



# Whole of Victorian Government Social Procurement Framework

ANNUAL REPORT 2018-19

Building a fair, inclusive and sustainable Victoria through procurement





## ACKNOWLEDGEMENTS

Victoria's Social Procurement Framework has been delivered in collaboration between the Department of Jobs, Precincts and Regions and the Department of Treasury and Finance. Authorised and published by the Victorian Government.

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## LANGUAGE STATEMENT

We recognise the diversity of Aboriginal people living throughout Victoria. While the terms 'Koorie' or 'Koori' are commonly used by Aboriginal people of Southeast Australia, we have used the term Aboriginal in this report to include all people of Aboriginal and Torres Strait Islander descent who are living in Victoria.

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# Introduction to the Victorian Government's Social Procurement Framework



Message from the Assistant Treasurer, Robin Scott MP and Minister for Jobs, Innovation and Trade, the Hon Martin Pakula MP

The Victorian Government's Social Procurement Framework embeds social, economic and environmental outcomes into everything we do.

It embodies our commitment to the principle that value isn't just about the bottom line. We believe in supporting every member of our community and ensuring a sustainable future for all Victorians.

As a government, we believe in the strong economic benefits of employment and the profound impact a job can have on someone's life. Social procurement helps to deliver this and our Social Procurement Framework ensures it is standard practice for the Victorian Government.

By pursuing social objectives in our procurement, we're working to create jobs for the people in our community who need them the most. Regardless of individual circumstances, we want all Victorians to be able to fully participate in everything this State has to offer.

These jobs are being generated on big infrastructure projects, like the 119 major road and rail projects that are part of Victoria's \$70 billion transport construction boom. They're also created through the routine purchasing that happens every day across Government, from event catering, to building maintenance, to purchasing office supplies.

We are proud to be presenting some facts, figures and case studies in this document, the first annual report of Victoria's Social Procurement Framework. It is intended as a snapshot of the work being undertaken and focuses on the achievements and stories of the people and social enterprises who have benefited from this work.

The departments and agencies captured in this report include the Department of Treasury and Finance, Department of Premier and Cabinet, Department of Environment, Land, Water and Planning, Department of Justice and Community Safety, Department of Health and Human Services, Department of Jobs, Precincts and Regions, Department of Transport, Department of Education and Training, Public Transport Victoria, VicRoads and Victoria Police.

These results are just the beginning. With significant, continued investment across our hospitals, schools and transport infrastructure, there will be many more opportunities for social and sustainable procurement in Victoria. The last section of this report, 'How suppliers work with the Social Procurement Framework', outlines how suppliers can get involved.

It has been pleasing to see the number of new member organisations that have come on board thanks to the work of Kinaway, Supply Nation and Social Traders, which verify Victorian Aboriginal Businesses and social enterprise suppliers.

We commend the people, organisations and social benefit suppliers who have contributed to this Framework. The powerful stories of change and the demonstrable outcomes presented in this inaugural annual report are a credit to their hard work.

We look forward to continuing to work with buyers and suppliers to ensure that government procurement activity continues to deliver greater benefits for the people of Victoria.



# About the Framework

## Value for money underpins government procurement

The Social Procurement Framework leverages the Government's significant buying power to drive increased value for money in all the goods, services and construction we procure. By not solely focusing on the cheapest price, we can maximise social, economic and environmental benefits for all Victorians, and create Victorian jobs.

The Framework has 10 objectives, each with specific and measurable outcomes.

TABLE 1: THE FRAMEWORK'S OBJECTIVES AND OUTCOMES

OBJECTIVE	OUTCOMES SOUGHT
<b>Opportunities for Victorian Aboriginal people</b>	<ul style="list-style-type: none"><li>• Purchasing from Victorian Aboriginal businesses</li><li>• Employment of Victorian Aboriginal people by suppliers to the Victorian Government</li></ul>
<b>Opportunities for Victorians with disability</b>	<ul style="list-style-type: none"><li>• Purchasing from Victorian social enterprises and Australian Disability Enterprises</li><li>• Employment of Victorians with disability by suppliers to the Victorian Government</li></ul>
<b>Women's equality and safety</b>	<ul style="list-style-type: none"><li>• Adoption of family violence leave by Victorian Government suppliers</li><li>• Gender equality within Victorian Government suppliers</li></ul>
<b>Opportunities for disadvantaged Victorians</b>	<ul style="list-style-type: none"><li>• Purchasing from Victorian social enterprises</li><li>• Job readiness and employment for:<ul style="list-style-type: none"><li>◦ long-term unemployed people</li><li>◦ disengaged youth</li><li>◦ single parents</li><li>◦ migrants and refugees</li><li>◦ workers in transition</li></ul></li></ul>

*‘Clearly, from an international perspective the Government of Victoria is leading the journey in social procurement. Through the building of partnerships across sectors and their support for a social enterprise ecosystem, they are leveraging greater value from their existing spend. They are using the marketplace to build healthier local communities.’*

**DAVID LEPAGE**

MANAGING PARTNER, BUY SOCIAL – CANADA,  
KEYNOTE SPEAKER AT THE SOCIAL TRADERS CONFERENCE 2019

**OBJECTIVE**

**OUTCOMES SOUGHT**

**Supporting safe and fair workplaces**

- Purchasing from suppliers that comply with industrial relations laws and promote secure employment

**Sustainable Victorian social enterprise and Aboriginal business sectors**

- Purchasing from Victorian social enterprises and Aboriginal businesses

**Sustainable Victorian regions**

- Job readiness and employment for people in regions with entrenched disadvantage

**Environmentally sustainable outputs**

- Project-specific requirements to use sustainable resources and to manage waste and pollution
- Use of recycled content in construction works

**Environmentally sustainable business practices**

- Adoption of sustainable business practices by suppliers to the Victorian Government

**Implementation of Victoria’s Climate Change Policy objectives**

- Project-specific requirements to minimise greenhouse gas emissions
- Procurement of goods and services that are resilient against the impacts of climate change

# Opportunities for Victorian Aboriginal people



## Message from the Minister

The Hon Gavin Jennings MP, Minister for  
Aboriginal Affairs

As the Victorian Government builds a path towards Treaty in Victoria and continues to support Aboriginal self-determination, we recognise the importance of creating economic opportunities for Aboriginal Victorians.

We acknowledge that many Aboriginal people have missed out on the economic benefits Victoria has to offer.

We want to make sure Aboriginal people get better outcomes from government spending, not just as recipients of government services and grants, but as our partners and suppliers.

This commitment is behind the development of Tharamba Bugheen: Victorian Aboriginal Business Strategy 2017-21. It's also why we have set a 1 per cent Aboriginal procurement target from 2019-20.

