



Public Sector
Commission

Agency Capability

Department of Energy and Economic Diversification

Executive summary



December 2025

Introduction

The Department of Energy and Economic Diversification (the agency) was reviewed under the [Agency Capability Review Program](#) from March to October 2025.

Formerly the Department of Jobs, Tourism, Science and Innovation, the establishment of the agency under the [Public Sector Reform 2025](#) on 1 July 2025 was aligned with the government priority of a more resilient economy.

The Coordinator General, Tourism WA and defence responsibilities, including staff and teams, were moved out of the agency while Energy Policy WA responsibilities were moved in. This change was designed to bring energy functions into a single agency to lead the state's economic diversification and for WA to become a renewable energy powerhouse. Integrating Energy Policy WA's functions strengthens the agency's capacity to embed energy policy into the broader economic development agenda to attract investment and support industry facilitation and innovation.

Energy policy cannot be developed in isolation and economic diversification cannot be achieved without consideration of the energy transition. They must both be part of a strategic and coordinated approach for the new Department of Energy and Economic Diversification.

To meet expectations, the agency has to have a strong leadership role in coordinating a long term, evidence based plan that integrates the government's energy and economic diversification initiatives. It also needs to build its workforce capability and develop a prioritisation framework to deliver what has the greatest impact.

The agency is commended for the way it communicates complex strategy, for its international investment and trade workforce model, and for how it markets WA to the nation and the world.

While the commitment of the senior executive and recent actions demonstrate an awareness of areas for improvement, the leadership team has to sharpen its focus, consolidate the newly integrated functions, align systems and processes, and take decisive action with a sense of urgency. The road ahead is complex and demands sustained and coordinated effort for the agency to deliver on its remit and meet the government priorities.

About the Agency Capability Review Program

The program takes a comprehensive whole of sector approach to improvement. It sets standards based on a clear understanding of what constitutes a high performing public sector agency in Western Australia.

Reviews provide valuable insight into how agencies can improve and deliver the quality services expected of them. Reviews also contribute to the development and improvement of the sector.

Reviews are conducted by independent lead reviewers who have public administration expertise and experience. Lead reviewers are supported by senior executives from the government sector who are co-opted for each review, as well as the Agency Capability Review team at the Commission.

Each review is conducted against a standardised [Agency Capability Framework](#) of the 5 most significant areas of public sector management and administration. The framework is relevant and applicable to all agencies regardless of remit, purpose, functions and services.

The framework supports agencies to ask 4 key questions:

- What are we meant to achieve?
- How well are we currently doing it?
- How do we know?
- Where can we do better?

Agency background

The agency oversees, coordinates and drives the government's priority of a more resilient economy through economic diversification, local manufacturing and energy transition initiatives. It plays many roles including coordinator, facilitator, advisor, promoter and funder to bring state, federal and international governments, industry and stakeholders together to deliver initiatives that support the full spectrum of economic activity in WA.

As the government's lead agency for economic development, the agency oversees state development functions across industry, trade and investment; major resource projects; and science and innovation. It leads the state's energy transition by guiding the strategic direction of the energy system so it is secure, affordable and increasingly renewable by integrating new technologies, enabling infrastructure investment, and refining regulatory and market settings. The Coordinator of Energy, under the *Energy Coordination Act 1994*, advises government, drives regulatory reform and ensures system reliability during the transition.

The agency's budget for 2025-26 is \$490 million of which more than half is allocated to industry investment through grants and subsidy programs for energy transition, industry transition and development, and science and innovation. The budget provides for 534 full time equivalent staff in 6 divisions.

The agency is led by Director General Rebecca Brown who is supported by 4 deputy directors general including the Deputy Director General Energy Policy WA who is also the Coordinator of Energy. This leadership group is referred to as the 'strategic corporate executive' in this report. The strategic corporate executive is supported by a group of tier 3 leaders responsible for operational leadership and strategic execution. This group is referred to as 'tier 3 leaders' in the report.

