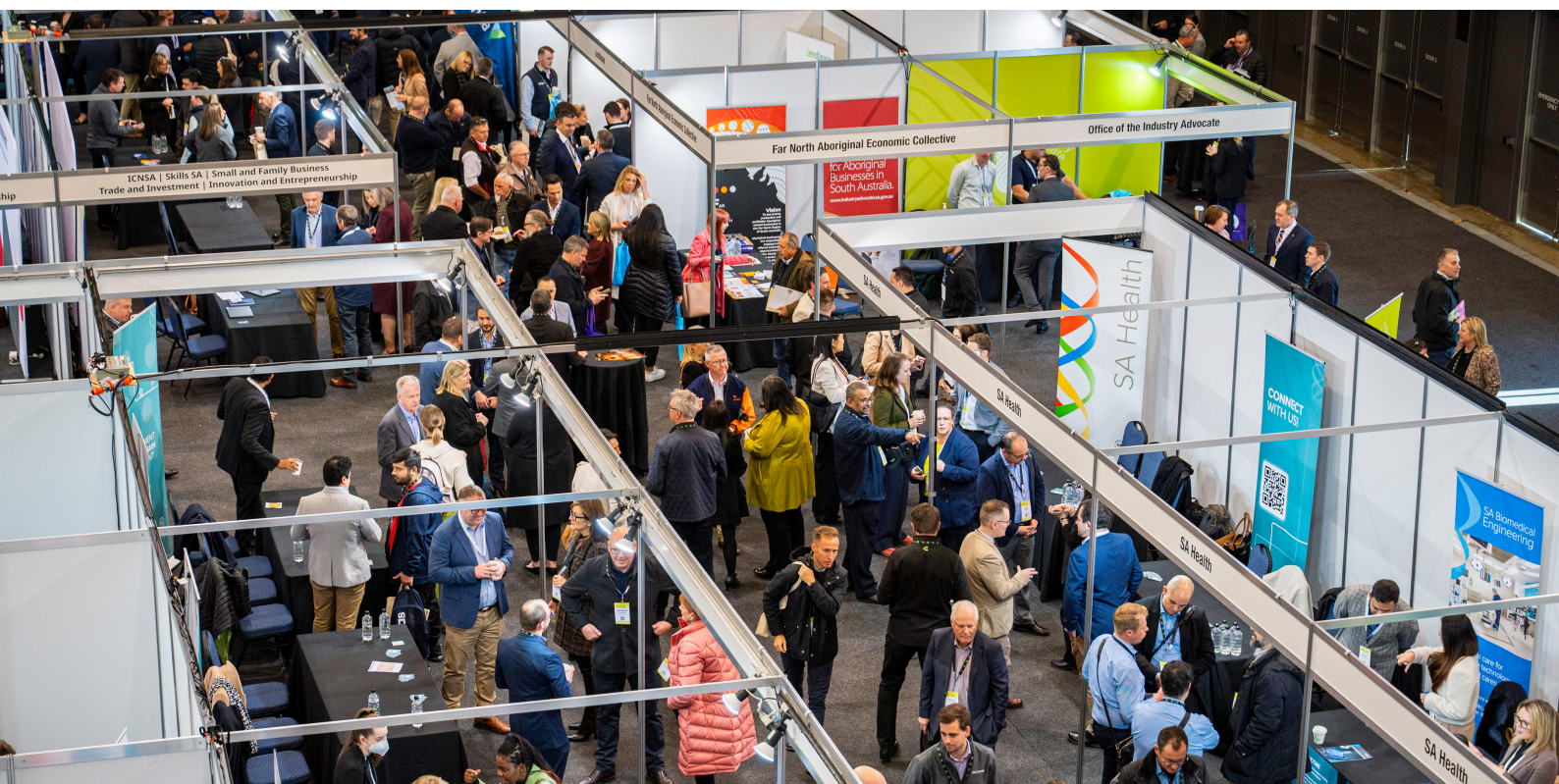
# \$30.4 BILLION



**Average South Australian economic benefit 73%**



**Monitored 1752 active South Australian government projects**



Meet the Buyer 2023. Photo supplied by Erik Ruehl.

# Industry Participation Commitments 2023-24

---

The *Industry Advocate Act 2017* requires the Minister must, in establishing and maintaining the SAIPP, seek to promote:

- government expenditure that results in economic development for South Australia, and value for money for public expenditure;
- the economic development of the steel industry and other strategically important industries for South Australia;
- capable businesses based in South Australia being given full, fair and reasonable opportunity to tender and participate in government contracts.

It is important to note all Public Authorities, businesses, private sector parties, universities and Not-for-Profits contracting to the government of South Australia are required to comply with the (SAIPP).

All State government contracts above \$550,000 (GST inclusive), must include a clause that requires the Supplier to implement the Supplier's IP Plan approved by the Industry Advocate.

