

**Deputy Premier
Treasurer
Minister for Infrastructure**

Level 10, Executive Building, 15 Murray Street, Hobart
Public Buildings, 53 St John Street, Launceston
GPO Box 123, Hobart TAS 7001
Phone: (03) 61 65 7701; Email: Michael.Ferguson@dpactas.gov.au



Mr Simon Wood MP
Member for Bass
via email: Laura.Ross@parliament.tas.gov.au

31 MAY 2024

Dear Mr Wood, *Simon*

Thank you for the Constituency Question you asked in Parliament on 15 May 2024 regarding the Government's Buy Local Policy and what the Government is doing to make sure it supports Tasmanian businesses to invest, grow and employ more Tasmanians.

The Rockliff Liberal Government is committed to supporting local businesses to create jobs and stimulate the economy to deliver growth. Our Buy Local Policy requires that, for competitive procurements valued at \$100 000 or more, agencies must include an Economic and Social Benefits Test evaluation criterion weighted at a minimum of 25 per cent of the total evaluation criteria. We have recently announced that we will be lifting this local weighting test to 30 per cent from 1 August 2024.

As members and constituents would understand, there is a number of other factors that need to be considered when procuring goods and services, things such as pricing and capability, so it will not always be the case that contracts are awarded to local businesses.

The policy has been tremendously successful. In 2022-23, I am advised that 81.6 per cent of contracts awarded in an open procurement process were awarded to Tasmanian businesses and the value of these contracts was \$918.2 million. Of the 136 contracts awarded in open procurement processes for the 2022-23 financial year, I am further advised that 111 were awarded to Tasmanian businesses and 25 were awarded to non-Tasmanian businesses.

Please thank your constituents for their interest in this important matter.

Yours sincerely

Hon Michael Ferguson MP
Deputy Premier
Treasurer