Ministers

The agency reports to the following:

1. Hon Roger Cook MLA, Premier; Minister for State Development; Trade and Investment; Economic Diversification
2. Hon Stephen Dawson MLC, Minister for Regional Development; Ports; Science and Innovation; Medical Research; Kimberley
3. Hon Dr Tony Buti MLA, Attorney General; Minister for Commerce; Tertiary and International Education; Multicultural Interests
4. Hon Amber-Jade Sanderson MLA, Minister for Energy and Decarbonisation; Manufacturing; Skills and TAFE; Pilbara

Boards and committees

The agency provides administrative support to the Western Australian Energy Disputes Arbitrator, an independent statutory authority established under the *Energy Arbitration and Review Act 1998*. The Arbitrator is responsible for resolving disputes related to access to regulated electricity and gas infrastructure, and provides financial management and administrative support to the Western Australian Electricity Review Board.

The board hears appeals against regulatory decisions made by the Economic Regulation Authority, Minister for Energy and other market bodies under the *Electricity Industry Act 2004* including determinations relating to the conduct of market participants in the Wholesale Electricity Market.

Future operating environment

WA is experiencing a period of significant change as global trends in decarbonisation, technology, geopolitics and trade reshape the economic landscape. The state's strong resource base is a platform for growth but also exposes it to risks as markets shift to sustainable practices. Diversifying the economy is essential to maintain competitiveness and a prosperous future. Diversification includes building new industries, attracting investment and strengthening local capability in areas such as advanced manufacturing and critical minerals processing.

At a time of worldwide pressure to reduce emissions and rising demand for clean energy, the intersection between energy and economic development is opportune, making renewable energy a lever for government to deliver sustainable economic diversification. The transition to cleaner energy is also important to maintain WA's profile as an attractive destination for investment.

The breadth and complexity of this work highlight the need for the agency to play a role in coordination across these interdependent priority areas. Decision making in the energy space has direct impact on the success of key industries, competitiveness of WA's exports and viability of emerging sectors like hydrogen and battery manufacturing. Approvals and advice on the nature and location of assets and infrastructure can have significant political, reputational and economic consequences if not supported by strong evidence, accurate modelling and subject matter expertise. To meet the expectations and needs of government, the agency has to coordinate and communicate effectively and have robust governance mechanisms for decision making.

To operate successfully as the new Department of Energy and Economic Diversification, the agency has to take a proactive leadership role in shaping the conditions for diversification by providing strategic advice on emerging opportunities; aligning policy and regulatory settings to attract investment; and fostering partnerships across government, industry and communities.

The review process

The review was led by Liz MacLeod PSM as the independent lead reviewer with support from Amanda Bolleter as senior reviewer co-opted from the Department of Health and the Commission's Agency Capability Review team.

Liz has extensive public sector experience particularly in the public health sector over the last 15 years. She was Chief Executive of the East Metropolitan Health Service for 7 years, Chief Executive for COVID-19 Health Operations and Executive Director Commissioning at Fiona Stanley Hospital. She also held several executive positions at the North Metropolitan Health Service.

Liz was awarded the Public Service Medal in 2023; Institute of Public Administration Australia Patron's Award 2023; Australian College of Health Service Management WA Branch President's Award 2023; IPAA WA Leader of the Year Working in a Division, Team or Organisation in 2021; and IPAA WA Patron's Award in 2023. Liz is also a fellow of IPAA WA. As part of the Agency Capability Review Program, she led the Department of Training and Workforce Development review.

The review looked at all 21 capabilities of the [Agency Capability Framework](#) and identified 3 lines of inquiry for in-depth investigation. This involved further engagement and interaction with the agency, and research into how practices may be improved and capability gaps addressed.

The review also identified areas of strength that the agency and sector can build on and share.

The review was conducted over 6 months and included exploration, research and collection of information:

- A comprehensive review was undertaken of a large number of published and unpublished documents.
- 57 stakeholders were consulted.
- Strategic corporate executive members completed self assessments against the Agency Capability Framework.
- Two half day strategic corporate executive workshops and several briefings and meetings were conducted with the Director General and strategic corporate executive.
- Individual interviews were conducted with each strategic corporate executive member.
- A comprehensive capability questionnaire gauged staff perceptions of the agency's capabilities.
- 'Have Your Say' invited staff to share what the agency does well, what can be improved and ideas for improvement.