Social procurement can help to level the playing field for Aboriginal people in Victoria, so that we can all share the opportunities that come along with being Victorian.

The newly established Aboriginal Economic Development Branch within the Department of Jobs, Precincts and Regions will lead the achievement of this target, in partnership with the Victorian Aboriginal community. It is a key part of our commitment to ensuring a prosperous, thriving and strong Aboriginal community through employment and economic development, as a pathway to self-determination.

*'The implementation of the Social Procurement Framework is a positive step forward in the recognition of the range of goods and services that Aboriginal and Torres Strait Islander businesses can provide across State Government departments. As the Framework is further embedded, we expect to see the positive outcomes with larger and longer-term contracts providing the economic benefits to Aboriginal and Torres Strait Islander businesses and people.'*

**KAREN MILWARD**  
CHAIR, KINAWAY CHAMBER OF COMMERCE



# KEY ACHIEVEMENTS

In the twelve months from 1 July 2018 to 30 June 2019, Victorian Government departments and core agencies spent:



**\$11.1 MILLION** with 53 verified Victorian Aboriginal businesses; and



**\$5.6 MILLION** with a further 41 Aboriginal organisations identified by departments.



**\$0.47 MILLION** with Victorian Aboriginal businesses through state purchase contracts.



Under the rail industry's Training for the Future skills program, five Aboriginal people completed the GROW<sup>1</sup> and TRANSIT<sup>2</sup> programs and 16 Aboriginal people completed the GEN44<sup>3</sup> program in 2018-19.



All Major Transport Infrastructure Authority projects<sup>4</sup> have a target of 2.5% Aboriginal employment hours as a proportion of total hours. Seven of the 13 active projects had met or exceeded this target as at 30 June 2019, the remaining projects are still in progress. This target is a point-in-time target, based on actual hours worked.



Kinaway Chamber of Commerce is the peak Aboriginal organisation supporting Victorian Aboriginal and Torres Strait Islander business owners and entrepreneurs. Since its official launch in October 2018, the number of certified businesses listed on its directory has increased from 15 in September 2018 to 102 businesses by 30 July 2019.



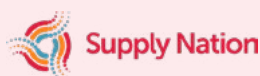
The major road and rail projects (delivered by the Level Crossing Removal Project, Major Road Projects Victoria, North East Link Project, Rail Projects Victoria and the West Gate Tunnel Project) spent **\$67.6 MILLION** with Victorian Aboriginal businesses<sup>5</sup> and organisations and recorded **415 392** Aboriginal employment hours in 2018-19.



Supply Nation, Australia's largest database of verified Indigenous businesses, reports that the number of Victorian suppliers increased from 54 Victorian Aboriginal businesses in 2017 to 126 by 30 June 2019.

*'At Supply Nation our own research and feedback from the sector has shown that there are many benefits that flow through to Indigenous families and communities for every dollar of revenue generated in an Indigenous business. Government focus on opportunities for Indigenous businesses through policy and target setting is a critical component to fostering change and building a prosperous, vibrant and sustainable Indigenous business sector.'*

**LAURA BERRY**  
CEO, SUPPLY NATION

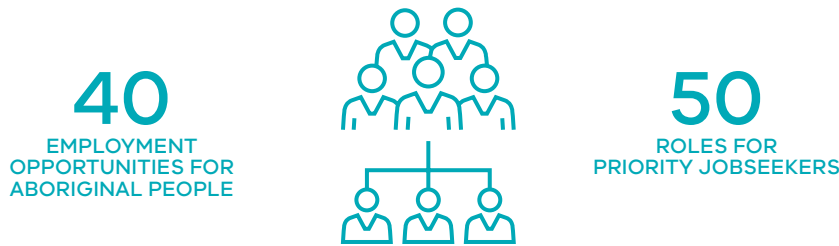


1 GROW provides training and employment opportunities in the transport and construction industries to people from marginalised or disadvantaged backgrounds.  
2 TRANSIT program showcases employment opportunities in transport to workers from declining industries, including former automotive workers.  
3 GEN44 is the Future Smart Leaders program providing opportunities to university students from marginalised and disadvantaged backgrounds.  
4 With the exception of former VicRoads projects that transferred to Major Road Projects Victoria.  
5 This figure may include spend with Aboriginal organisations that do not meet the current definition of Victorian Aboriginal Businesses in the Framework.

## CASE STUDY: METRO TUNNEL PARTNERSHIP CREATING SOCIAL CHANGE

The Rail Infrastructure Alliance is partnering with Aboriginal social enterprise Zancott Recruitment to provide opportunities for Aboriginal people in the city-shaping Metro Tunnel project.

Rail Infrastructure Alliance has provided close to 40 employment opportunities for Aboriginal people as well as 50 other roles for priority jobseekers, including refugee and asylum seekers, people with a disability and other groups who have traditionally faced barriers to employment.



Zancott recruits Marlon Mitchell, Joelinda Roberts and Rene Dewey are supporting the project's commercial and administration functions and enjoying the unique opportunities to learn and upskill on the project.

Rail Infrastructure Alliance Social Procurement Manager Greg Rafferty said the Alliance was working to expand its partnership with Zancott to provide both blue-collar and white-collar opportunities for local Aboriginal people.

'At Rail Infrastructure Alliance, we're proud to be actively helping under-represented groups, including Aboriginal people, get a foot in the door with meaningful employment opportunities on major construction projects such as the Metro Tunnel,' Greg said.

Zancott recruits Marlon Mitchell, Joelinda Roberts and Rene Dewey.

## CASE STUDY: BUILDING THE NEXT GENERATION OF SKILLED ABORIGINAL TALENT

An example of how social procurement is having an impact for communities is through the Mernda Level Crossing Removal Project. The project delivery partners subcontract to Mooney's Corp Pty Ltd, an Indigenous business that provides a range of services to the rail industry. There are three generations of the Mooney family – Darrell, Sonny, Nakeila, Janaya and Gratton – all working on this project, who share their skills on-site and in the project office.

The Mooney family at work on the Level Crossing Removal Project's Mernda project.

The Department of Environment, Land, Water and Planning, in partnership with Supply Nation, held two Aboriginal tradeshows in April and July 2018 where 17 small-to-medium Aboriginal businesses had the opportunity to showcase their work to government buyers.





# Opportunities for disadvantaged Victorians

## Message from the Minister

The Hon Martin Pakula MP, Minister for Jobs, Innovation and Trade



The Victorian Labor Government was elected to create a fairer Victoria – one where every Victorian has the chance to thrive.

