



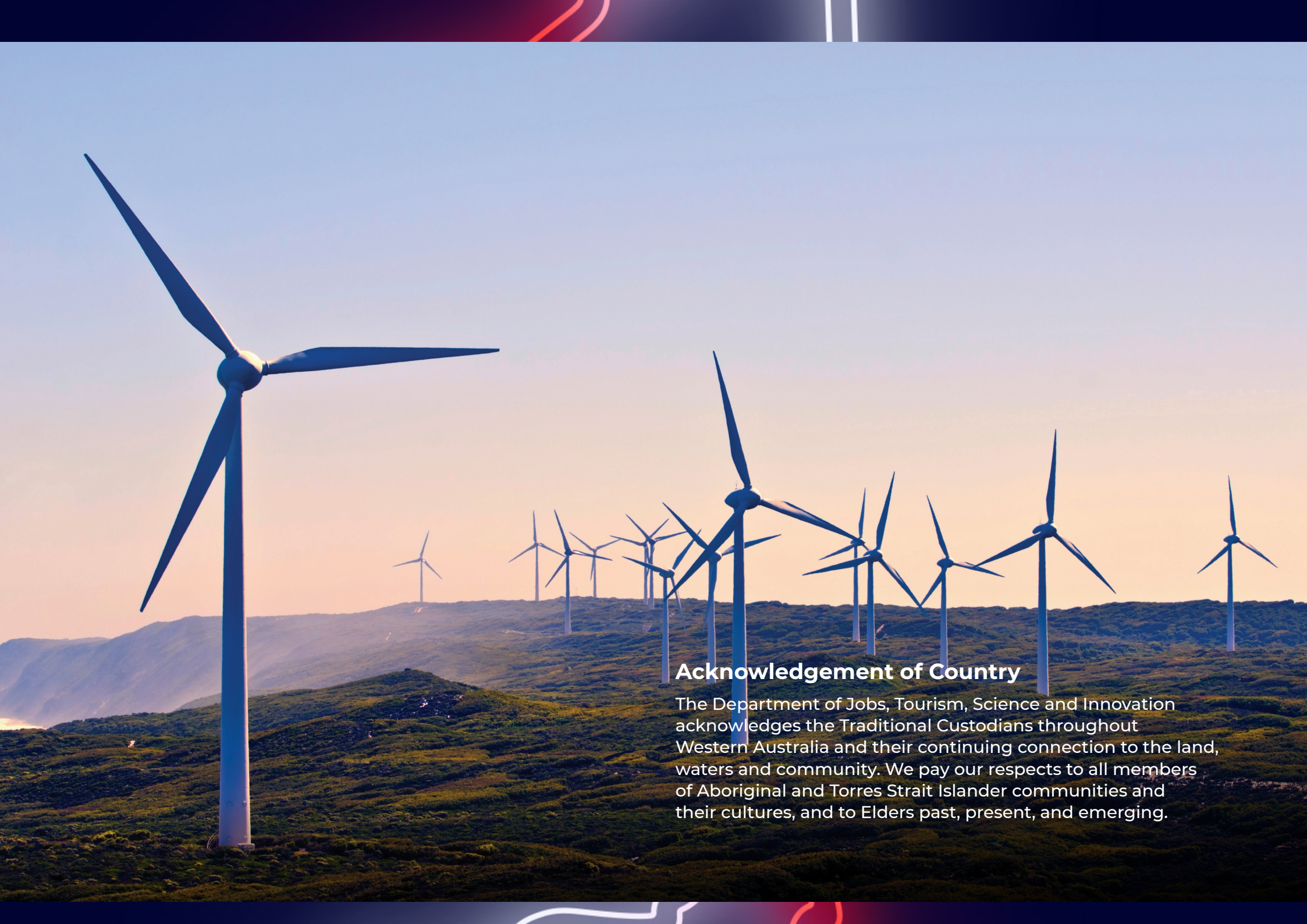
Department of
Jobs, Tourism, Science
and Innovation



WA Industry Link

Annual Report

2022-23



Acknowledgement of Country

The Department of Jobs, Tourism, Science and Innovation acknowledges the Traditional Custodians throughout Western Australia and their continuing connection to the land, waters and community. We pay our respects to all members of Aboriginal and Torres Strait Islander communities and their cultures, and to Elders past, present, and emerging.

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Inside cover image: A wind farm on Western Australia's south coast.

1. Minister's foreword

The Western Australian Government's continued and enhanced focus on ICT and innovation has increased my awareness of the strong links between state agencies' purchasing activities and the operation of Western Australian businesses.

In overall terms, from October 2018 to 30 June 2023, approximately \$37 billion of procurement spend has been facilitated through the *Western Australian Jobs Act 2017* (the Act) and the Western Australian Industry Participation Strategy (WAIPS). An estimated 88 per cent of contract value was sourced locally, amounting to roughly \$33 billion being reinvested in our economy. I am committed to maintaining this impressive track record.

However, this is only part of the challenge. As an open trade exposed state, we are heavily influenced by international trends, especially during times of rapid and pervasive change. Procurement plays a crucial role as a positive, transformative factor in:

- » Enabling the state to address climate issues.

- » The continued growth of digital technology.
- » The strengthening of supply chains as a prominent aspect of production and trade.
- » Import replacement objectives.
- » The imperative need for innovation as a key driver of growth and diversification.

With this in mind, it is timely that the Act and WAIPS underwent an independent review during 2022-23, assessing their operation and effectiveness. Consequently, the focus has shifted towards considering enhancements to the Act's objectives in light of the changed circumstances since its introduction in 2017. The review involved extensive consultation with agencies, suppliers, industry organisations, and trade unions. The review report has been submitted, and the WA Government's response will be issued shortly.

I assure you that there will also be extensive consultation before any modifications to policy or processes are finalised and implemented. Such

changes can be expected to come with ongoing improvements in communication with agencies and suppliers concerning upcoming tenders, including the operation of the Department of Finance's Strategic Forward Procurement Dashboard and expansion of training workshops.