Key observations

- The Department of Energy and Economic Diversification was established through the Public Sector Reform 2025 to lead energy transition and drive long term economic diversification. With its pivotal role in shaping Western Australia's future prosperity, as a priority it has to integrate its energy and economic functions to support the state's development.
- The agency needs a defined remit, informed by relevant Ministers and agencies. This is imperative as its responsibilities have grown rapidly as have the expectations of government for it to coordinate and deliver priorities, some of which sit with other agencies.
- To deliver on this remit, the agency needs to work with other public sector agencies to develop and implement a long term integrated and evidence based plan to deliver outcomes. The plan needs to be supported by integrated modelling with assumptions tested and validated in accordance with appropriate delegations to inform decision making.
- To provide clarity to public sector agencies and stakeholders, it would be beneficial for the agency to specify the role it plays in different circumstances, particularly regarding initiatives in the economic diversification portfolio where there are multiple ministers and agencies involved.
- While the agency is not expected to have detailed subject matter expertise and commercial acumen in all priority areas, it has to engage earlier with government and industry experts to devise outcomes that are viable, evidence based and implementable.
- While most of the agency is responsive to ministerial requests, urgency often crowds out important and potentially more strategic work, impacting the delivery of outcomes.
- The agency should prioritise work and align planning, strategic execution, continuous improvement, capability development and workforce strategy. Without this alignment, and in the absence of a prioritisation framework, the agency is likely to struggle to deliver strategic outcomes.
- With a history of operating as an isolated entity, the full integration of Energy Policy WA into the agency is critical. If not resolved, it poses a significant risk to the agency's ability to deliver the energy transition.
- Examples of entrenched silos and resistance at all levels are apparent across the agency. A cohesive and collaborative way of working is critical for the agency to deliver the government's priorities. All members of the strategic corporate executive have to present and act as a unified strategic body to fulfill the 'One DEED' vision.
- The agency is described as disjointed and opaque, with stakeholders reporting advice is often confusing and contradictory depending on the area giving the advice. A refreshed operating model should be prioritised, with attention to integrating and aligning functions in both the energy and economic diversification functions.

- An operating model underpinned by appropriate governance, leadership capability and shared sense of purpose is essential to build workforce capability, improve consistency of processes and advice, and deliver whole of agency outcomes.
- Staff are professional, hardworking and committed. Isolated pockets of excellence exist but good practice is not embedded. Without the right processes and structures to support them, these good practices cannot be replicated at scale.
- There are skills gaps in areas such as strategic execution, data analysis and industry specific knowledge. Middle managers are key to developing these capabilities and are expected to translate intent into action, often without the training and support needed to succeed. Upskilling middle managers would benefit the agency now and into the future.
- Workforce planning is a gap and the agency has limited understanding of the future people skills it needs and how to proactively build its workforce with the required capabilities. This needs to be addressed.
- The agency is recognised for promoting Western Australia on the global stage. It coordinates ministerial investment and trade missions and leads delegations to major international events, thereby elevating the state's profile and securing offshore investment and trade opportunities. Signature events such as the Premier's Science Awards and WA Innovator of the Year further highlight Western Australia's strengths in innovation and excellence.

Lines of inquiry

The review identified 3 lines of inquiry to inform areas of focus for the agency and direct performance improvement efforts. To support this, the review team undertook further engagement activities including workshops with participants from other public sector agencies and entities, energy and economic diversification industry stakeholders, Department of Energy and Economic Diversification staff and strategic corporate executive.

Line of inquiry 1: Leadership and strategic planning in energy transition and economic diversification

Released by the Premier in September 2025, [Our priorities for government 2025-2029](#) sets a vision for the state, with the agency leading the coordinated delivery of initiatives and priorities to diversify the economy and drive energy transition. Achieving the vision in these areas needs strong direction, leadership, strategic foresight and integrated planning so investment, infrastructure and skills development are coordinated across the state.