## **Committed Industry Participation Plans - South Australian labour include:**

- **\$1 billion Metro South Australian labour**
- **\$210 million Regional South Australian labour**
- **\$42 million South Australian Aboriginal labour (*and \$8 million commitment product supply from South Australian Aboriginal business*)**
- **334 new traineeships or apprenticeships**

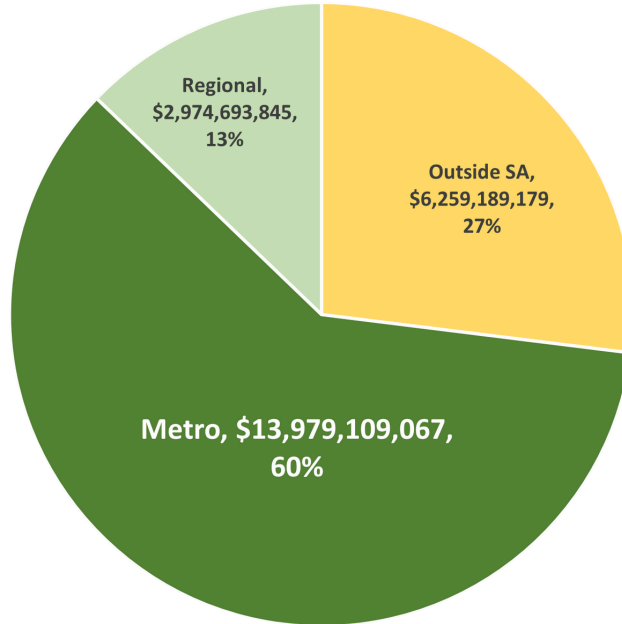
## **Completed Contracts and Industry Participation Plan Performance include:**

- **162 contracts completed with a total reported value of \$1.584 billion**
- **Total South Australian spend is \$1.436 billion (metro and regional South Australia)**
- **\$9.2 million was reported as secondary spend with Aboriginal Business**
- **10,362 South Australian FTE including 274 Aboriginal workforce**
- **1,005 roles within South Australian contracts allocated to trainees or apprentices**
- **90% of spend within the contracts are retained within South Australia**

The chart below shows the reported breakdown of supply inputs within South Australian Government contracts, this includes major government contracts for which the South Australian based business may be importing goods and services from interstate or internationally.

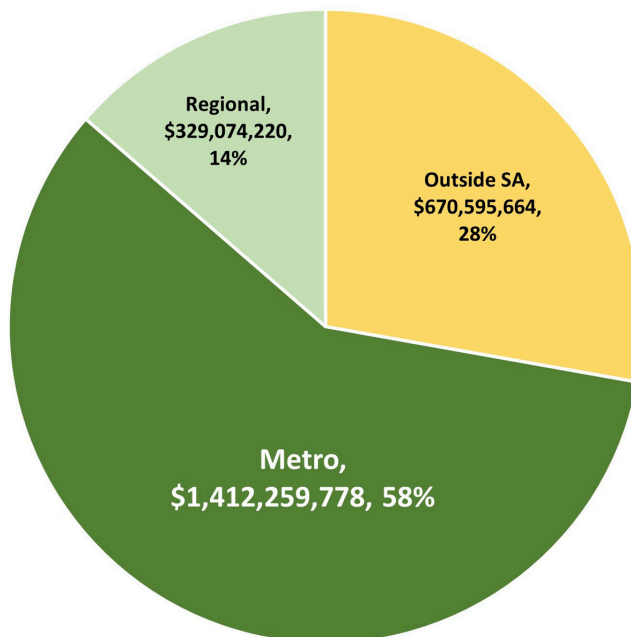
# Industry Participation Outcomes 2023-24

## Industry Participation Commitments - all Industry Participation Plan Submissions



Industry Participation Commitments - all Industry Participation Plan Submission combined total \$23,212,922,091

## Industry Participation Commitments - Public Authority identified preferred suppliers

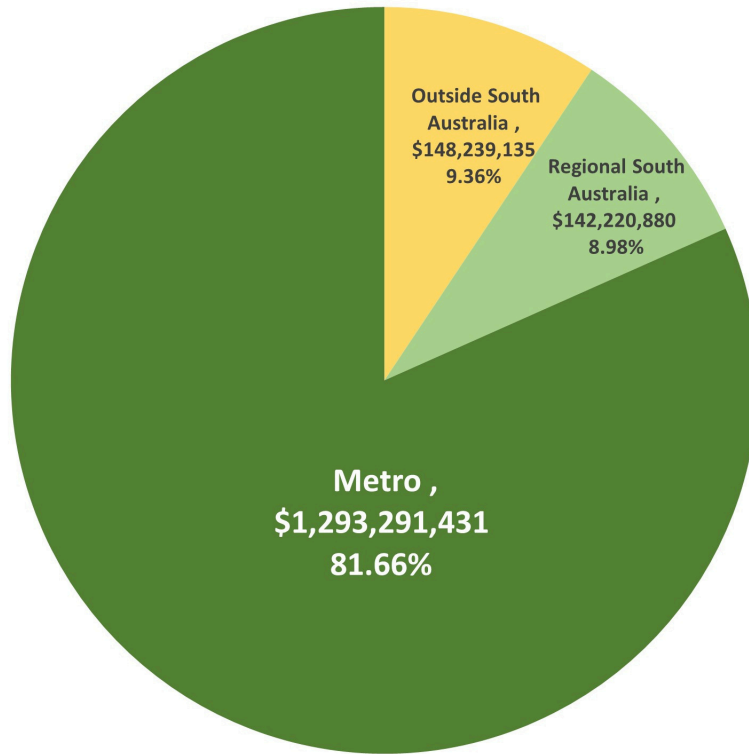


Industry Participation Commitments - Public Authority identified preferred suppliers combined total \$2,411,929,662