Hon Roger Cook MLA
Minister for State and
Industry Development,
Jobs and Trade



2. Executive Summary

The 2022-23 year was noteworthy for the continued implementation of the *Western Australian Jobs Act 2017* (the Act) and the Western Australian Industry Participation Strategy (WAIPS) in connecting agency procurement to economic and community outcomes.

In addition, the independent review of the operation and effectiveness of the Act was carried out in 2022-23, as required in the fifth year of the Act's existence. The review, led by Dr Michael T. Schapper, began in July 2022 with a public invitation to participate and the release of Terms of Reference and a Discussion Paper.

The Discussion Paper highlighted the performance to date and sought input on the future direction of the Act and WAIPS, considering the changes in the economic environment since the Act's introduction in 2017-18. This period has been marked by rapid change and transition, which has major implications for both agency requirements and the WA Government objectives regarding the external outcomes of procurement.

Other steps in the review process included workshops, individual meetings, and the consideration of submissions, culminating in the presentation of a review report to the Minister for State and Industry Development, Jobs and Trade.

In 2022-23, a decision about the WA Government's Digital Capability Fund (DCF) led to another key initiative. The Minister for Innovation and Digital Technology decided to strengthen the connections between local industry and the operation of the \$900 million DCF. The DCF provides fiscal support to agencies to facilitate upgrades in digital goods and services, with a focus on local sourcing through the appropriate application of policy and processes. The Minister is committed to ensuring this and is mandating agency reporting through the Act and WAIPS.

Another development in 2022-23 was the announcement of the Western Australian Innovation Strategy, which includes an extensive range of initiatives, including explicit links between agency purchasing and the use of local innovation expertise.

As a result, WAIPS 2024 is expected to reflect a significant enhancement in meeting the WA Government's key objectives and desired outcomes.



3. Industry Link Advisory Service (ILAS)

3.1 Western Australian Industry Participation Strategy (WAIPS)

In 2022-23, a total of 16,559 jobs were supported in Western Australia, with 4,710 of them located in the regions. A remarkable 83.3 per cent of local sourcing was also achieved. To add to this, it is estimated that WAIPS supported more than 1,655 apprenticeships and traineeships in WA, including 436 in the regions.

3.2 Western Australian Buy Local Policy 2022

During 2022-23, state agencies implemented the Western Australian Buy Local Policy 2022 with a greater emphasis on awarding contracts to Australian Disability Enterprises. This aligned the policy with the Western Australian Procurement Rules, and refined the application of the Regional Price Preference to enhance support for regional bids and recognise regional content in tenders.

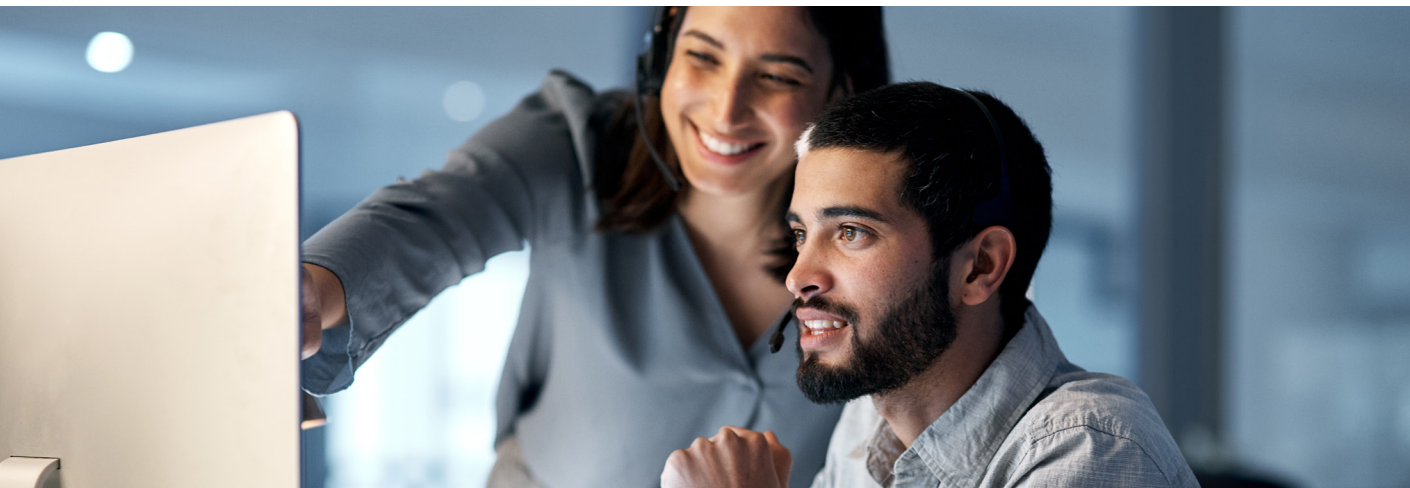
3.3 WA Industry Link Portal

The WA Industry Link Portal www.industrylink.wa.gov.au underwent a revamp in July 2023 and is now accessible through wa.gov.au. The portal serves as a valuable resource for both suppliers and agencies, offering insights into WA Government initiatives and funding opportunities including:

- » The Local Capability Fund (LCF)
- » Western Australian Industry Participation Strategy (WAIPS) 2020
- » Western Australian Buy Local Policy 2022
- » *Western Australian Jobs Act 2017* (the Act)

The portal remains the key resource for connecting local businesses with WA Government contracts, providing them with the necessary information and support to enhance their prospects of securing contracts with the WA Government.

In the past 12 months, the portal recorded a total of 28,173 sessions, with Buy Local Policy, LCF and WAIPS the most frequently visited pages.