We believe that employment lies at the heart of this, and that's why, through the Social Procurement Framework, we're using the Victorian Government's spending power to create jobs and opportunities right across our State, particularly for those Victorians who face barriers to finding work.

The Social Procurement Framework is a critical enabler for the growth of Victoria's social economy. It supports the development of Aboriginal business, social enterprises and Australian Disability Enterprises, and provides long term job seekers with access to more employment opportunities.

The Framework works together with a range of established programs and initiatives delivered by the Victorian Government. This includes Jobs Victoria, a suite of targeted support services for people looking for work. Since late 2016, Jobs Victoria has supported over 10 000 people into work whilst simultaneously supporting the workforce and recruitment needs of employers.

These initiatives have created a great synergy, with the Framework encouraging businesses to employ more people facing barriers to employment, and Jobs Victoria helping get these people ready for work.

When delivered to its full potential, Victoria's Social Procurement Framework will bolster our existing initiatives by ensuring employers seeking to secure government contracts contribute to creating a more inclusive, diverse and productive workforce. There are countless benefits of this social spending for Victoria's economy, but the biggest impact will be felt in the lives of those Victorians who will get the chance to work and build a better life for themselves and their families.

## CASE STUDY: GIVEN THE CHANCE RECRUITS VICTORIANS FROM DIVERSE BACKGROUNDS

Given the Chance is a Brotherhood of St Laurence social enterprise that provides supported recruitment to allow employers to secure more diverse sources of labour. This helps disadvantaged jobseekers gain valuable experience, and it allows businesses to meet their corporate social responsibility, social procurement and workforce diversity objectives.

Data from both Given the Chance and Jobs Victoria Employment Network placements shows that more than 200 job placements since 2017 have been with employers seeking to meet their Victorian Government procurement obligations.

Candidates include refugees and asylum seekers, people with a disability, young people and mature-aged people, Aboriginal and Torres Strait Islanders and long-term unemployed people.

Since the announcement of the Social Procurement Framework, Given the Chance has also established hire agreements with many large infrastructure employers including John Holland, Lendlease, CPB, Fulton Hogan, Western Lands, REA, Boral and McConnell Dowell.

To meet their social procurement targets, these employers have taken on refugees and asylum seekers, as well as other cohorts, across a range of skill areas, from apprentices in civil construction to entry-level asset maintenance, administrative roles and engineers.

Raji is working for McConnell Dowell as part of the Level Crossing Removal Project and the Western Program Alliance through the Given the Chance project.



## KEY ACHIEVEMENTS

In the six months from 1 January 2019 to 30 June 2019 Victorian Government departments and core agencies spent:



**\$7.3 MILLION** with 70 certified social enterprises.



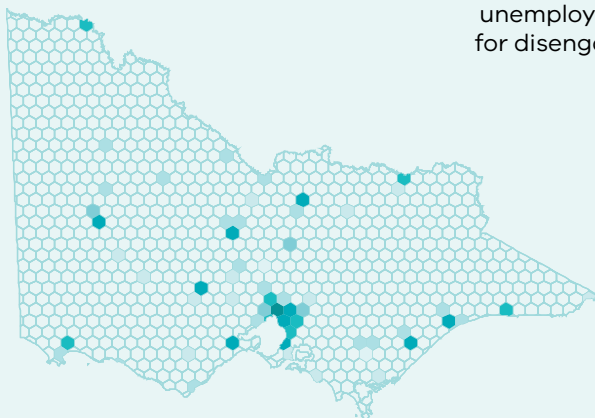
Of this, **\$4.3 MILLION** was spent with 32 certified social enterprises with a mission for priority disadvantaged people.



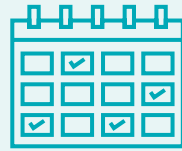
**\$25.2 MILLION** with 176 social enterprises identified by the Map for Impact project.<sup>6</sup>



Of this, **\$3.6 MILLION** was spent with 27 social enterprises identified by Map for Impact with a mission for priority disadvantaged people.



**Figure 1: Distribution of direct spend with social enterprises, Australian Disability Enterprises and Aboriginal organisations, 1 January to 30 June 2019.<sup>8</sup>**



For the full financial year 2018-19, the Government spent **\$3.44 MILLION** with Victorian social enterprises through state purchase contracts.



The major road and rail projects (delivered by Level Crossing Removal Project, Major Road Projects Victoria, North East Link Project, Rail Projects Victoria, West Gate Tunnel Project) spent **\$8.4 MILLION** with social enterprises<sup>7</sup> in 2018-19.



Rail Projects Victoria recorded **15 204** employment hours for refugees. Rail Projects Victoria and North East Link Project recorded **36 413** hours for long-term unemployed and **6 432** hours for disengaged young people.



For rail industry skills programs in 2018-19:



49 refugee/asylum seekers completed the GROW and TRANSIT programs and 24 completed the GEN44 program.



23 long-term unemployed completed the GROW and TRANSIT programs and five completed the GEN44 program.



Social Traders, Australia's leading organisation supporting social enterprises, experienced unprecedented demand for certification in 2018-19, with an increase of 37 per cent. Victorian social enterprises accounted for 71 per cent of the growth, increasing from 97 certified organisations to 166 by 30 June 2019.

### Total Spend



<sup>6</sup> The Map for Impact identifies and maps Victoria's social enterprises and explores their social characteristics - <https://mapforimpact.com.au>.  
<sup>7</sup> This figure may include spend with Social Enterprises that do not meet the current definition of Victorian social enterprises in the Framework.  
<sup>8</sup> Does not include SPF state purchase contract spend.

*'Victoria's Social Procurement Framework is an impressive, world-class policy initiative that links the Government's significant procurement to the State's overarching inclusive economic growth priorities. Importantly, the policy is being backed up by dedicated resourcing to implementation, led by the Department of Treasury and Finance and the Department of Jobs, Precincts and Regions, across the Government's 270+ departments and agencies.'*

**DAVID BROOKES**  
MANAGING DIRECTOR, SOCIAL TRADERS

**SOCIAL TRADERS**

## CASE STUDY: NEW OPPORTUNITIES IN THE RAIL SECTOR

Rowan Lal and Zaid Yousuf have directly benefitted from programs designed to offer new opportunities in the rail sector.

Rowan Lal, a former automotive worker with 24 years' experience, hoped his skills would stand him in good stead for the future.

However, when Australia's car manufacturing industry went into decline, Rowan joined the TRANSIT program, which was established by Metro Trains Melbourne and the Level Crossing Removal Project to provide opportunities for workers affected by changes in the economy.

Rowan is now Governance Manager, Integration and Transformation with Metro Trains Melbourne.