The data in the report is provided by third parties including many Public Authorities and Suppliers to the South Australian Government. We do our best to ensure that the data we release is complete, accurate and useful. However, we do not create the data, and due to the processing required to make the data useful is complex, it cannot be guaranteed the data is free of omissions or inaccuracies.

# Industry Participation Outcomes 2023-24

## Completed Industry Participation Plans with South Australian government contracts



Completed Industry Participation Plans with South Australian government contracts combined total \$1,583,751,446

The data in the report is provided by third parties including many Public Authorities and Suppliers to the South Australian Government. We do our best to ensure that the data we release is complete, accurate and useful. However, we do not create the data, and due to the processing required to make the data useful is complex, it cannot be guaranteed the data is free of omissions or inaccuracies.

In 2023-24 the OIA has been able to reconcile data through the government's Procurement Activity Reporting System (PARS) to obtain greater information relating to Public Authority procurement processes, in addition to contracted Industry Participation Plans.



Photo supplied Bardavcol, Managing Contractor, Flagstaff Road Upgrade

# Our Performance

---

## 2023-24 Overview

As of February 2023 the Chief Executives of all Public Authorities 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 awarded to non-South Australian businesses.

Changes to the SAIPP Procedural Guidelines during the 2022-23 financial year have seen the threshold for direct negotiation by Public Authorities with an eligible Aboriginal business increase from \$220,000 to \$550,000. This will further assist Aboriginal businesses to benefit from the South Australian Government expenditure.

In addition, Public Authorities must now complete an Industry Advocate Checklist for all procurements between \$55,000 and \$550,000 which forms part of the evaluation and includes questions regarding both Aboriginal supply chain and workforce targets.

The Industry Advocate Checklist, ensures consideration and inclusion of the local supply market as part of the tender planning and selection process, including identifying and assessing the local supply market for:

- South Australian businesses
- Aboriginal businesses
- Local project managers, architects, designers, engineers, surveyors, and planners
- Supply of uniforms and Personal Protective Equipment (PPE)
- SA Start-ups and innovative products processes, technologies and services

IP Plans apply for all procurements above \$550,000 covering building construction, civil construction, goods and services, ICT, medical devices, manufacturing and distribution, professional and technical services and Aboriginal businesses.

All contracts above \$10 million now have a 20% Industry Participation weighting applied with an increased emphasis on South Australian supply inputs.

From February 2023 all major building and construction projects above \$50 million will have the 90% South Australian labour hours and 20% net commitment for trainees and apprentices, Aboriginal workforce, and the long term unemployed. The Industry Advocate has approved 9 Tailored Industry Participation Plans that cover this commitment.

# Our Performance

---

## Employment opportunity programs

Program name	Performance
Nil	Nil

## Agency performance management and development systems

Performance Management and Development system	Performance
Performance discussions	<p>All employees in OIA have performance discussions which are facilitated and documented through the online learning management system, My Career.</p> <p>The formal Performance and Development Conversations process is designed to emphasise the importance of regular conversations between employees and managers, as well as the planned, structure and documented progress conversations</p>

## Executive employment in the agency

Executive Classification	Number of executives
SAES	2

Data from previous years is available at: <http://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

# Our Performance

## Work health, safety and return to work programs

The Office of the Industry Advocate was compliant with all directives from the Department of Treasury and Finance (DTF) relating to work health, safety and return to work programs during the 2023-2024 financial year. This included the Agency's COVID-19 Management Plan and response, as well as other initiatives under DTFs Wellbeing for Our People 2021-2024.

Workplace injury claims	2023-24	2022-23	% Change (+/-)
Total new workplace injury claims	Nil	Nil	0%
Fatalities	Nil	Nil	0%
Seriously injured workers* (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 of 30% or more under the Return to Work Act 2014 (Part 2 Division 5)

Workplace health and safety regulations	2023-24	2022-23	% Change (+/-)
Number of notifiable incidents (Work Health and Safety Act 2012, Part 3)	Nil	Nil	0%
Number of provisional improvement, improvement and prohibition notices (Work Health and Safety Act 2012 Sections 90, 191 and 195)	Nil	Nil	0%

Return to work costs**	2023-24	2022-23	% Change (+/-)
Total gross workers compensation	Ni	Nil	0%
Income support payments - gross (\$)	Nil	Nil	0%

\*\*before third party recovery

Data from previous years is available at: <http://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 2023-204 are attached to this report.