At a glance statistics



20,358
users

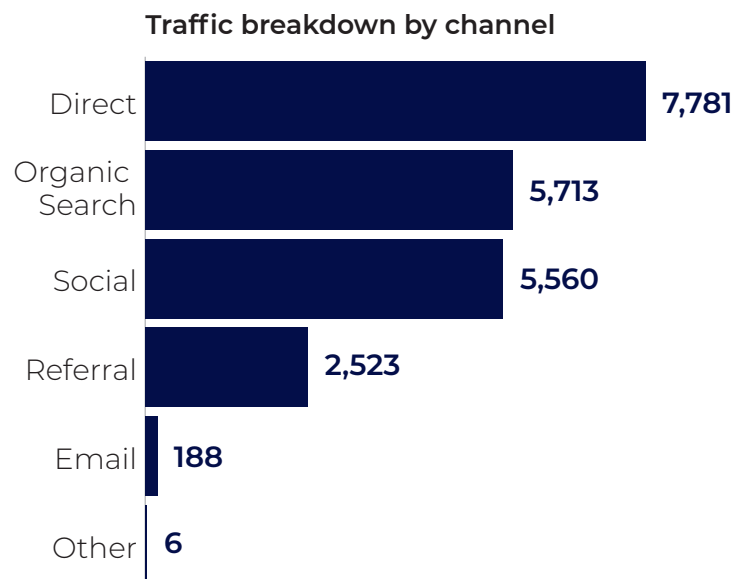


28,173
sessions



57,626
page views

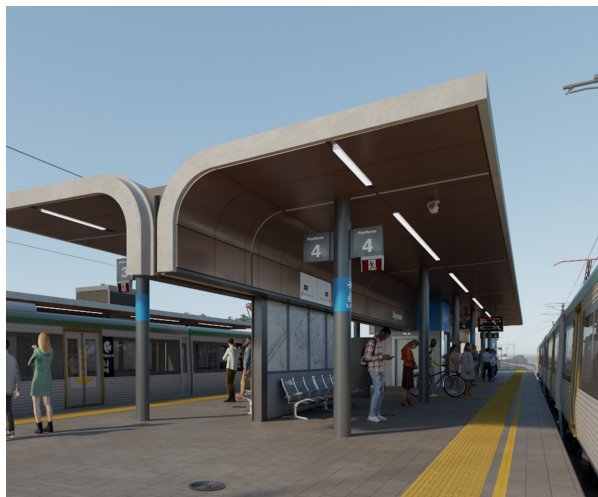
Channel performance



Top ranking pages

Page	Page views	% of total
Western Australian Buy Local Policy 2022	12,341	21.4%
Local Capability Fund	9,549	16.6%
WA Industry Link	8,172	14.2%
Western Australian Industry Participation Strategy	5,464	9.5%
WAIPS requirements for businesses	1,630	2.8%
Western Australian Jobs Act 2017	1,513	2.6%
Information for agencies	1,200	2.1%
WAIPS requirements for agencies	1,092	1.9%
Information for businesses	941	1.6%
Legislation and policies	939	1.6%
Other	14,785	25.7%
Total	57,626	100%

4. Strategic Projects



The New Bayswater Train Station will be completed in 2024. Credit: METRONET



The following initiatives continued as strategic projects under the Act in 2022-23.

1. METRONET: creating about 72 kilometres of new passenger rail and 22 new stations.
2. Stand-alone power systems: procurement of more than 1,000 systems in regional WA and remote Aboriginal communities.
3. Women and Babies Hospital: to be built on land in the Fiona Stanley Hospital precinct.

The first two projects met designated levels of local value in their supply, while the Women and Babies Hospital has not reached this stage of development yet.

The Minister for State and Industry Development, Jobs and Trade and the Minister for Energy have agreed to extend the strategic classification of 'Stand-alone power systems' to cover all units procured for the remainder of the decade, demonstrating confidence in the contribution this initiative is making.

5. Regional Summary

The 2022-23 State Budget included significant initiatives with substantial potential for regional businesses to supply goods, services and works.

These initiatives encompassed:

- » The expansion of mobile and internet coverage.
- » The enhancement of education and health infrastructure.
- » Ongoing improvements to road and transport networks.
- » Increased capacity at TAFE institutions to upskill regional communities.
- » Efforts to stimulate housing availability.

It is estimated that for the 2022-23 fiscal year, 49 per cent of WAIPS contracts were regional, resulting in 3,890 employment opportunities and 388 apprenticeships and traineeships.

Throughout the year, the Department of Jobs, Tourism, Science and Innovation (JTSI) continued its collaboration with several Regional Chambers of Commerce and Industry to host workshops aimed at assisting regional companies in selling their products and services to state



government agencies. A total of five workshops were conducted, receiving high levels of participant satisfaction.

The review of the Act was presented to regional suppliers as an opportunity to contribute to the enhancement of policies and processes. Many valuable submissions were received in various ways, including through Regional Business Engagement Forums (RBEF).

Another emerging market pertains to the transformation of the state's energy generation and transmission systems to rely on renewable sources, including

wind, solar and batteries. A significant proportion of this investment will be focused on regional areas, and JTSI is collaborating with stakeholders to address the implications of this transition.

Through the Local Capability Fund (LCF), additional support was provided to enhance the capability and capacity of regional businesses for supplying goods and services to the WA Government and other markets. In 2022-23, nine regional rounds of the LCF were launched at the RBEFs exclusively for businesses located in their respective regions.

6. Appendix – Summary of Reported Outcomes and Notable Data

When an agency is planning a tender, if the contract value is above certain thresholds, WAIPS requirements will apply. This means prospective suppliers must complete and submit a participation plan as part of their bid.

A participation plan must include estimated workforce numbers. It must also demonstrate how the supplier will generate local economic benefits and provide full, fair and reasonable

opportunity to local industry. Information on engagement of subcontractors is included.

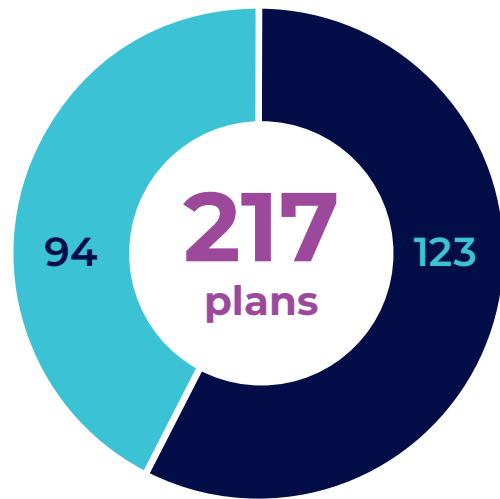
The supplier is required to report on outcomes from the participation plan during the contract on each anniversary of the contract award date, or as negotiated with the responsible government agency. A final report is also required.