The review identified a gap between the agency's perception of its limited authority and the expectations of government, other agencies and industry for it to lead and coordinate the state's energy transition and economic diversification agenda. The agency needs to clarify its remit and functions and define what role it plays in what circumstances – particularly as it relates to leading, delivering and coordinating initiatives in the economic diversification portfolio. Where there are multiple ministers and agencies with competing priorities, government confirmation of the agency's role

may be needed. The agency also has to differentiate its own delivery role compared to other agencies that are also involved in implementing strategic initiatives.

Active communication and genuine engagement of partners are critical so the agency does not miss opportunities to align government and industry, and convert engagement into action and outcomes including global engagement and priority markets. Strong communication, collaboration and an understanding of the differing priorities and expertise of other agencies and entities would improve relationships and lead to better outcomes.

The agency needs to take a strong role in coordinating whole of government collaboration, driving consistent implementation, and overseeing evaluation and reporting in the context of its energy and economic diversification remit. These actions would support delivery of WA's long term economic agenda, including becoming a renewable energy powerhouse, with shared ownership and accountability across government and industry. To do this, the agency needs to coordinate the development of a long term, evidence based integrated plan to consolidate the government's existing energy and economic diversification initiatives. This coordination would reduce duplication; align agency, sector and industry efforts; and support sequencing of activities in the full lifecycle of policies and projects from build to maintain to decommission.

In developing the plan, the agency needs to consider the lifecycle of a strategy from early stage research and infrastructure investment through workforce training and scaling production to long term operation, maintenance and eventual decommissioning or repurposing of facilities. While review may occur in some areas, there is no systematic and integrated approach to feedback, review and evaluation to assess whether the sector is collectively delivering on energy transition and economic diversification.

Modelling and data analysis are essential tools for lifecycle planning and execution. Leveraging data from multiple sources can improve forecasting and planning, allowing the system to deliver on a significant energy and economic diversification agenda. Limitations in the agency's current capabilities and practices are hindering its ability to support strategic decision making.

Stakeholders expressed concern about the lack of consistent modelling assumptions across government. Without agreed assumptions, delivery partners rely on different datasets, making it difficult to compare outputs, coordinate actions and align strategies.

The agency needs to strengthen internal modelling and analysis capabilities across the key domains of economic, energy, commercial and technical. While it is not expected to have deep subject matter expertise in every area, the agency has to engage earlier with experts in government and industry to co-design viable, evidence based and implementable solutions. This was supported by stakeholders who reported the desire for greater engagement with the agency as beneficial knowledge experts.

Line of inquiry 2: Outcomes focus to deliver what matters most

Knowing which activities provide the most benefit to the state is fundamental to good government. Practices to shape investment and support decision making have become increasingly complex and are a particular challenge for the agency. While most of the agency is responsive to ministerial requests, urgency frequently crowds out importance so activity becomes spontaneous rather than purposeful.

Increased expectations on the agency, volume of requests and demanding pace have shifted focus from outcomes to activity, making it difficult to consistently identify, sequence and deliver what matters most. Translating its purpose, vision and strategy into a scope of work that balances core functions (including statutory responsibilities) with additional priorities and deliverables would help. A service profile could be one way for it to understand and articulate the scope of what it delivers, why it delivers it and how that work contributes to strategic outcomes.

The agency does not have a prioritisation framework and staff reported treating most tasks as high priority, regardless of strategic alignment, creating pressure to respond to everything all at once and therefore leading to resource strain and limited ability to deliver outcomes. Development of a prioritisation framework should ensure the agency understands and focuses effort on activities that deliver value, impact and return on investment. It would also drive transparency in decision making and increase the capacity and resourcing of executive leaders to focus on coordinating integrated planning actions.

Applying an explicit prioritisation process to assess current activities once they are captured in a service profile or similar would help the agency determine whether the activities meet the desired threshold for prioritisation or warrant deferral or cessation. Following this, prioritisation can be used so new requests and proposals are not added to the agency's workload without assessing the collateral impacts on other work. Where existing or new activities arise that involve multiple portfolios and/or agencies - and the agency's role in leading, delivering or coordinating is unclear - the prioritisation framework needs to support consideration by government through an appropriate governance structure.