Statement of Comprehensive Income	2023-24 Budget \$000's	2023-24 Actuals \$000's	Variations \$000's	2022-23 Actuals \$000's
Total Income	1928	1936	(8)	1861
Total Expenses	1928	1816	112	1832
<b>Net Result</b>	-	120	120	29
<b>Total Comprehensive Result</b>	-	120	120	29

Statement of Financial Position	2023-24 Budget \$000's	2023-24 Actuals \$000's	Variations \$000's	2022-23 Actuals \$000's
Current assets	689	585	104	692
Non-current assets	-	-	-	-
<b>Total assets</b>	<b>689</b>	<b>585</b>	<b>104</b>	<b>692</b>
Current liabilities	304	241	63	285
Non-current liabilities	389	206	183	389
<b>Total liabilities</b>	<b>693</b>	<b>447</b>	<b>246</b>	<b>674</b>
<b>Net assets</b>	<b>(4)</b>	<b>138</b>	<b>134</b>	<b>18</b>
<b>Equity</b>	<b>(4)</b>	<b>138</b>	<b>134</b>	<b>18</b>

# Financial Performance

## Consultants and Contractors disclosure

The following is a summary of external consultants and contractors that have been engaged by the agency, the nature of the 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
Arcblue Consulting (Aus) P/L	Completion of desktop review of DIT procurement on behalf of the Industry Advocate	\$4135.75
<b>Total</b>		<b>\$4135.75</b>

### Consultancies with a contract value above \$10,000 each

Contractors	Purpose	\$Actual payment
Nil		
<b>Total</b>		<b>\$0</b>

See also [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
Nil		
<b>Total</b>		<b>\$0</b>

### Contractors with a contract value above \$10,000 each

Contractors	Purpose	\$Actual payment
Nil		
<b>Total</b>		<b>\$0</b>

Data from previous years is available at: <http://industryadvocate.sa.gov.au>

The details of South Australian 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

## Risk and audit at a glance

### Fraud detected in the agency

Category/nature of fraud	Number of instances
Nil	0

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

### Strategies implemented to control and prevent fraud

As a result of the Industry Advocate becoming a statutory authority on 1 January 2018, the office policy was developed in-line with the Department of Treasury and Finance (DTF) Fraud and Corruption Policy Control Framework.

The OIA is committed to the prevention, detection and control of fraud, corruption, misconduct and maladministration in connection with the activities of the OIA and/or by its employees.

OIA employees are expected to comply with their obligations at law, as set out in DTF policy.

Data from previous years is available at: <http://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: <http://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 1/7/2019.

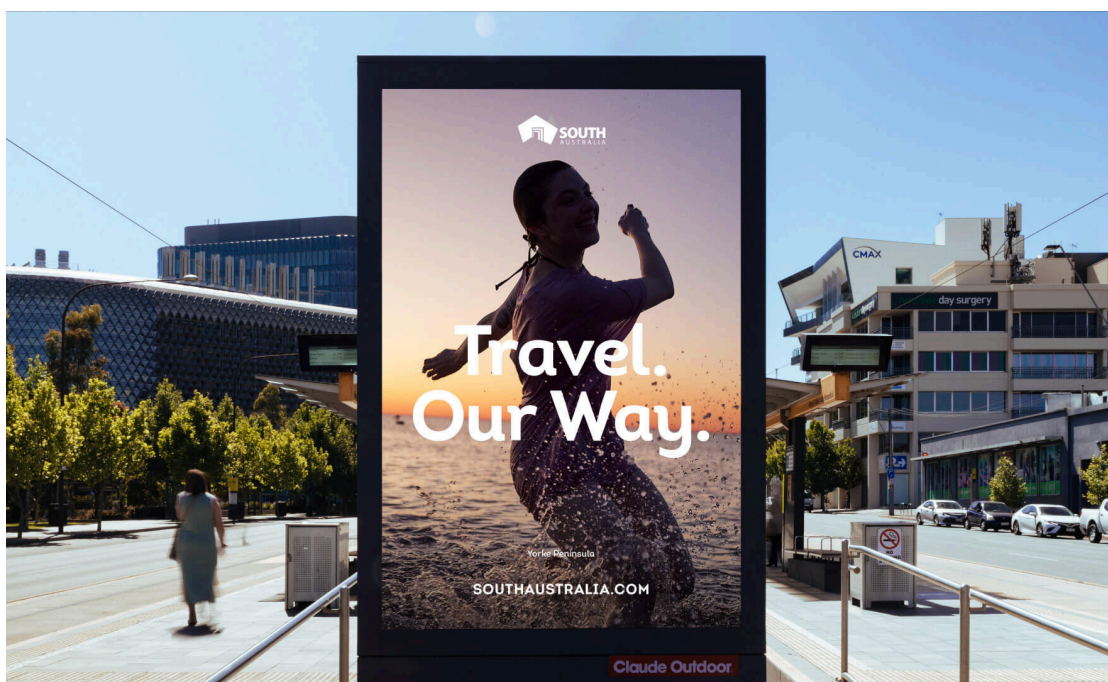


Photo Credit: Fuller Brand Communications for Travel. Our Way. SATC Tourism Campaign