The following graphs and tables summarise the data received from tenders that were awarded that required a participation plan (WAIPS supply).

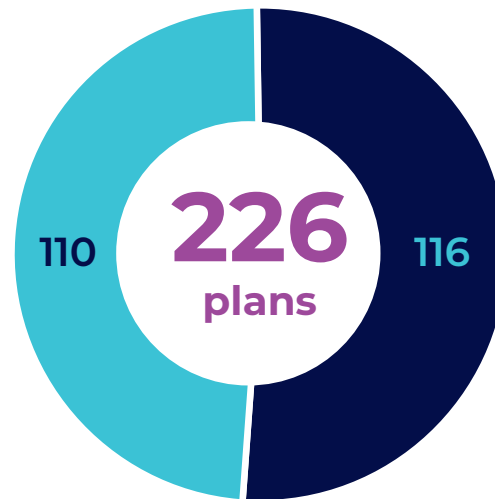


Any variation in reported data contained within this Annual Report compared to previous editions, are the result of Participation Plans being cancelled or withdrawn, or previously unreported Participation Plans being submitted by agencies.

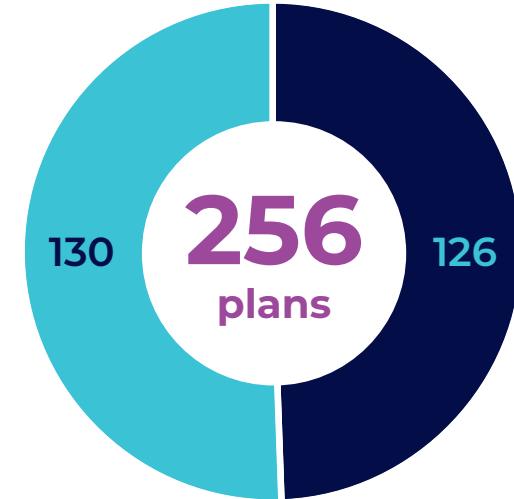
6.1 Number of awarded tenders that required a participation plan



2020 - 2021



2021 - 2022

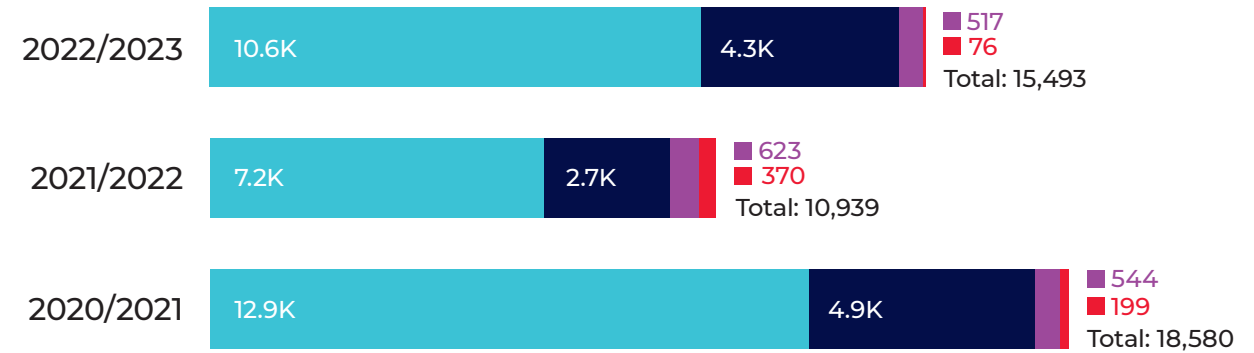


2022 - 2023

● Good and services ● Housing and works

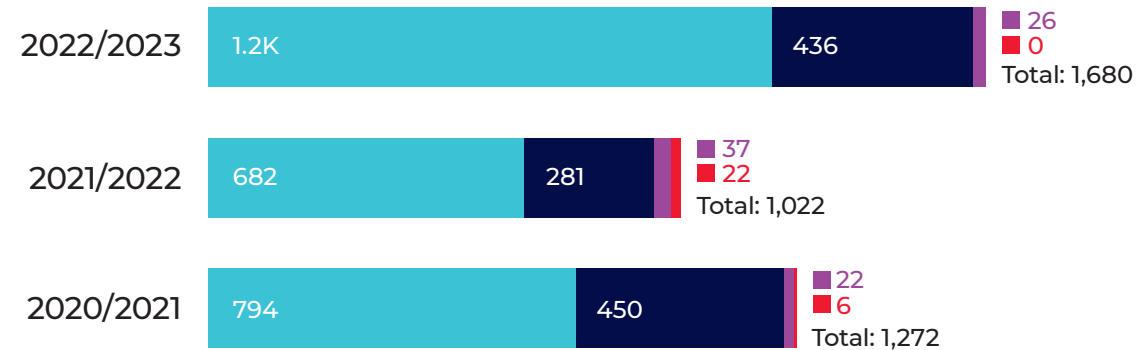
6.2 Total estimated workforce supported through WAIPS supply

Estimated workforce (Excluding apprentices and trainees)