'I was looking for opportunities outside of the automotive industry and the TRANSIT program gave me the confidence that my skill set would be suitable and add value in the transport sectors,' Rowan says.

For his part, Zaid Yousuf arrived from war-torn Iraq in December 2016, and was ultimately accepted into Australia as a refugee.

With a Bachelor of Commerce and Banking Science and a wealth of experience working at the Bank of Baghdad, Zaid was referred to the Level Crossing Removal Project by Career Seekers (a non-profit organisation) as part of the five-day GROW program.

Zaid's skills from the financial sector in Iraq caught the attention of the Level Crossing Removal Project finance team, and he has worked there as a Project Accounting Officer since May.

'The GEN8 internship program gave me the most important thing when I came to Australia – a doorway that opened to my first position working in an Australian workplace, and for that I feel so very lucky,' Zaid said.

Zaid Yousuf



# Opportunities for Victorians with disability



## Message from the Minister

The Hon Luke Donnellan MP, Minister for Disability, Ageing and Carers

Having a job is more than just getting a pay packet – although that in itself is no small thing.

It's also about feeling included and being a part of something. It's about gaining the confidence to learn new things and make a contribution within the community.

Victorians with disability want and deserve job opportunities, just like everyone else, and through our Social Procurement Framework, the Victorian Government is providing incentives that create these jobs.

From social enterprises established specifically to provide employment for people with disability, to big contractors who are now realising that being an inclusive employer and purchaser is actually good for their own culture and bottom line, social procurement is changing lives for Victorians and delivering value for the Victorian Government.

## THE SOCIAL PROCUREMENT FRAMEWORK CREATING OPPORTUNITIES AT KNOXBROOKE YARRA VIEW NURSERY

Knoxbrooke's Yarra View Nursery is a social enterprise that provides employment for people with disability.

Knoxbrooke has won contracts to supply plants for several government projects including Mernda Rail Project, Western Program Alliance, Southern Program Alliance and North East Program Alliance.

General Manager Scott Buckland estimates the business has added an additional five employees (year-on-year growth) and is providing an additional 10 000+ hours of paid employment year-on-year. Yarra View Nursery now employs 115 people, 86 who are living with disability, and generates over 120 000 hours of paid employment and over 7 000 hours of accredited training each year.



5

NEW EMPLOYEES



10 000

ADDITIONAL HOURS  
IN PAID EMPLOYMENT

Knoxbrooke workers Meaghan, Terry and Leanne (front to back) prepare seedlings.



*'Victoria's Social Procurement Framework has been critical for the growth and sustainability of Yarra View Nursery and has enabled the empowerment and development of people living with disability.'*

**SCOTT BUCKLAND**  
GENERAL MANAGER, KNOXBROOKE ENTERPRISES

# KEY ACHIEVEMENTS



In the six months from 1 January 2019 to 30 June 2019 Victorian Government departments and core agencies spent:



**\$2.7 MILLION** with 36 Australian Disability Enterprises or social enterprises led by a mission for people with disability.



A further **\$1.8 MILLION** was spent with 15 social enterprises identified by Map for Impact.



Rail Infrastructure Alliance and North East Link Project recorded more than **4 000** employment hours for people with a disability.



For rail industry skills programs in 2018-19, 14 people with disability completed the GROW and TRANSIT programs and six people with disability completed the GEN44 program.

*‘Our social enterprise model provides meaningful employment opportunities. Currently more than 70 per cent of our staff are people with disability and/or from a marginalised background. This has allowed us to employ a significant proportion of our staff from Jobs Victoria program providers.’*

**SAM SONDHI**  
CEO OUTLOOK

## GROWTH AT OUTLOOK ENVIRONMENTAL PROVIDING OPPORTUNITIES FOR VICTORIANS WITH DISABILITY

Outlook Environmental, a social enterprise providing employment for people from disadvantaged backgrounds and Victorians with disability provides waste management services for large Victorian Government infrastructure projects, including as part of the Western Program Alliance, the Southern Program Alliance, the North West Program Alliance, as well as works for the Mernda Railway Extension and the Metro Tunnel Project.

Since 2018, Outlook Environmental has grown steadily in terms of revenue (40 per cent) and employment opportunities (30 per cent). In fact, 19 roles were generated in the 2018-19 financial year.

Over the last year, Outlook Environmental has gained further work on major infrastructure projects and has added new tier 1 construction partners as a result.



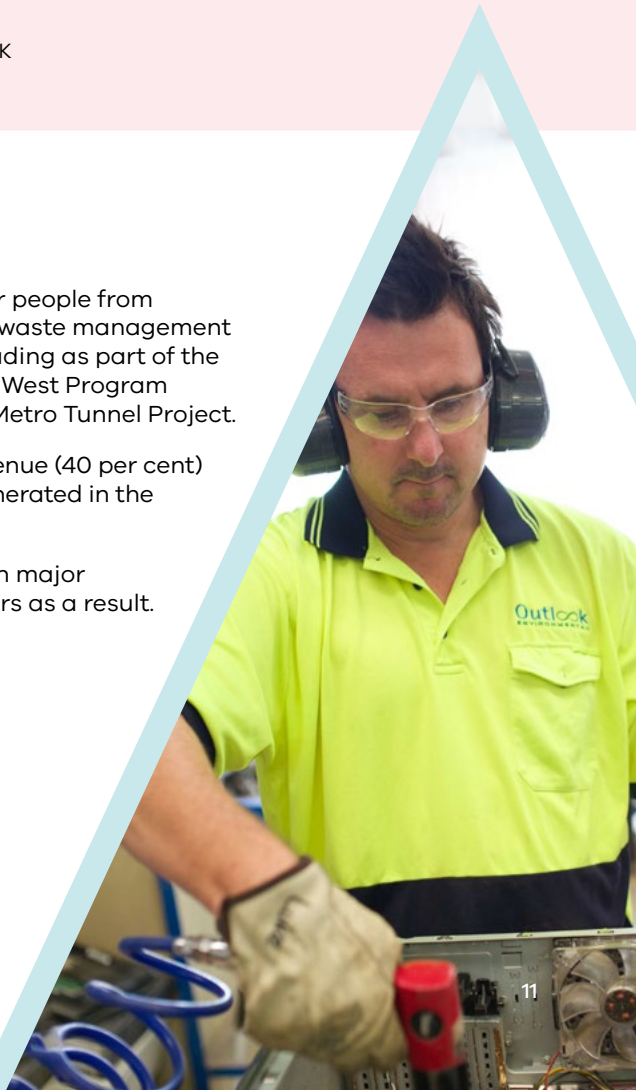
**40%**  
RAISED REVENUE



**30%**  
EMPLOYMENT



**19**  
NEW JOBS



## Women's equality and safety



### Message from the Minister

Gabrielle Williams MP, Minister for Women and  
Minister for Prevention of Family Violence

We know that women in Victoria still face significant barriers in the workforce.