Defining a scope of work and embedding a prioritisation framework support clarity of what matters most, but delivering on priorities requires disciplined strategic execution. The agency should strengthen its capability to translate strategy into activity that yields outcomes. This involves incorporating a structured delivery cycle of early engagement with delivery partners, implementation plans, and regular review and reflection for improvement.

Balancing responsiveness with delivering outcomes requires clarity of purpose and a commitment from all staff to collaboration, communication and coordination. When leaders have the capability to support and manage teams for purposeful delivery it sends a clear signal about what matters, helping to shift the focus from reactivity to sustained and collaborative strategic execution.

Line of inquiry 3: Structure and organisation for high performance

To deliver on the agency's significant remit, an operating model needs to be intentionally designed for clarity, consistency, capability and commitment. In addition to organisation structure, a successful operating model integrates levers such as purpose, values, leadership, relationships, governance, systems and workforce capabilities.

The right structure can turn strategic potential into results by enhancing accountability, prioritisation and communication. A recurring theme in this review was the need for a joined up approach across the agency, specifically integrating Energy Policy WA.

Feedback from stakeholders and staff indicated that business areas operate as discrete silos with little cohesion or collaboration. Without internal communication and a unified approach, the agency risks continuing to deliver inconsistent and often conflicting advice, missing opportunities for system wide impact and eroding stakeholder confidence.

Rather than isolated teams and business areas based on subject matter, the agency would benefit from an operating model that supports grouping similar functions and activities to maximise available resources and expertise. Streamlining and embedding existing processes and sharing expertise would likely improve stakeholder experiences and the delivery of outcomes.

Staff reported unclear governance structures leave them 'second guessing' decision making roles and responsibilities. A centralised delegations register that sets out decision making authority at all levels, supported by training and guidance for staff, should be established as a priority.

Middle managers are often expected to translate strategy into action without the training or support needed to succeed. Many are not consistently turning strategy into actionable priorities for their teams which creates confusion about roles and responsibilities and weakens alignment across the agency.

A deliberate agency wide focus on leadership capability is required for leaders at all levels to translate strategy into delivery, manage performance constructively and align agency priorities by setting expectations and providing structured development. Building leadership capability in these areas is critical to improve delivery outcomes and strengthen agency wide cohesion.

Building a high performing agency requires a deliberate and proactive focus on workforce planning. The agency's approach is reactive and ad hoc, with limited visibility of capability gaps and skills requirements. The agency needs to identify current and future talent gaps, analyse the likely availability and suitability of talent pools, and design purposeful jobs and attractive career pathways. If these things are not done, the agency may continue to struggle to structure and organise itself to deliver on its objectives. Embedding strategic workforce planning would strengthen capability, improve role clarity and enable teams to deliver on whole of agency priorities and future government expectations.

Areas of strength

Highlighting and sharing areas of good practice is an important element of the Agency Capability Review Program.

Sharing good practice contributes to the development of the WA public sector. The body of knowledge and data collected through reviews is being used to create a bank of valuable learnings and resources to develop solutions to common problems and shared across the public sector.

The following are examples of where the agency has demonstrated areas of strength that can contribute to learnings for other agencies.

Area of strength 1: Communication of complex strategy in an accessible way

WA's economy has experienced notable shifts in recent years shaped by broad trends including changes in global commodity markets, digital transformation, a focus on renewable energy and transition to net zero. The fiscal challenges following the mining boom and lessons of the COVID-19 pandemic, particularly around supply chain vulnerability and economic concentration, have underscored the need for a more diversified and resilient economy.

In response, the agency has demonstrated strength in translating complex strategic policy into accessible content. This capability supports shared understanding of economic priorities across government and industry even where implementation may be difficult or unclear.

Frameworks such as [Diversify WA](#) and [Future State: Accelerating Diversify WA](#) illustrate this work. Offering structured narratives to help stakeholders engage with the state's economic priorities, these frameworks consistently receive positive feedback for their clarity, structure and relevance. By simplifying technical information, the agency's public facing content assists stakeholders make sense of complex policy directions.