Jurisdiction ● WA metro ● WA region ● Other states and NZ ● Overseas

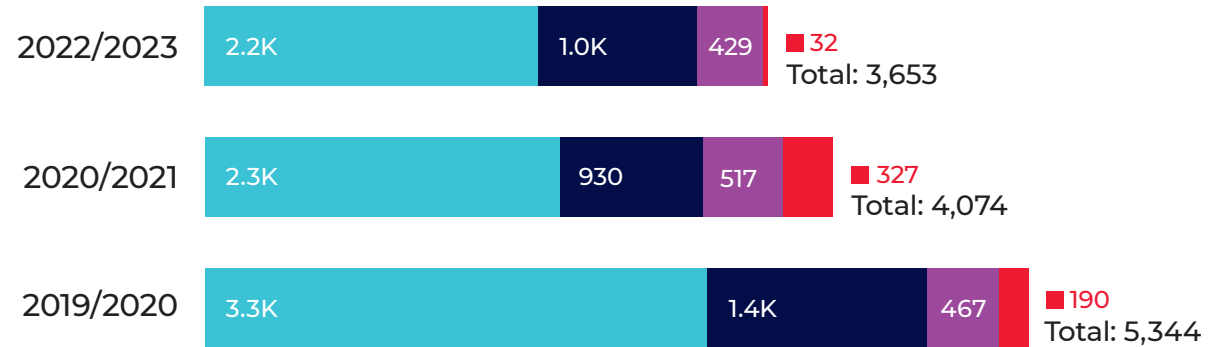
Estimated apprentices and trainees



Jurisdiction ● WA metro ● WA region ● Other states and NZ ● Overseas

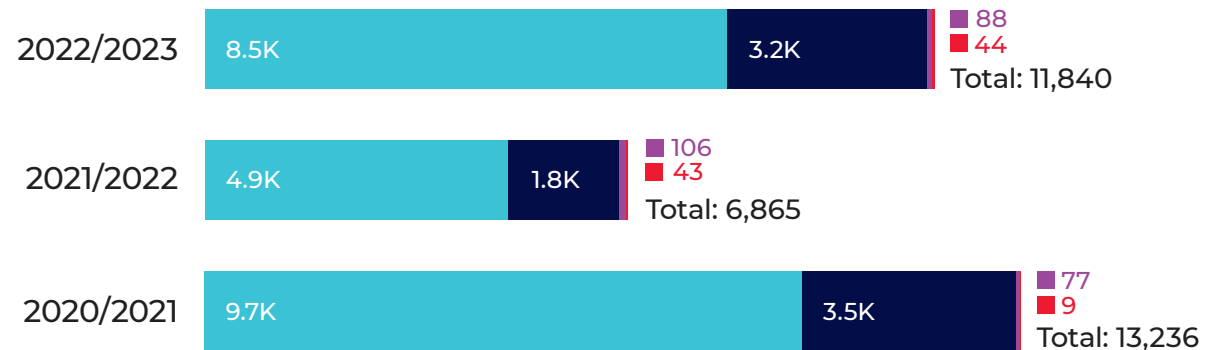
6.2 Total estimated workforce (continued)

Estimated contractor workforce (Excluding apprentices and trainees)



Jurisdiction ● WA metro ● WA region ● Other states and NZ ● Overseas

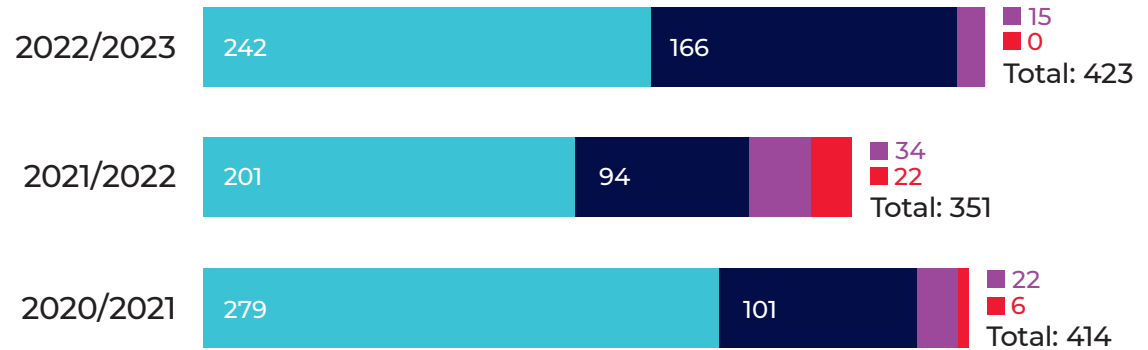
Estimated subcontractor workforce (Excluding apprentices and trainees)



Jurisdiction ● WA metro ● WA region ● Other states and NZ ● Overseas

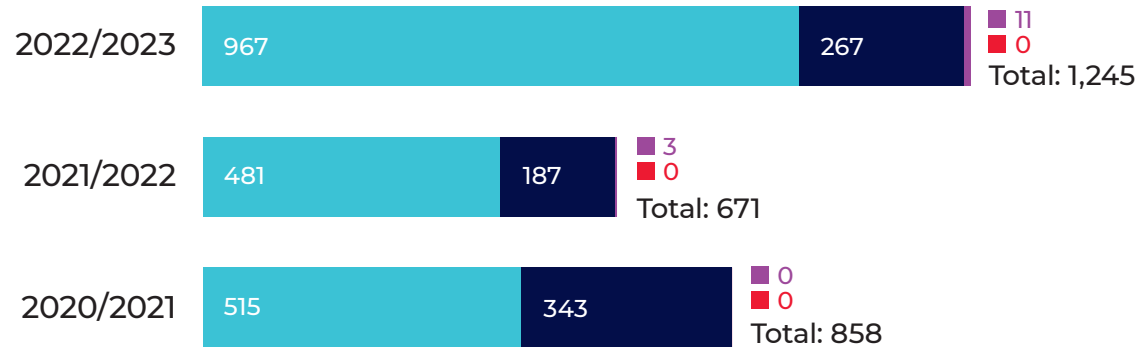
6.2 Total estimated workforce (continued)