On average, women in full time work earn 9.2 per cent less<sup>9</sup> than their male counterparts. Although the gender pay gap in Victoria is closing<sup>10</sup>, this is still unacceptable. As a result, women retire with around 38.8 per cent<sup>11</sup> less superannuation than men and are more likely to experience poverty.

We know that gendered discrimination is the primary contributor to this disparity. Gender inequality limits the potential of women and the Victorian economy. We need to address the barriers that prevent the full participation of women in our economy and our community.

We also know that gender equality is an essential precondition for the prevention of family violence and violence against women. The majority of victims of family violence are women – it is the leading contributor to death, disability and illness for women aged 15 to 44. The Government values working with businesses which support victim-survivors of family violence, their connection to work and the community.

The Government is committed to ending family violence in Victoria and promoting gender equality across our state, including in the workforce. The Social Procurement Framework is an important lever for change – using government's buying power to reduce barriers and improve outcomes for Victorian women.

This landmark policy platform is helping to create a safer and more equitable Victoria.

<sup>9</sup> <https://www.wgea.gov.au/data/fact-sheets/australias-gender-pay-gap-statistics>

<sup>10</sup> *ibid.*

<sup>11</sup> Figures for 2015–17, <https://www.wgea.gov.au/data/fact-sheets/superannuation-gender-pay-gaps-by-age-group>

### CASE STUDY: MEET THE ENGINEER

A passion for problem solving and an inquisitive nature have served Stefania Calati well in her role overseeing the construction of Cobblebank's new train station.

The Senior Project Engineer enjoyed maths and science at school, and was looking for a career with good prospects, which led her down the path of engineering.

'We didn't have a TV until I was 10. Looking at things and how they work and having to find activities outside of TV was quite integral to how I developed an interest in this field.'

After a stint working in China, she returned to Australia and started on the Ballarat Line Upgrade last year. She says having a mix of women and men working on a major project creates a great synergy.

'Women have a different approach to problem solving, and that's what we do on a daily basis – problem solve,' she says.

'In an environment like this, which is male-dominated, I think women provide a different way of thinking and a different dynamic.'

Stefania is looking forward to the station being completed by the end of the year.

'To have it starting from a green field with one track in the middle of a paddock, and then to build a brand new station ... it's pretty satisfying.'

Stefania Calati.

Image: Heather Felix Photography.



# KEY ACHIEVEMENTS



Victoria's major road and rail projects are providing opportunities for women in traditionally male dominated industries such as construction, through programs including Women in Construction.



Currently, 42 women are employed as part of the Alliance delivery team on the Ballarat Line Upgrade in roles including engineering, sustainability, quality control, procurement and project management.



For rail industry skills programs in 2018-19, 31 women completed the GROW and TRANSIT programs.



Female participation in the GEN44 training program rose to 49 per cent in 2018-19, with 50 women completing the program.



Beyond its direct spend with social benefit suppliers, the Victorian Government is striving to make positive changes through engaging suppliers on state purchase contracts. This year, the Department of Treasury and Finance and the Department of Premier and Cabinet secured commitment from the majority of their state purchase contract suppliers to provide family violence leave for their employees. The Department of Justice and Community Safety and CenITex will be supporting this initiative for their state purchase contract suppliers in the future.



This constitutes approximately 20% of the Alliance delivery team of 220 employees.

A lack of economic security for women is leading to rising rates of homelessness and insecure housing.

Helping to bring some security, the Department of Justice and Community Safety procured mail-out services through The Big Issue's Women's Subscription Enterprise.

This activity alone created job opportunities for **29 women** who worked shifts totalling **over 144 hours**.

Image: Grant Treeby

## CASE STUDY: CHANGE OUR GAME

The Office for Women in Sport and Recreation engaged Swinburne University of Technology to evaluate the Change Our Game suite of initiatives aimed at increasing participation and leadership of women and girls in sport and active recreation.

In line with the remit of the Office for Women in Sport and Recreation to create opportunities for women in all types of roles across the sector, the University must ensure at least 50 per cent of the project delivery team are women over the life of the project.



# Supporting safe and fair workplaces



## Message from the Minister

Tim Pallas MP, Minister for Industrial Relations

All Victorians deserve to work in secure jobs with fair wages and to come home safely from work to their families every day.

Secure work is the key to prosperity, and a foundation for an inclusive society in which everyone can reach their full potential.

The Victorian Government is the biggest spender in the Victorian economy, supporting not just the people we employ directly, but also private industry through our investments in the infrastructure and services that are building the Victoria of tomorrow.

By mandating social procurement principles, we are also investing in a culture of safety and fairness in all Victorian workplaces.

## THE VICTORIAN GOVERNMENT PURCHASING BOARD'S SUPPLIER CODE OF CONDUCT

The Victorian Government Purchasing Board's Supplier Code of Conduct applies to all contracts, agreements and purchase orders from 1 July 2017. It outlines minimum ethical standards in behaviour, including in relation to labour and human rights, that suppliers will aspire to meet when conducting business with, or on behalf of, the Victorian Government.

The Victorian State Government is **committed to ethical, sustainable and socially responsible procurement**. All suppliers need to comply with their legal obligations under applicable legislation and regulations, industrial awards and agreements, court and tribunal decisions and contracts of employment.







## CASE STUDY: NEW PROCUREMENT INITIATIVES SUPPORT SAFE AND FAIR WORKPLACES

The no-less favourable mechanism in the current security services state purchase contract protects the pay and conditions of security staff employed on government contracts. Security staff can now be sure they will receive the same pay and conditions should their employer change. In the past, this was not guaranteed.

The cleaning accountability framework is a new industry-led initiative to protect and strengthen workplace integrity for cleaners at office buildings. It assesses buildings to ensure that cleaners are receiving legal rates of pay and entitlements, have safe working conditions and job security. It also aims to ensure that businesses involved in the supply chain are meeting their legal obligations.

The Victorian Government is running a cleaning accountability framework pilot program at two key office locations – 1 Macarthur Street and 1 Treasury Place in Melbourne. If the pilot is successful, these two sites will be the first Victorian Government buildings certified under the cleaning accountability framework.



## Sustainable Victorian regions



### Message from the Minister

The Hon Jaclyn Symes MP,  
Minister for Regional Development

Around a quarter of all Victorians call our regions home, and regional economies are the backbone of Victoria's success. This is led in part by this state being the number one food exporter in Australia.