# Public complaints

## Number of public complaints reported

Complaints categories	Sub-categories	Example	Number of Complaints 2023-24
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	Systems offline; inaccessible to customer; incorrect results/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; process not customer responsive	0
Policy	Policy application	Incorrect policy interpretation; incorrect policy applied; conflicting policy advice given	0
Policy	Policy content	Policy content difficult to understand; policy unreasonable or disadvantages customer	0
Service quality	Information	Incorrect, incomplete, outdated or inadequate information; not fit for purpose	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
		<b>TOTAL</b>	<b>0</b>

Data from previous years is available at: <http://industryadvocate.sa.gov.au>

# Public complaints

## Service Improvements

In line with Premier and Cabinet Circular *PC039 - Complaint Management in the South Australian Public Sector*, the Office of the Industry Advocate has established a complaints management system (CMS) via a web based project management and collaboration tool.

## Compliance Statement

Office of the Industry Advocate is compliant with Premier and Cabinet Circular 039 – complaint management in the South Australian public sector	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



Photo supplied by Brown Falconer: Findon Technical College Upgrade Lead Professional Services

# Business Engagement Initiatives

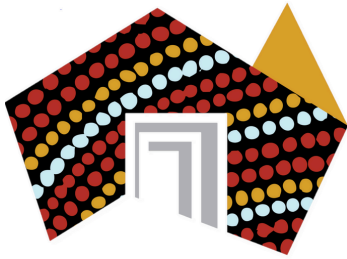
---

## SA Product and Services Directory

The SA Product and Services Directory (SAP+SD) is an online directory where all South Australian businesses can profile their business at no cost and these businesses are promoted to the State government agencies and prime contractors. In 2021, the Office of the Industry Advocate (OIA) launched a new look directory, making it easier for businesses to register and to search through the industry sectors. There are currently 1845 South Australian Businesses registered on the SAP+SD. In addition, the OIA website had 86,000 views during the 2023-24 financial year.



## SA Product and Services Directory - Aboriginal Business Sector



There are currently 155 Aboriginal businesses registered on the SAP+SD and 254 Aboriginal businesses listed on the internal government database held by OIA. These details are available to State Government Public Authority staff and buyers across industry upon request. Of the over 242 Aboriginal owned businesses working with the OIA, 50 are female owned and 74 are based regionally.

## Ready to Tender

Ready to Tender is an online resource designed to help South Australian businesses navigate the government procurement process. There are four easy to navigate modules, walking users through the whole process from start to finish. Giving users and their business the best chance of success. This guide is on the OIA website and registration is free.



## Supply to Government Workshops



These themed workshops are industry specific, interactive events aimed at educating local businesses on how to enhance their chances of securing government procurement processes, available opportunities, and guidance on preparing for and participating in government contracts.

Four workshops were held in 2023-24 covering regional projects, Information and Communication Technology, Goods and Services and Successful delivery of projects in the APY Lands with the workshops attracting over 450 attendees.

# Business Engagement Initiatives

---

## Meet the Buyer

Meet the Buyer 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 products and/or services with the appropriate State Government buyers.

Held on Tuesday, 12 September 2023, the event was officially opened by the Hon. Andrea Michaels MP, Minister for Small and Family Business.

With significant changes to the government's procurement rules and a commitment to increasing opportunities for local businesses to participate in government contracts, the event served as an excellent platform for engaging with senior representatives to discuss their agency's purchasing requirements and future procurement plans. This interaction aligns with the South Australian Industry Participation Policy (SAIPP) Procedural Guidelines, which require Public Authority staff responsible for SAIPP compliance to enhance their knowledge of local industry participants and providers annually.

The event attracted over 400 attendees, representing approximately 300 South Australian businesses, along with 34 Government agencies and 4 major head contractors involved in South Australian government-funded projects, all eager to learn about the skills and capacity of local businesses.



Photo credit: Erik Ruehl

# Aboriginal Economic Participation

---

## Advocating for the South Australian Business Sector

The OIA delivers the South Australian Aboriginal Economic Participation Initiative, embedded in the SAIPP.

The SAIPP definition of a South Australian Aboriginal business ensures that maximum economic benefit is provided by 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 to South Australian Aboriginal people through ongoing employment in South Australia.

This helps to reduce the risk of 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. The SAIPP criteria ensure that Aboriginal owners are in a decision-making role within the business and there is ongoing Aboriginal employment in South Australia.

The Lead Consultant - Aboriginal Business, supports Aboriginal businesses by identifying and maximizing 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 65 in person meetings with Aboriginal businesses in metropolitan and regional areas. 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 Industry seeking Aboriginal businesses for their supply chain; Aboriginal Business Sector capability and capacity knowledge provided context to Acquisition Plans and the sub-weighting of Industry Participation Plans; and attendance at Industry Briefings ensured that the Aboriginal Business Sector was represented and informed of potential supply chain opportunities.