Estimated contractor apprentices and trainees



Jurisdiction ● WA metro ● WA region ● Other states and NZ ● Overseas

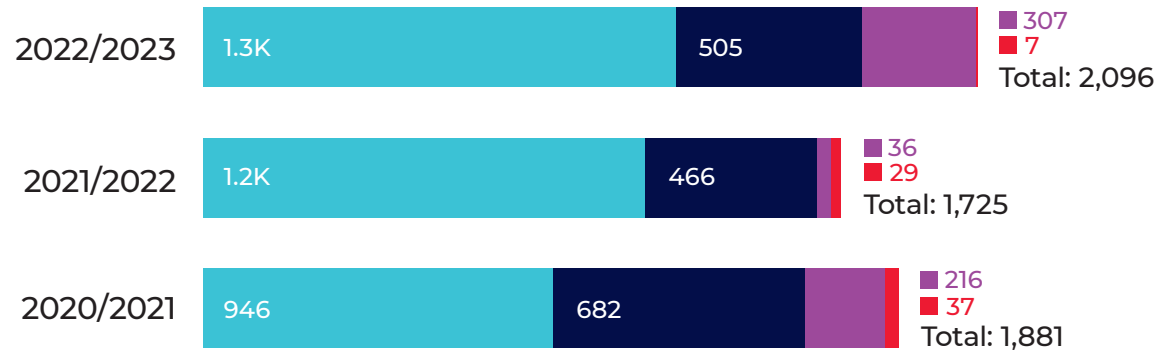
Estimated subcontractor apprentices and trainees



Jurisdiction ● WA metro ● WA region ● Other states and NZ ● Overseas

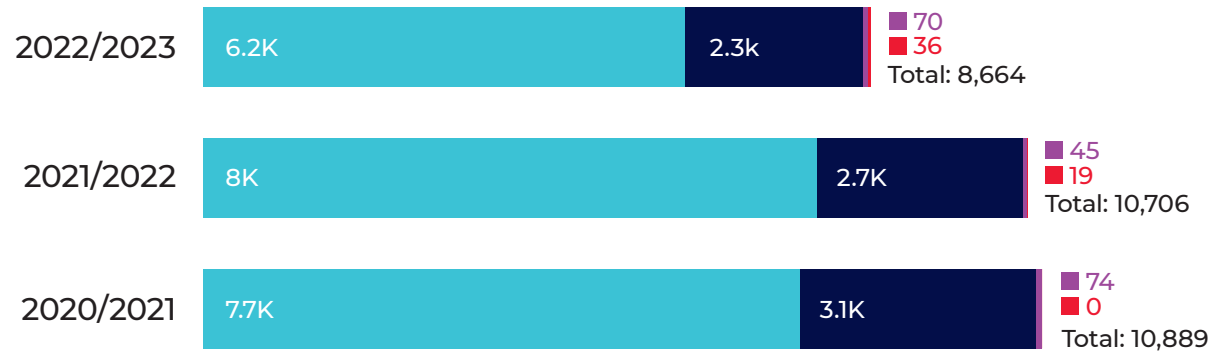
6.3 Actual workforce, apprentices or trainees

Actual contractor workforce (Excluding apprentices and trainees)



Jurisdiction ● WA metro ● WA region ● Other states and NZ ● Overseas

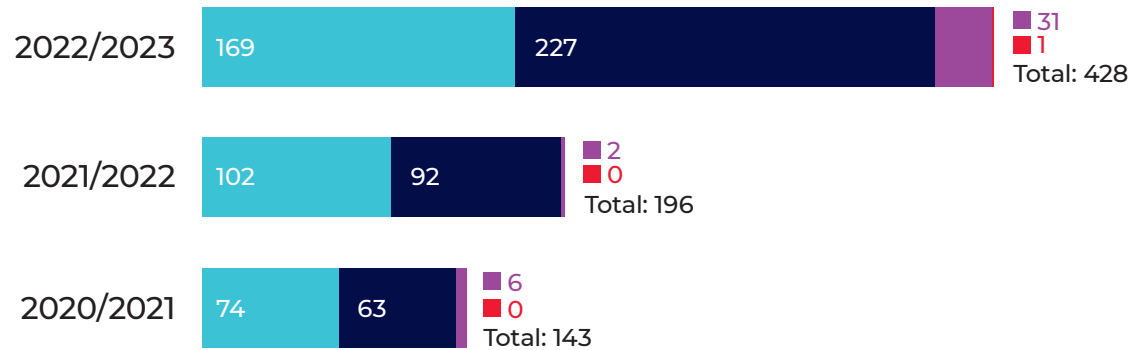
Actual subcontractor workforce (Excluding apprentices and trainees)



Jurisdiction ● WA metro ● WA region ● Other states and NZ ● Overseas

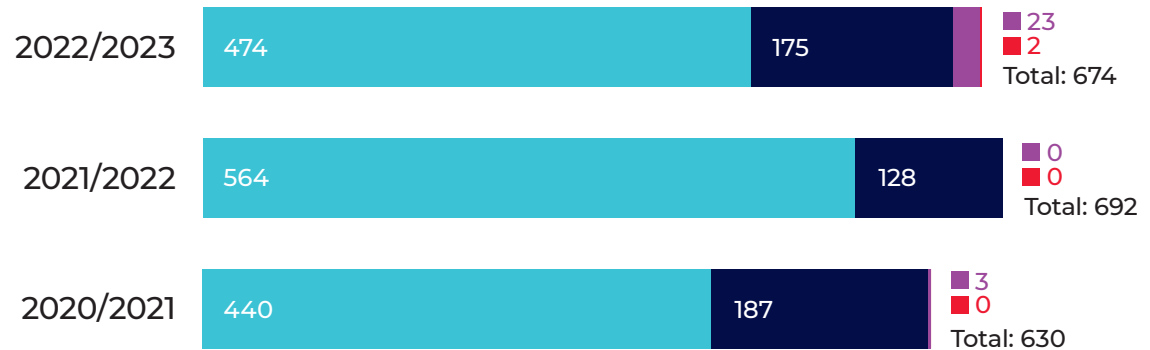
6.3 Actual workforce, apprentices or trainees (continued)

