OFFICIAL

SA Manufacturing - Public Housing Construction - Public Information Sheet

February 2023



This document is intended to inform South Australian (SA) builders of the new election commitment related to the use of South Australian manufactured products for construction

The SA Housing Authority (Authority) has included the mandate into its tender documentation, along with instructions on how to appropriately respond. This document provides a summary only and should not be relied on for the purposes of submitting a tender response.

SA Manufactured Products - Mandate

The Government of SA as part of its election commitments has made the following policy change:

"Require the use of South Australian Manufactured products on public housing construction and maintenance program, where available."

A supply-chain which utilises SA manufactured products, materials, labour, and capital equipment will deliver significant economic contribution to the State economy.

Following on from initial market research and interviews with a range of SA builders, the below SA manufactured products/components are mandated for use in the construction of public housing for the Authority.

- Bricks
- Timber frames
- Concrete
- Reinforcing steel (and note: <u>Industry Participation Policy</u> Steel Requirements)
- Steel frames
- Windows
- Security doors
- Steel roofing, fencing and rainwater tanks

The above list of products/components will be monitored on an ongoing basis and may be changed to ensure supply is available. This list may also expand where additional SA supply market opportunities are identified.

If builders identify any design or specification barriers in the Authority's tender documentation, they have been advised to notify the Contact Person (listed in the tender documents) with alternative supply/material, to ensure compliance with the mandate.

Builders are also encouraged to provide rationale if a mandated SA manufactured product is not available. The Authority staff and the <u>Office of the Industry Advocate</u> will monitor compliance with the commitments made by the builders.

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SA Manufactured Products – Definition

SA manufactured products (SA Made or Made in SA) will be defined as:

A product that underwent its last **substantial transformation** in SA (source of original materials could be SA, Interstate or imported from overseas).

A product has been substantially transformed in SA if:

- 1. It was grown or produced in SA, or
- 2. As a result of one or more processes carried out in SA, the end product is fundamentally different in identity, nature or essential character from all of its imported ingredients or components.

Definition	Example
1. Grown or produced in SA	Timber that is milled and manufactured in the Southeast of SA.
	Concrete that is mixed and made from base components from SA.
 As a result of one or more processes conducted in SA, the end product is fundamentally different in identity, nature or essential character from all of its imported ingredients or components 	A coil of steel that is imported from NSW or overseas that is used to make roof sheets, fencing sheets, rainwater tanks or steel frames. Bricks (multiple manufacturers in SA -although builders/suppliers will need to ensure this applies to the size and type of brick as the local manufacturers can import some varieties from interstate). Steel frame windows that are powder coated and constructed to size in SA (similar process for security doors and roller doors).

Unless otherwise advised, builders are reminded that the only person authorised to provide information during the tender process is the 'Contact Person' listed in the tender documents.

All questions or queries should be directed to: <u>HousingProcurement@sa.gov.au</u>

SA Manufactured Products – Future Options

The Authority in conjunction with the Office of the Industry Advocate (OIA) and Procurement Services SA (PSSA) will continue to work on and refine the list of mandated requirements, depending on supply chain capacity, growth and availability. In addition, further information will be provided to both builders and suppliers around these processes and encourage connections and continuous improvement in the use of SA manufactured products.