*Photo: Sue Panagaris from the OIA along with Thomas Dodd, Andrew Bourne, Simon Rutherford and Norman Wombat from Kulbardi*

# Aboriginal Economic Participation

---

## Connecting with South Australian Aboriginal Businesses in the Regions

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.

The *Far North Aboriginal Economic Collective* (FNAEC) comprises Traditional Owner groups and Aboriginal owned businesses seeking economic participation in 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 recently introduced them to the Northern Water and Hydrogen Jobs Plans Projects Teams. As a result, regular meetings are held by these stakeholders to maximise potential opportunities on major regional projects for the local Aboriginal Business Sector and Communities.



*Photo: Phillip Dowsett (pictured middle), Office of the Industry Advocate with Jared Davies (far left), Chair and Rob Singleton (far right), Board Member of the Far North Aboriginal Economical Collective*

# Aboriginal Economic Participation

---

## Advocating for South Australian Aboriginal Business

A target for Aboriginal business procurement spend of 0.5% of whole of government procurement spend was established in 2018.

In 2023/24 Public Authorities reported Aboriginal procurement spend was \$119,435,235 This equates to 1.1% of \$9.671 billion total general government expenditure.\*

The total value of South Australian government contracts being delivered by Aboriginal businesses and Aboriginal Community Controlled Organisations (ACCOs) is more than \$549million. A number of these contracts are multi-year contracts and will continue up to 2032.

With ongoing promotion of the South Australian Industry Participation Policy direct negotiation clause (up to \$550k) this direct market approach is expected to increase spend in 2024/25.

## The South Australian Aboriginal Business List

A list of eligible SA Aboriginal businesses is maintained by OIA and shared with Public Authority procurement staff upon request. The list for use by 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, it is however a list of those Aboriginal businesses that are tender ready; provide suitable goods and/or services; and have made known to our office their interest in the supply chain of government.

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

\*Data obtained from 2024-25 Budget Statement Table A:3 Non-financial public sector operating statement



## Office of the Industry Advocate

### Financial Statements

for the year ended 30 June 2024



Our ref: A24/245

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

Mr J Chapman  
Industry Advocate  
Office of the Industry Advocate  
Level 17  
30 Wakefield Street  
ADELAIDE SA 5000  
email: john.chapman@sa.gov.au

Dear Mr Chapman

## **Audit of the Office of the Industry Advocate for the year to 30 June 2024**

We have completed the audit of your accounts for the year ended 30 June 2024. Two key outcomes from the audit are the:

- 1 Independent Auditor's Report on your agency's financial report
- 2 audit management letters recommending you address identified weaknesses.

### **1 Independent Auditor's Report**

We are returning the financial report for the Office of the Industry Advocate, with the Independent Auditor's Report. This report is unmodified. The *Public Finance and Audit Act 1987* allows me to publish documents on the Audit Office of South Australia website. The enclosed Independent Auditor's Report and accompanying financial report will be published on that website on Tuesday 15 October 2024.

### **2 Audit management letter**

During the year, we sent the acting Industry Advocate an audit management letter detailing the weaknesses we noted and improvements we considered the Office need to make.

Significant matters related to:

- services the Office receives free of charge were not being reported in the Office's annual financial statements. This matter was resolved in the preparation of the Office's 2023-24 financial statements.

- there was no service level agreement with the Department of Treasury and Finance for the services they provide to the Office.

We have received responses to our letter and will follow these up in the 2024-25 audit.

### **What the audit covered**

Our audits meet statutory audit responsibilities under the *Public Finance and Audit Act 1987* and the Australian Auditing Standards.

Our audit covered the principal areas of the agency's financial operations and included test reviews of systems, processes, internal controls and financial transactions.

I would like to thank the staff and management of your agency for their assistance during this year's audit.

Yours sincerely



Daniel O'Donohue  
**Assistant Auditor-General (Financial Audit)**

26 September 2024

enc

# **Office of the Industry Advocate**

## **Financial Statements**

for the year ended 30 June 2024

**Office of the Industry Advocate**  
**Certification of the Financial Statements**  
*for the year ended 30 June 2024*

---

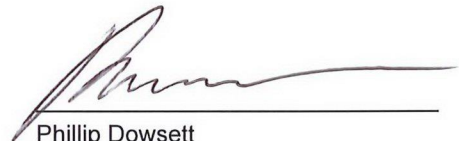
We certify that the:

- 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

25<sup>th</sup> September 2024



Phillip Dowsett  
Deputy Industry Advocate

25<sup>th</sup> September 2024

**Office of the Industry Advocate**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2024*

---

	Note	2024 \$'000	2023 \$'000
<b><u>Income</u></b>			
SA Government grant, subsidies and transfers	2.1	1 928	1 829
Resources received free of charge	2.2	7	6
Other income	2.3	1	32
<b>Total income</b>		<b>1 936</b>	<b>1 867</b>
<b><u>Expenses</u></b>			
Employee related expenses	3.2	1 512	1 546
Supplies and services	4.1	304	292
<b>Total expenses</b>		<b>1 816</b>	<b>1 838</b>
<b>Net result</b>		<b>120</b>	<b>29</b>
<b>Total comprehensive result</b>		<b>120</b>	<b>29</b>