Actual contractor apprentices and trainees



Jurisdiction ● WA metro ● WA region ● Other states and NZ ● Overseas

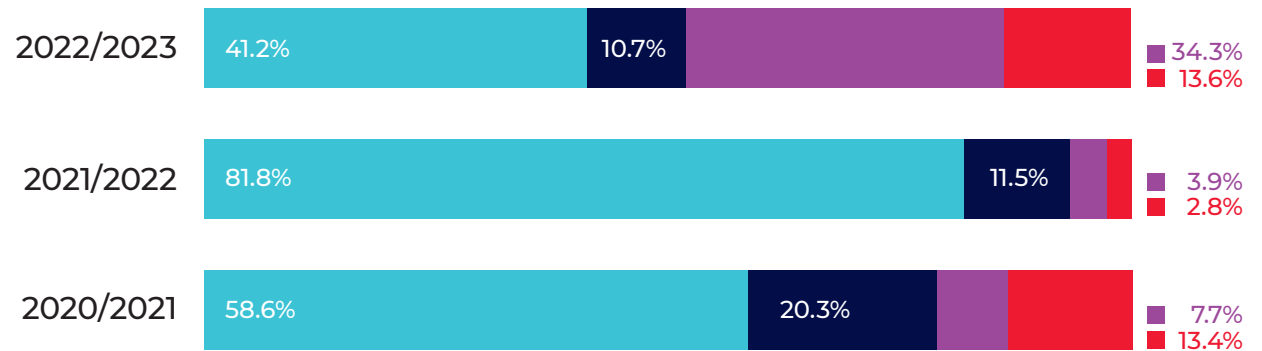
Actual subcontractor apprentices and trainees