Area of strength 2: International investment and trade commissioner workforce

Through Invest and Trade WA, the agency is responsible for managing the WA government's international office network that supports investment and trade.

The Invest and Trade WA Global Network operates as a hub and spoke model with a central hub in Perth and a presence in 17 international locations across 6 regions (Americas, ASEAN, Greater China, India-Gulf, North East Asia and United Kingdom/Europe). The Agent General leads the WA government's investment and trade activities in the United Kingdom/Europe region. The other regions are led by investment and trade commissioners who manage approximately 55 locally engaged staff across multiple locations.

By deliberately recruiting mid-career professionals into these commissioner roles, the agency has developed a considered international workforce model. To keep commissioners connected to the WA public sector and ensure their expertise benefits the state when their tenures end, the agency focuses on:

- facilitating pre-deployment engagement with government and industry
- reinforcing public sector values and community expectations so commissioners operate with an understanding of these principles while on assignment
- championing a collaborative 'Team WA' approach

- facilitating knowledge exchange by supporting delegations and sharing market expertise.

Current and returning commissioners present at public forums, including those targeted at future public sector leaders, to promote the role as a career opportunity. The approach has mitigated integrity risks, ensured continuity of institutional knowledge, and strengthened WA's international representation by embedding suitably experienced professionals who can navigate complex stakeholder environments while remaining closely connected to domestic policy settings.

Area of strength 3: WA marketed to the nation and the world

The agency plays a lead role in positioning WA as a global innovation and investment destination. It was critical in supporting the state's re-engagement with the world following the COVID-19 pandemic, leading implementation of the \$195 million Reconnect WA program. Through the program, the agency funded initiatives and campaigns, facilitated partnerships to revive the international education sector, and expanded WA's overseas offices to attract investment and promote trade.

The agency's Invest and Trade WA area leads WA trade missions internationally to create opportunities in priority markets. It facilitated 52 outbound missions in 27 international markets over the last 3 years. These missions were regarded as successful in generating strong visibility for WA, raising its profile and delivering tangible trade outcomes. They also generated valuable reciprocal visits with 123 inbound government and industry delegations supported in the 12 months to June 2025.

Recent ministerial missions reflect a growing strategic lens on promoting energy, innovation, international education and defence industry engagement across key regions including the Netherlands, Indonesia, Singapore, the United Kingdom and Japan. These missions have progressed Sister State relationships and economic ties, reinforcing global investment and trade opportunities.

The agency has also led WA delegations to major national and international conferences including the national AusBiotech conference and the Biotechnology Innovation Organisation conference in the United States which brings together over 20,000 industry leaders from 72 countries. The agency attracts major conferences to WA including the annual Energy Exchange Australia trade conference in Perth which celebrates innovation in all aspects of energy from oil and gas to renewables and clean energy solutions. It continues to be one of the most sought after energy events in Australasia.

Beyond international engagement, the agency champions WA's innovation and talent by coordinating high profile initiatives like the Premier's Science Awards, WA Innovator of the Year Awards, National Science Week and Resources Technology Showcase 2025. These initiatives serve as public platforms to celebrate WA's scientific and technological capabilities while also aligning with the State STEM Skills Strategy: Mission Update 2024-2029, reinforcing WA's reputation as a hub for innovation and future industries.



We are proud to deliver our services from Whadjuk Noongar boodja. We acknowledge and pay respect to Elders, Traditional Owners and Custodians of Country throughout Western Australia and their continuing connection to land, sky, waters and community.

Copies are available in different formats on request.

© State of Western Australia 2025

The State of Western Australia owns or licenses the copyright in this material. You may reproduce or communicate the material in an unaltered form (retaining this notice) for your own personal use, non-commercial use in your organisation, or as permitted under the *Copyright Act 1968* (for example 'fair dealing'). You must not reproduce, modify, communicate or use any part of the material for a commercial purpose without prior written approval from the Public Sector Commission.

Public Sector Commission | 2 Havelock Street, West Perth, WA 6005
T 08 6552 8500 | E admin@psc.wa.gov.au | WA.gov.au

December 2025 | PSC25034747