

KEEPING IT IN THE REGIONS

A better practice model for local content and defining local business.



BACKGROUND

Queensland Local Content Leaders Network (QLCLN) is a collaboration of industry and business groups, local government representatives and key industry partners. Together, we advocate for local economies to maximise the local benefit of projects.

In 2019, QLCLN commissioned a research project to develop a better regional answer to the question "what is local?". This research culminated in a QLCLN position paper, which is available here for download: www.greaterwhitsundayalliance.com.au/reports

The Queensland Local Procurement Model Position Paper includes a number of key findings and recommendations to support a better practice approach to local procurement, particularly in regional areas. These findings include:

KEY FINDINGS

- Building local business capability and capacity is key in driving positive regional development outcomes. By focussing effort on building business (supply chain) capacity as part of local procurement policies, governments and businesses are contributing to a sustainable cycle of regional economic development.
- Procurement models which focus on the contextual relationship between a project or operation and the adjacent or impacted communities are likely to be more successful rather than those which apply an arbitrary geographical boundary.
- The definition of what defines a local business is also critical. Rather than limiting the definition to a business with local ownership, there is merit in supporting businesses who make a significant contribution to local economic activity and employment through the strength and depth of local supply chains.



QLCLN RECOMMENDATION #1

ADOPT A BETTER DEFINITION OF 'LOCAL'

A local business can be defined as those businesses making a 'significant contribution' to local economic activity, including:

- (i) those businesses which have a significant physical presence in the local area and businesses or projects where the majority of the workforce resides in the defined local area; and
- (ii) those businesses or contractors which are not owned locally but provide goods, services and/or labour that are primarily produced or supplied within the local area.

QLCLN RECOMMENDATION #2

ADOPT A SCALED MODEL FOR LOCAL CONTENT

- 1. PRIORITY 1: LOCAL/NATURAL ECONOMIC REGION**
Can be defined as the community that is in immediate proximity to the project/site/operations. The natural economic region can be captured by the regular journey to work movements of that region's resident workforce. Eg. Emerald residents travelling to sites in Moranbah and vice versa.
- 2. PRIORITY 2: REGIONAL ZONE**
Defined by a radial distance from the project within the geographic reach of the region. A regional zone will be smaller for more densely populated areas and larger for more sparsely populated areas. Eg. the regional zone for Noosa may include the Moreton Bay; Somerset or Gympie Regional Council areas.
- 3. PRIORITY 3: WIDER REGIONAL AREA**
Is characterised by the regional SA4 statistical boundaries commonly used by governments. For example, Wide Bay Burnett; Mackay Isaac Whitsunday; Central Queensland etc.
- 4. PRIORITY 4: REGIONAL QUEENSLAND**
Defined as the remainder of regional Queensland (excluding South East Queensland).
- 5. PRIORITY 5: WHOLE OF QUEENSLAND**
Defined as Queensland as a whole.
- 6. PRIORITY 6: AUSTRALIA AND NEW ZEALAND**
Defined as all of Australia and New Zealand.



QLCLN MEMBERS

Economic Development Members



Local Government Members



Industry Representative Members



Supported by