Jurisdiction ● WA metro ● WA region ● Other states and NZ ● Overseas

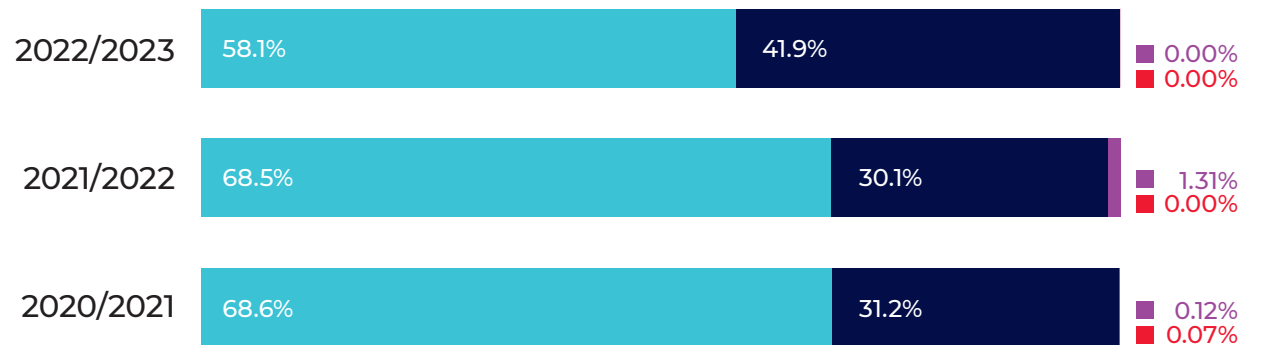
6.4 Estimated spend

Estimated spend - Goods and services



Jurisdiction ● WA metro ● WA region ● Other states and NZ ● Overseas

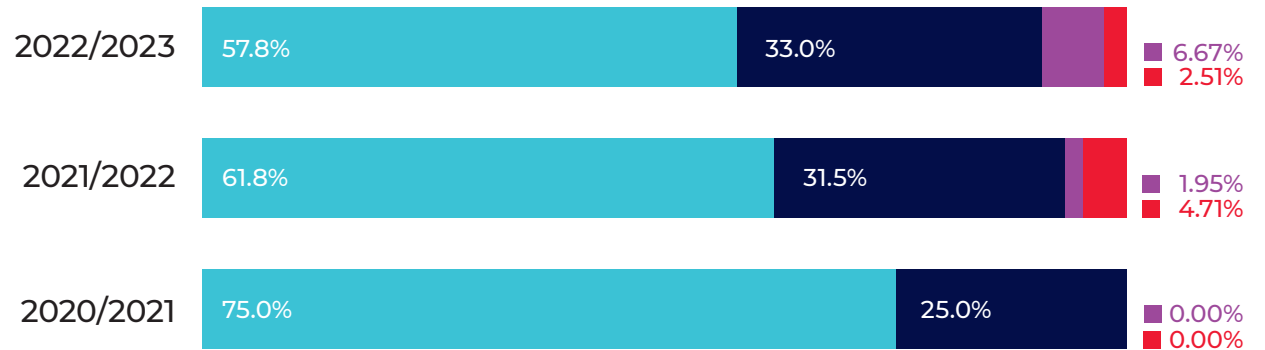
Estimated spend - Housing and works



Jurisdiction ● WA metro ● WA region ● Other states and NZ ● Overseas

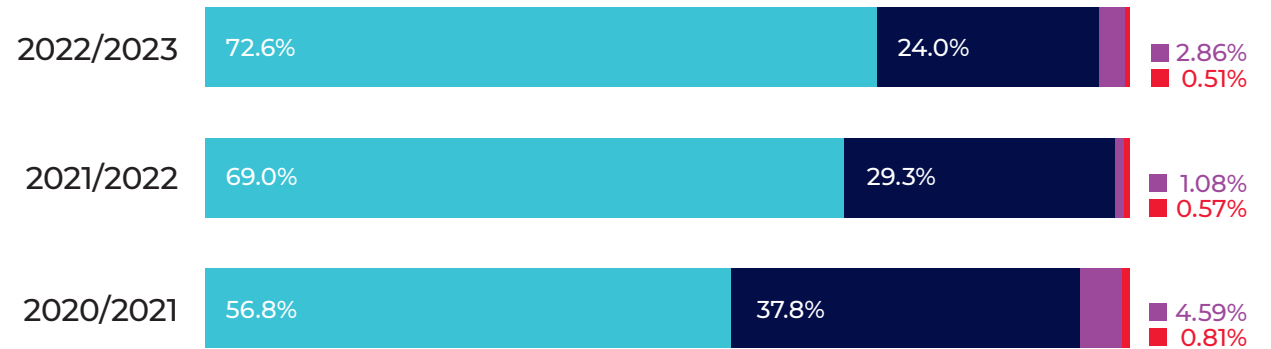
6.5 Actual spend

Actual spend - Goods and services



Jurisdiction ● WA metro ● WA region ● Other states and NZ ● Overseas

Actual spend - Housing and works



Jurisdiction ● WA metro ● WA region ● Other states and NZ ● Overseas

7. Local Capability Fund statistics

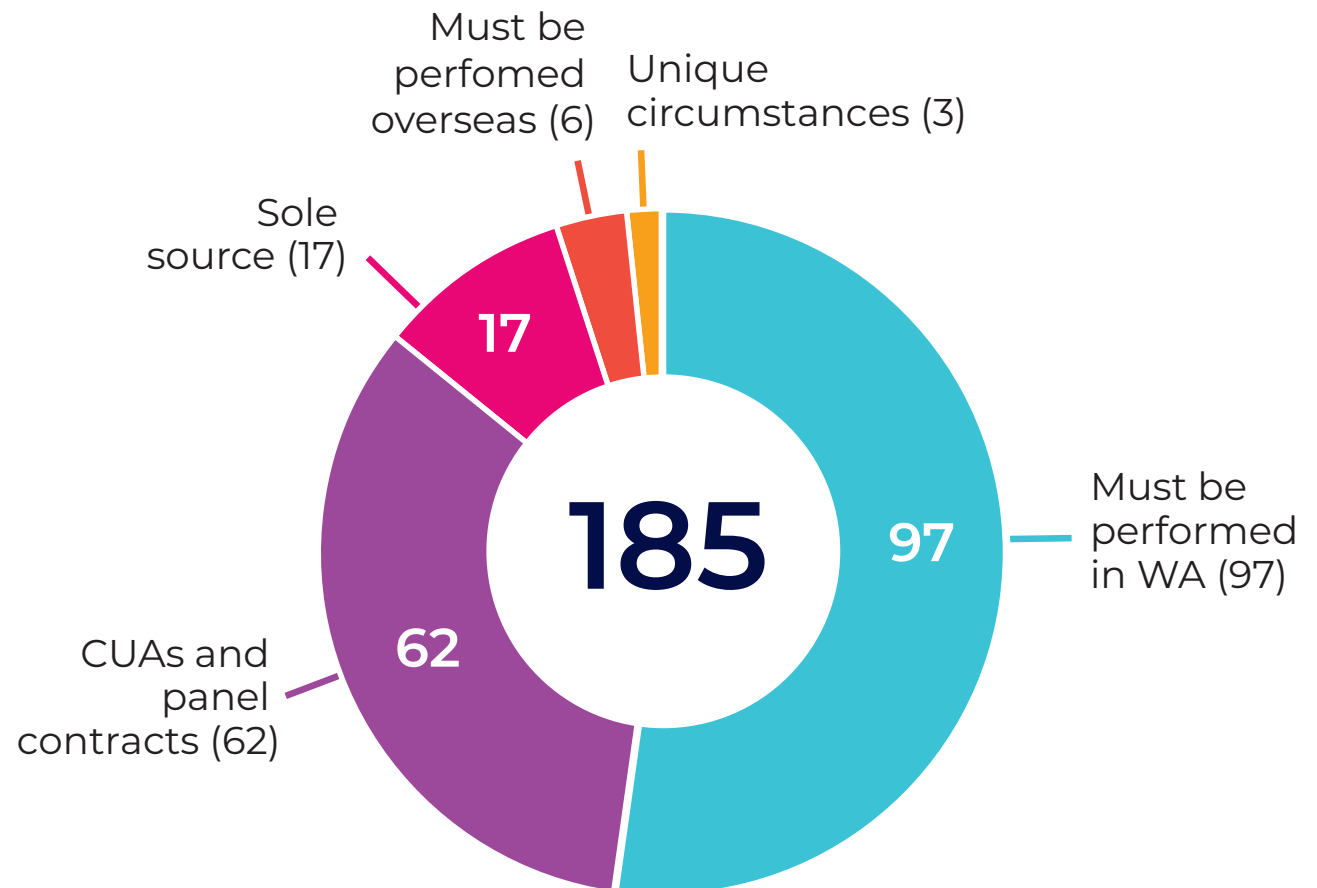
Round	Funds Recommended	Number of Applications Recommended for Funding
Aboriginal Business Round	\$586,742.05	15
National and International Standards Compliance Round	\$531,486.25	31
Supplying Key Major Projects Round	\$831,542.25	18
Total Solar Eclipse Event Round	\$837,480.62	40
South West Regional Round	\$89,185.00	6
Kimberley Regional Round	\$175,404.95	10
Great Southern Regional Round	\$79,168.27	5
Pilbara Regional Round	\$101,555.03	6
Peel Regional Round	\$110,113.54	6
Wheatbelt Regional Round	\$100,877.24	6
Mid-West Regional Round	\$97,878.90	6
Goldfields-Esperance Regional Round	\$111,087.57	8
Gascoyne Regional Round	\$108,629.00	6
Total	\$3,761,150.67	163

8. Detail of Exemptions Granted to Agencies

The *Western Australian Jobs Act 2017* allows conditional exemptions from the requirement of each prospective supplier to submit a Participation Plan when they are tendering for a WAIPS supply. These are to be granted by the Minister for Jobs (or the delegated authority) case-by-case. While a Participation Plan may be deemed unnecessary, reporting on workforce, including apprenticeships and traineeships, will be a condition of the exemption.

A list of all approved WA Industry Participation Strategy (WAIPS) exemptions are published on the Industry Link Portal [wa.gov.au/government/publications/wa-industry-participation-strategy-granted-exemptions](https://www.wa.gov.au/government/publications/wa-industry-participation-strategy-granted-exemptions)

Total number of approved exemptions for 2022-23 = 185







Department of
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