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MEDIA RELEASE

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PROPOSED ICT PROCUREMENT TARGETS A BIG WIN FOR SMES

Small and medium enterprises (SMEs) will receive a greater slice of ICT procurement spend, thanks to the NSW Government accepting a suite of recommendations from its ICT and Digital Sovereign Procurement Taskforce.

Among the recommendations supported by the NSW Government are measures to benefit start-ups, Aboriginal owned, disability and regional enterprises. These measures will be announced later in 2021.

Following consultation with industry, the NSW Government has proposed the use of spend targets from 1 April 2021 that will direct NSW Government investment to SMEs.

It also includes the implementation of measures for ICT procurements to build a resilient and secure NSW ICT supply chain.

The spend targets include:

- 30 per cent of ICT procurement Addressable Spend (excluding contingent labour) must be spent directly with SMEs.
- 25 per cent of indirect ICT procurement Addressable Spend in all procurements valued above \$3 million must be spent with SMEs.

Minister for Customer Service Victor Dominello said the recommendations recognise the pivotal role SMEs can play in the State's recovery from the bushfires and pandemic.

"NSW is the most digitally advanced jurisdiction in Australia, thanks in large part to the experience and expertise of our local ICT industry," Mr Dominello said.

"Demand for technology solutions is only going to increase and the tech workforce is only going to get bigger, and we want SMEs to remain at the forefront.

"This a double win for the State – it will cement our position as the digital capital of the southern hemisphere, and help drive economic growth and job creation."

Minister for Finance and Small Business Damien Tudehope said this would open up more opportunities for small and medium businesses.

“This is all about making it easier for SMEs in the ICT sector to do business with government, as well as supporting the economic conditions to ensure NSW remains at the cutting edge of innovation and technology,” Mr Tudehope said.

"Small businesses are not only the engine room of our economy, they are also the beating heart of our local communities. When we're supporting mum and dad businesses, we're helping jobs and keeping doors open."

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