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 2024*

---

	Note	2024 \$'000	2023 \$'000
<b><u>Current assets</u></b>			
Cash and cash equivalents	5.1	582	689
Receivables	5.2	3	3
<b>Total current assets</b>		<b>585</b>	<b>692</b>
<b>Total assets</b>			
		<b>585</b>	<b>692</b>
<b><u>Current liabilities</u></b>			
Payables	6.1	48	51
Employee related liabilities	3.3	189	232
Provisions	6.2	4	2
<b>Total current liabilities</b>		<b>241</b>	<b>285</b>
<b><u>Non-current liabilities</u></b>			
Employee related liabilities	3.3	190	383
Provisions	6.2	16	6
<b>Total non-current liabilities</b>		<b>206</b>	<b>389</b>
<b>Total liabilities</b>			
		<b>447</b>	<b>674</b>
<b>Net assets</b>			
		<b>138</b>	<b>18</b>
<b><u>Equity</u></b>			
Retained earnings		138	18
<b>Total equity</b>		<b>138</b>	<b>18</b>

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 2024*

---

	Retained earnings \$'000	Total equity \$'000
<b>Balance at 1 July 2022</b>	(11)	(11)
Net result for 2022-23	29	29
<b>Total comprehensive result for 2022-23</b>	<u>29</u>	<u>29</u>
<b>Balance at 30 June 2023</b>	18	18
Net result for 2023-24	120	120
<b>Total comprehensive result for 2023-24</b>	<u>120</u>	<u>120</u>
<b>Balance at 30 June 2024</b>	<u>138</u>	<u>138</u>

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 2024*

---

	Note	2024 \$'000	2023 \$'000
<b>Cash flows from operating activities</b>			
<b>Cash inflows</b>			
SA Government grant, subsidies and transfers		1 928	1 829
GST recovered from DTF		32	29
Other receipts		1	32
<b>Cash generated from operations</b>		<u>1 961</u>	<u>1 890</u>
<b>Cash outflows</b>			
Employee related payments		(1 747)	(1 574)
Payments for supplies and services		(321)	(325)
<b>Cash used in operations</b>		<u>(2 068)</u>	<u>(1 899)</u>
<b>Net cash used in operating activities</b>		<u>(107)</u>	<u>(9)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>			
Cash and cash equivalents at the beginning of the period		689	698
<b>Cash and cash equivalents at the end of the period</b>	5.1	<u>582</u>	<u>689</u>

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 2024

---

#### 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 and liabilities that are sold, consumed or realised as part of the normal operating cycle have been classified as current assets or 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.

Assets and liabilities that are to be sold, consumed or realised as part of the normal 12 month operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

**Office of the Industry Advocate**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**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. Income**

**2.1. SA Government grant, subsidies and transfers**

	2024	2023
	\$'000	\$'000
SA Government grant, subsidies and transfers	1 928	1 829
<b>Total SA Government grant, subsidies and transfers</b>	<b>1 928</b>	<b>1 829</b>

SA Government grant, subsidies and 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. SA Government grant, subsidies and transfers are recognised as income on receipt.

**2.2. Resources received free of charge**

	2024	2023
	\$'000	\$'000
Services received free of charge - Shared Services SA	7	6
<b>Total resources received free of charge</b>	<b>7</b>	<b>6</b>

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.

**2.3. Other income**

	2024	2023
	\$'000	\$'000
Recoveries	1	32
<b>Total other income</b>	<b>1</b>	<b>32</b>

The other income for 2022-23 mainly relates to salaries and wages recoveries.

**Office of the Industry Advocate**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**3. Board, committees and employees**

**3.1. 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 \$539 000 (2023: \$543 000).

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**

There were no transactions with key management personnel and other related party identified.

**3.2. Employee related expenses**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Salaries and wages	1 047	1 037
Annual leave	71	145
Long service leave	17	(36)
Employment on-costs - superannuation	286	309
Employment on-costs - other	69	73
Skills and experience retention leave	1	12
Workers compensation	12	1
Other employee related expenses	9	5
<b>Total employee related expenses</b>	<b>1 512</b>	<b>1 546</b>

**Employment expenses**

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

**Employment on-cost-superannuation**

The Superannuation employment on-cost charges represent the Office contributions to superannuation plans in respect of current services of current employees.

**Office of the Industry Advocate**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**3.2. Employee related expenses (continued)**

**Employee remuneration**

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

	<b>2024</b>	<b>2023</b>
	<b>No</b>	<b>No</b>
\$166 001 - \$186 000	-	1
\$186 001 - \$206 000	1	-
\$326 001 - \$346 000	1	-
\$366 001 - \$386 000	-	1
<b>Total</b>	<b>2</b>	<b>2</b>

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

The total remuneration received by these employees for the year was \$539 000 (2023: \$545 000).