This Government is making sure that people and businesses from regional Victoria benefit when we invest in goods, services and infrastructure because we recognise that we need to share the benefits of economic growth and prosperity across the whole state.

The Social Procurement Framework encourages government departments and agencies to take a place-based approach to purchasing; one that is focused on small and medium businesses throughout the supply chain, based in areas that need support.



The My Maintenance Crew team at Geelong.

*'That's why big contracts like this are massive for us and the community. The VicRoads opportunity was significant for a few reasons. It created new job opportunities, but it also validated our services in a legitimate commercial sense.'*

**BRAD KEATING**  
OPERATIONS MANAGER,  
MY MAINTENANCE CREW

### CASE STUDY: MY MAINTENANCE CREW

My Maintenance Crew is an initiative of Diversitat, a not-for-profit community organisation with a long history of caring for and supporting the disadvantaged and disengaged youth of the Geelong region.

The organisation won a competitive tender to provide maintenance services for 25 vacant VicRoads sites, covering more than 500 000 square metres alongside major regional roads between Geelong and Apollo Bay.

According to My Maintenance Crew Operations Manager, Brad Keating, the contract unlocked opportunities for both new and existing staff.

'We provide employees with a range of accredited training to ensure they are given industry-specific skills. We also focus on life skills such as independence and self-development, as much as the technical training,' Brad said.

'Our goal is to increase the chance of breaking the cycle of disadvantage for all employees and these skills are critical in that context,' he said.

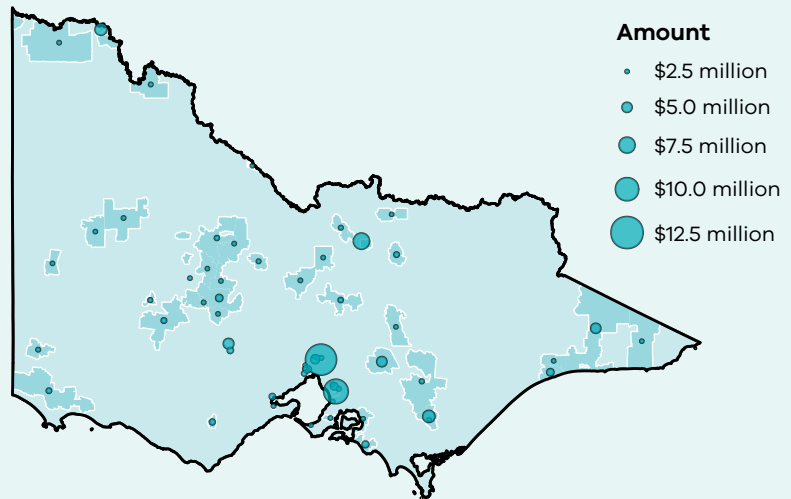
# KEY ACHIEVEMENTS



For the period 1 January 2019 to 30 June 2019, Victorian Government departments and core agencies through direct procurement activities, spent over **\$63 MILLION** with businesses in the most disadvantaged parts of Victoria.

<sup>12</sup> Disadvantaged areas are the postcodes ranked in the bottom state decile by the Australian Bureau of Statistics' (ABS) Index of Relative Socio-economic Disadvantage (IRSD), 2016.

**Figure 2: Spend within regions of entrenched disadvantage,<sup>12</sup> 1 January - 30 June 2019.**



## CASE STUDY: THE WORKGROUP

The Workgroup, a social enterprise based in northern and central Victoria and southern New South Wales, is funding programs to support local youth transition from secondary school to employment. Through their three entities, Worktrainers, GAME Traffic and Contracting, and Recruitment Select, The Workgroup provided services to several government departments and tier 1 suppliers in 2019.

*'As a mature social enterprise in regional Victoria, GAME benefited greatly from the Social Procurement Framework, with existing and new customers seeking out information about our social dividend. As a result of social procurement and our social enterprise model, we are currently assisting 1 026 regional youth in our school-based employment program.'*

**CRAIG MARSHALL**  
CEO, THE WORKGROUP

# Environmental and sustainable outcomes



## Message from the Minister

The Hon Lily D'Ambrosio MP, Minister for Energy, Environment and Climate Change and Minister for Solar Homes

Victoria faces some tough challenges as we strive to deliver a sustainable environment for future generations. From global issues like climate change to local shifts in our waste and recycling industries, we need to ensure we have the policy settings in place that will drive better environmental outcomes.

The Victorian Government's Social Procurement Framework helps us do this.

It sets the expectation that environmental outcomes are considered in all our procurement activities.

Our environmental procurement policies are driving best practice approaches to using recyclable and recovered content, minimising waste and greenhouse gases, preventing habitat destruction and providing non-toxic solutions.

## KEY ACHIEVEMENTS

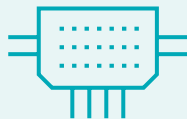
Major road and rail projects provide many recycling and sustainability opportunities. In cooperation with our delivery partners, we have used the following over the life of these major projects:



**456 543t**

**Recycled crushed concrete/masonry**

Monash Freeway Upgrade – Stage 1  
Thompsons Road Upgrade  
Hallam Road Upgrade  
Mernda Rail Extension  
Caulfield to Dandenong  
Abbotts Road  
Kororoit Creek Road



**123 158t**

**Steel with recycled content**

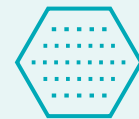
Mernda Rail Extension  
North East Program Alliance (Hurstbridge Stage 1)  
North West Program Alliance (comprising Camp Rd, Skye Rd and Frankston Station  
Caulfield to Dandenong  
Kororoit Creek Road



**329 042t**

**Supplementary cementitious material**

Mernda Rail Extension  
North East Program Alliance (Hurstbridge Stage 1)  
North West Program Alliance (comprising Camp Rd, Skye Rd and Frankston Station  
Kororoit Creek Road



**Recycled**

**Glass in concrete**  
Glass sand is being trialled in concrete, as an alternative to virgin sand

Reservoir Station



**120**

**Recycled plastic sleepers to be installed on V/Line network**

Wyndham Vale Stabling Yard



**20km**

**Rail barriers: rotationally moulded plastic using 5% recycled plastic across 20 km**

Caulfield to Dandenong



**6 000t**

**Track and ballast reused on temporary rail line and stored for reuse**

Seaford Road



**1 314t**

**Recycled glass sand used as bedding material**

Kororoit Creek Road  
Aviation Road  
Wyndham Vale Stabling Yard

## CASE STUDY: VICTORIAN GOVERNMENT'S GREENER GOVERNMENT SCHOOLS

The Victorian Government established the Greener Government School Buildings program to reduce government schools' greenhouse gas emissions and upgrade their facilities to be both energy efficient and more sustainable.

