

Mitchell Shire Council**RESPONSES TO QUESTIONS ON NOTICE****Senate Committee Hearing: Inquiry into the impact of Defence training activities and facilities on rural and regional communities**

Mitchell Shire Council took three questions on notice from Senator Gallacher at Bendigo, 20th Nov 2017. Please find responses to these questions set out below.

Question 1: What assistance can local businesses get with regard to progressing opportunities with Defence?

Mitchell Shire would welcome additional assistance to local businesses to enable those businesses to access and progress opportunities with Defence. The following measures would most assist:

- Agreement to hold a regular (e.g. half yearly or quarterly) 'commercial opportunities' round table liaison meeting to identify and foreshadow upcoming procurement opportunities that can in turn be communicated to those businesses who are likely to be able to provide the required goods and/or services. It is suggested that such a meeting be facilitated by Defence at Puckapunyal and Mitchell Shire and attended by other key stakeholders such as local chambers of commerce, development agency officers (e.g. RDV and RDA), etc.
- Identification of clear 'contact points' within ADF for local government and local businesses in relation to forthcoming opportunities – so that local businesses have somebody that they can contact for further information and enquiries.
 - Seymour Business and Tourism, the local chamber of commerce, suggests that access to the base contractors (via an open day/ Q& A session, etc.) would benefit the relationships and networks that principal contractors require in times of peak needs or for niche requirements and which local business may be able to fulfil
- The creation and monitoring of enhanced local content minimum quotas for contractors / sub-contractor from local SME businesses.
- Work with local governments such as Mitchell Shire to investigate opportunities for events or workshops targeted at helping to train and boost capacity in local businesses.

Question 2: How might the tender process change to better encourage local businesses and suppliers to be successful?

Mitchell Shire suggests that the following measures would most assist:

- Taking steps to simplifying the procurement arrangements for local businesses wherever possible, in particular by reducing the paperwork that is required and checking whether or not all of the standards and requirements are suitable for requiring of small and medium enterprises.
- Adding rural and regional small and medium businesses to the list of exemptions under Appendix A: Exemptions from Division 2 of the Commonwealth Procurement Rules.
- That the tender process allow and enable large contractors or procurement panels to be able to access and utilise small local businesses and so legally enable and assist base contractors to service their contracts to the ADF.

- By systematically reviewing the current procurement guidelines and identifying any aspect of the tender process that is prohibitive to or which clearly works to exclude small businesses.

Question 3: What do you recommend the government do to help encourage this local participation?

In addition to the steps set out above in response to Question 1, Mitchell Shire suggests that the Federal Government consider the following measures:

- Directly advertise opportunities in the local press, e.g. The Seymour Telegraph, Mclvor Times, and North Central Review. There is also the opportunity for advertising opportunities via Seymour FM, OKR FM (Kilmore) and other local radio stations – which could be used to alert local businesses to the fact that goods are being procured and direct them to a relevant website to obtain more information.
- As part of this process of advertising more widely, Defence should be encouraged to identify specific opportunities that would be most accessible to local businesses, generally taking steps to raise awareness amongst local businesses of, as subcontractors, what they could provide, rather than assuming that they have to fulfil a whole contract
- Regularly report to the local community via the local council and local press on the value of Defence expenditure on locally sourced goods and services. This would encourage both Defence and the local business community to be conscious of the amount of work that local businesses are successfully tendering for and provide a yardstick by which to monitor the success of efforts to encourage local economic participation and measure progress against such objectives.
- Improve coordination with, and utilise services and facilities in Seymour such as the Seymour Indoor and Outdoor Pools and Seymour Health's facilities including Seymour Hospital. Use of these facilities would reduce costs for ADF and enhance the viability of these services, as well as creating and enhancing relationships between the base residents and Shire residents. It is suggested that there could even been opportunities for organisations such as Seymour Health to be awarded the contract for the running of services on base at Puckapunyal Military Area. This would avoid any double up of services, enable Seymour Health to be more sustainable and should overall offer value for money and efficiencies for government.
- With the current expansion of Health Services on base, liaise with local Health Services to see: what value add they can provide; whether the services be utilised by the whole community; and whether our local health providers tender to provide those services. This is an ideal opportunity to exercise partnership with local agencies and community.