

Statement

Re: Victorian Government Purchasing Board Contracts Policy

The Regional Victoria Chamber Alliance have grave concerns regarding the new procurement policy change by the Department of Treasury and Finance under the Victorian Government Purchasing Board's new mandated state purchasing contracts policy for purchasing of goods and services.

The State Purchase Contracts are categorised lists of suppliers that are mandated to use for non-construction procurement. This new policy will be implemented from 1 July 2021.

This will impact 35 Government departments and 125 Victorian Government agencies who will now be mandated to use the SPC list of suppliers, this will mean that regional businesses that are current suppliers will not be eligible until they go through a lengthy process to be included on the supplier list, it has been suggested that this could take up to eighteen months. Currently there are no regional and rural businesses included on this list.

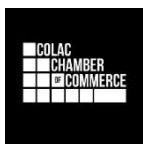
Some examples of businesses affected if this is introduced include: Stationary, Travel, Professional Services, Recruitment, Print.

The impact of this new policy change completely contradicts this Victorian Governments previous commitment to support local and regional businesses. It also contradicts the Government's own programs such as GROW that were instigated to support and increase local procurement and jobs.

As previously indicated, it has been stated that the intention is to expand the SPC list over time, but these questions remain:

- Is this really the right time to be mandating the loss of business to predominantly small and medium enterprises?
- How long will the process for qualification take?
- Will the process for qualification be streamlined enough to embrace small business?
- Why should our businesses have to fight to win back customers they currently have?

We call on the Government to make the appropriate changes to this contract immediately to ensure zero loss of business from regional and rural Victoria.



BE.BENDIGO