The Greener Government School Buildings program is installing solar panels in schools to reduce the environmental impact of school operations and to promote environmental sustainability and renewable energy initiatives across Victorian Government schools.

As of 30 September 2019, the Greener Government School Buildings pilot program had installed solar panels at 42 Victorian Government schools. Over the next five years, schools will repay the costs of the installation through the generated savings of the solar panel system itself.



An installed PV system at Lalor Garden Primary School.

Across the 42 schools, a total system capacity of 987 kW has been installed. This is generating 1 369 157 kWh of electricity savings, which equates to **\$301 854** saved on utility bills a year and carbon dioxide abatement of approximately 1 600t CO<sub>2</sub>e.

## SUSTAINABILITY REQUIREMENTS ON MAJOR PROJECTS

Our large projects also include significant sustainability requirements, which cover both the delivery of the project and where appropriate, the on-going operation of the infrastructure. These requirements include:



Energy-efficient lighting at construction sites and site facilities



Use of high efficiency diesel generators



Use of green power and carbon offsets



Energy efficient lighting and hot water systems



Use of solar panels where possible



Waste management practices to maximise diversion from landfill



Regenerative drives on escalators which enable the capture, storage and reuse of otherwise wasted braking energy



**41 059t CO<sub>2</sub>e**  
REDUCTION IN GREENHOUSE GAS EMISSIONS

**These activities have had a real impact by reducing greenhouse gas emissions.**

Across four major infrastructure projects alone, Mernda Rail Extension, North East Program Alliance (Hurstbridge Stage 1), North West Program Alliance (comprising Camp Road, Skye Road and Frankston Station), Western Program Alliance (Koroit Creek Road, Abbots Road) a total reduction of 41 059t CO<sub>2</sub>e<sup>13</sup> has been projected.

<sup>13</sup> The stated consolidated CO<sub>2</sub>e reduction incorporates both realised construction and projected operational phase reductions across the projects for a period of 50 years (as informed by the Australian Transport Assessment and Planning Guidelines for Rail Projects).

## CASE STUDY: RECYCLED PLASTIC SLEEPERS

For the first time in Victoria, V/Line trains are rolling over railway sleepers made from recycled plastic.

The recycled sleepers are an innovative replacement for V/Line's current concrete sleepers and were installed in July 2019 near Wyndham Vale train station, in a brand-new storage yard for regional trains.

V/Line trains are heavier and run faster than metro trains, so they need sturdy sleepers. Concrete has always been the most reliable option – until now.

Recycled plastic sleepers at Wyndham Vale.  
Image: Level Crossing Removal Project.



Thorough testing shows the recycled plastic sleepers will not melt, crack or flake off under pressure. They will not leach into the environment and are much less carbon intensive to make.

For every kilometre installed, the sleepers use **64 TONNES OF PLASTIC WASTE** that would have otherwise gone to landfill.



This was the second major milestone for the recycled plastic sleepers, which were also installed for the first time on the Metro Trains network at Richmond Train Station in June 2019.

Made from a mix of polystyrene and agricultural plastic waste, the recycled sleepers provide an environmentally sustainable alternative to concrete, which requires intensive resources and causes higher levels of carbon emissions.

The recycled plastic sleepers last up to 50 years and they need less maintenance during that time.

## CASE STUDY: USING RECYCLED GLASS IN LEVEL CROSSING REMOVAL

The Kororoit Creek Road Level Crossing Removal Project is the first rail project in Victoria to use recycled glass sand as bedding fill, as well as backfill for drainage piping.

The recycled glass sand is manufactured from inert recycled glass recovered from the glass recycling process. Reusing this material reduces the amount of waste being sent to landfill and preserves existing sand deposits. It also conserves the energy that would otherwise be used to extract sand.

The cost of the recycled glass sand used in this project was about half the price of virgin material, due to shorter transport distances.

It is also safer to handle, as it presents a lower respiratory hazard than traditional sand.

The project used **904 TONNES** of recycled glass sand at the Kororoit Creek Road site and another **410 TONNES** at the Aviation Road and Wyndham Vale Stabling Yard project sites.

To support the long-term viability of this sustainable solution, Metro Trains Melbourne has developed a specification that allows the use of recycled glass sand anywhere within the Metro Trains Melbourne metropolitan rail network.

The Kororoit Creek Road Level Crossing Removal Project.



## CASE STUDY: USING RECYCLED CONTENT IN ROAD SURFACES

In May 2018, the Victorian Government announced a **\$2.5 MILLION PROGRAM** to develop the market for recovered resources.

As part of this program, Downer Group in partnership with Hume City Council, Close the Loop and RED Group developed Australia's first asphalt road mix using reclaimed asphalt, toner from printer cartridges, glass fines and soft plastics.

The successful research led to the construction of the soft plastic asphalt road in Craigieburn, which will support the commercialisation of this new road product as Downer monitors the road's performance over the next year.



Reclaimed asphalt being installed. Image: Sustainability Victoria.

Compared with the standard VicRoads-specified asphalt, the new asphalt mix has a longer lifespan, thanks to a 65 per cent improvement in fatigue tolerance. It also has better deformation resistance for withstanding heavy vehicular traffic.

**Every 1 km of two-lane road paved with plastic and glass modified asphalt uses approximately:**



**530 000**  
RECYCLED PLASTIC  
BAGS AND PACKAGING



**170 000**  
RECYCLED GLASS BOTTLES



**12 500**  
TONER FROM USED  
PRINTER CARTRIDGES



**130t**  
OF RECLAIMED ROAD  
(ASPHALT) RE-USED, WITH  
THE INCLUSION OF 20 PER  
CENT RECLAIMED ASPHALT  
PAVEMENT

## CASE STUDY: NOISE WALL PARAPETS MADE WITH RECYCLED PLASTIC

The Victorian Government is using Viscount's rotationally moulded plastic noise walls and parapet claddings across a number of major rail and road projects.

For the Level Crossing Removal Program, Viscount and its installation partner Aus Group Alliance, worked with the Level Crossing Removal Project to develop, construct and install 21 km of rotationally moulded plastic parapet cladding.

The noise walls and parapet claddings can be made from up to 30 per cent post-consumer kerbside recycled material.

Ten kilometres of the noise walls typically consume **260 TONNES OF WASTE**, for example 6 190 000 reclaimed one-litre milk bottles.

The noise walls' carbon footprint is more than 30 per cent lower than concrete. They have a longer life than timber and can be fully recycled at the end of their life.

They also require less maintenance and offer a cheaper and safer installation for operators due to their light weight.