**3.3. Employee related liabilities**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Annual leave	93	153
Long service leave	65	18
Skills and experience retention leave	4	22
Employment on-costs	27	39
<b>Total current employee related liabilities</b>	<b>189</b>	<b>232</b>
<b>Non-current</b>		
Long service leave	172	348
Employment on-costs	18	35
<b>Total non-current employee related liabilities</b>	<b>190</b>	<b>383</b>
<b>Total employee related liabilities</b>	<b>379</b>	<b>615</b>

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.

**Office of the Industry Advocate**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**3.3. Employee related liabilities (continued)**

**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. Salary inflation has increased from 2% (2023) to 2.4% (2024) for short term employee benefits. This change had an immaterial net financial effect in the current financial year.

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.

**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.

AASB 119 *Employee Benefits* contains the calculation methodology for long service leave liability.

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 increased from 4.00% in 2023 to 4.25% in 2024.

This change in the bond yield, which is used as the rate to discount future long service leave cash flows, results in a decrease in the reported long service leave liability.

The net financial effect of the changes to actuarial assumptions in the current financial year is an increase in the long service leave liability of \$12 700 and employee benefits expense of \$12 700. 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 increased from 2023 (2.5%) to 2024 (3.5%) for long service leave liability. This increase to the percentage has led to an overall increase in the reported long service leave for 2024.

**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 changed to 44% in 2024 (2023:43%). The average factor for the calculation of employer superannuation on-costs has increased from 11.1% to 11.5% in 2024. 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 2024*

---

**4. Expenses**

**4.1. Supplies and services**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Contractors	42	12
Accommodation	170	184
Information technology and communications	4	30
Staff related expenses	20	19
Office administration expenses	49	22
Travel and related expenses	5	3
Marketing	2	12
Consultants	4	3
Audit fees*	8	7
<b>Total supplies and services</b>	<b>304</b>	<b>292</b>

\* Includes \$7 800 (2023: \$7 100) of audit fees paid/payable to the Audit Office of South Australia relating to work performed under the *Public Finance Audit Act 1987*. No other services were provided by the Audit Office of South Australia.

**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 and accordingly are expensed (disclosed within 'Accommodation').

**5. Financial assets**

**5.1. Cash and cash equivalents**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Cash at bank	582	689
<b>Total cash and cash equivalents</b>	<b>582</b>	<b>689</b>

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 2024*

---

**5.2. Receivables**

	<b>2024</b>	<b>2023</b>
<b>Current</b>	<b>\$'000</b>	<b>\$'000</b>
Prepayments	3	-
GST recoverable from DTF	-	3
<b>Total current receivables</b>	<u><b>3</b></u>	<u><b>3</b></u>
<b>Total receivables</b>	<u><u><b>3</b></u></u>	<u><u><b>3</b></u></u>

Receivables arise in the normal course of selling goods and services to other government agencies and to the public. Receivables are normally settled within 30 days after the issue of an invoice or the goods / services have been provided under a contractual arrangement. Receivables, prepayments and accrued revenues are non-interest bearing.

Statutory receivables do not arise from contracts with customers. They are recognised and measured similarly to contractual receivables (except impairment) but are not classified as financial instruments for disclosure purposes.

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 2024*

---

**6. Liabilities**

**6.1. Payables**

	2024 \$'000	2023 \$'000
<b>Current</b>		
Accrued expenses	48	33
Trade payables	-	18
<b>Total current payables</b>	<u>48</u>	<u>51</u>
<b>Total payables</b>	<u>48</u>	<u>51</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. Provisions**

All Provisions relate to workers compensation.

	2024 \$'000	2023 \$'000
<b>Movement in provisions</b>		
Carrying amount at the beginning of the period	8	8
Additional provisions recognised	12	-
<b>Carrying amount at the end of the period</b>	<u>20</u>	<u>8</u>

The Industry Advocate is an exempt employer under the *Return to Work Act 2014*. Under a scheme arrangement, the Industry Advocate is responsible for the management of workers rehabilitation and compensation and is directly responsible for meeting the cost of workers' compensation claims and the implementation and funding of preventive programs.

Accordingly, a provision has been reported to reflect unsettled workers compensation claims (statutory and additional compensation schemes). The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2024 provided by a consulting actuary engaged through the Office of the Commissioner for the Public Sector Employment.

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 2024*

---

## **7. Outlook**

### **7.1. Unrecognised commitments**

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

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Within one year	135	129
<b>Total expenditure commitments</b>	<b>135</b>	<b>129</b>

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 2024.

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 2024, 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 2024
- a Statement of Financial Position as at 30 June 2024
- a Statement of Changes in Equity for the year ended 30 June 2024
- a Statement of Cash Flows for the year ended 30 June 2024
- 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 – Simplified Disclosures 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 2024.

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.

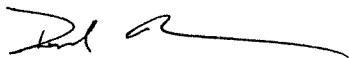
As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- 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  
**Assistant Auditor-General (Financial Audit)**

26 September 2024

## **Office of the Industry Advocate**

Level 17, 30 Wakefield Street

Adelaide SA 5000

Telephone: 08 8226 8956

Email: [ويا@sa.gov.au](mailto:ويا@sa.gov.au)

ABN: 19 040 349 865