The adoption of the noise walls and parapet cladding system provide significant savings on supply and installation costs.

Local residents and authorities have praised the noise walls for their aesthetics and noise abatement capabilities.

Some of the 8 500 rotationally moulded plastic noise wall parapets on the overhead superstructure of the Caulfield to Dandenong level crossing removal project.



# How suppliers work with the Social Procurement Framework

## SOCIAL PROCUREMENT BENEFITS ORGANISATIONS

Engaging in social procurement increases an organisation's competitiveness to bid for government work and helps build a more inclusive, diverse, capable and productive workforce.

## GOVERNMENT WANTS TO DO BUSINESS WITH SUPPLIERS WHO ADOPT SOCIAL PROCUREMENT

Through social procurement, the Victorian Government is committed to prioritising its expenditure to deliver positive social, economic and environmental outcomes. With an ambitious government agenda to create a fairer and more sustainable Victoria, this focus will only grow stronger.

## HOW THE VICTORIAN GOVERNMENT IS ENGAGING INDUSTRY AND SUPPLIERS AROUND SOCIAL PROCUREMENT

The Victorian Government engaged industry and suppliers to increase their awareness and understanding of the Social Procurement Framework.

In 2018-19, the Government undertook a range of activities to support the implementation of the Framework, and to maximise take up of social procurement. These activities included presentations with:

- the Major Transport Infrastructure Authority and Jobs Victoria to support inclusive employment for major projects;
- the Victorian Chamber of Commerce and Industry and the Australian Industry Group on aligning Social Procurement Framework support to small and medium-sized enterprises;
- Lendlease and the Level Crossing Removal Project to discuss opportunities for new social enterprises on major projects;
- Think Impact about measuring the value of Metro Tunnel social procurement and workforce development;
- other key stakeholders such as the DWS Group, Western Water, GROW Ballarat and the Australian Industry Improvement Association.

Targeted support for industry and suppliers in regional Victoria has been undertaken. This has included the Victorian Government in collaboration with Social Traders, facilitating the Social Procurement in Regional Victoria event series in March 2019. This consisted of six events delivered in Shepparton, Geelong, Ballarat, Bendigo, Traralgon and Wodonga to inform suppliers and government buyers about the Framework.

The Department of Jobs, Precincts and Regions has undertaken further engagement to support industry to understand the application of the Local Jobs First and the Social Procurement Framework. As part of this engagement, the Department hosted seven briefings during March and May 2019. Further presentations have also been provided at Local Jobs First events.

In addition to the above, information stalls were hosted at several industry expos and showcases in 2018-19.

The Government is committed to strengthening state-wide industry and supplier engagement throughout 2019-20. This will include further participation in industry forums and targeted engagement with industry and suppliers through peak bodies, tier 1 and tier 2 suppliers and intermediaries. Information will be promoted through relevant communication channels, for example in newsletters of industry or peak bodies.



## HOW THE VICTORIAN GOVERNMENT PRIORITISES SOCIAL PROCUREMENT

In 2018-19 the Social Procurement Framework applied to all Victorian Government departments and core agencies. This number will grow significantly in 2019-20 as more than 260 additional government agencies apply the Framework to their procurement activities.

As part of the application of the Framework, each department and agency identifies priority social procurement objectives. This provides suppliers with useful information about the priorities for the coming year.

**Figure 3: Shows the objectives prioritised by each of the departments and core agencies in 2019-20.**

SPF OBJECTIVE	Department of Transport											
	Department of Environment, Land, Water and Planning	Department of Education and Training	Department of Health and Human Services	Department of Justice and Community Safety	Department of Jobs, Precincts and Regions	Department of Transport	VicRoads	Public Transport Victoria	Major Transport Infrastructure Authority*	Department of Premier and Cabinet	Department of Treasury and Finance	Victoria Police
Opportunities for Victorian Aboriginal people		✓	✓	✓	✓		✓	✓	✓	✓	✓	✓
Opportunities for Victorians with disability			✓	✓			✓	✓		✓	✓	
Women's equality and safety		✓	✓		✓	✓				✓	✓	✓
Opportunities for disadvantaged Victorians		✓	✓	✓	✓		✓	✓	✓	✓		
Supporting safe and fair workplaces		✓	✓						✓	✓	✓	✓
Sustainable Victorian social enterprise and Aboriginal business sectors	✓					✓	✓	✓		✓	✓	✓
Sustainable Victorian regions					✓	✓	✓					
Environmentally sustainable outputs	✓	✓	✓	✓			✓	✓				
Environmentally sustainable business practices	✓						✓	✓	✓			
Implementation of the Climate Change Policy Objectives				✓				✓				

\*Note Major Transport Infrastructure Authority Social Procurement Strategy is draft.

## HOW TO FIND OUT MORE AND GET INVOLVED

### PROCUREMENT FORWARD PLANS

Procurement forward plans are available on the Buying for Victoria website at <<https://buyingfor.vic.gov.au/future-procurement-opportunities>> for each department and core agency. The plans provide an overview of the types of procurement activities (goods and services only) that government agencies may undertake over the next 12 to 18 months.

### LOCAL JOBS FIRST AND SOCIAL PROCUREMENT

In addition to the Social Procurement Framework, the Government's Local Jobs First policy improves opportunities for Victorian businesses when bidding for government work.

The Local Jobs First Strategic Projects Forward Plan at <<https://www.localjobsfirst.vic.gov.au/projects>> provides industry with early notification of projects, including the local content requirements, and gives businesses the chance to register to supply into these projects.

To register as a supplier, visit the ICN Gateway at <<https://gateway.icn.org.au/>>.

### SUPPLIER GUIDANCE

For more information for suppliers, visit [buyingfor.vic.gov.au/social-procurement-framework-suppliers](https://buyingfor.vic.gov.au/social-procurement-framework-suppliers).

## OPPORTUNITIES FOR SOCIAL BENEFIT SUPPLIERS AND ABORIGINAL BUSINESSES

The Framework provides opportunities for organisations both big and small.

Social benefit suppliers and Aboriginal businesses are encouraged to contact Kinaway, Supply Nation and Social Traders to find out about how they assist suppliers to do business with government.

### OTHER CONTACTS AND INFORMATION

For social procurement questions, please call **03 7005 9138** or email [SocialProcurement@dtf.vic.gov.au](mailto:SocialProcurement@dtf.vic.gov.au).

Mainstream suppliers can obtain support with their inclusive employment needs from Jobs Victoria at <<https://jobs.vic.gov.au/>> which provides tailored services to assist and connect jobseekers and employers.

Business Victoria also has information on selling to government at <<http://www.business.vic.gov.au/marketing-and-sales/selling-to-government>>.





