



ADDENDUM TO THE WESTERN AUSTRALIAN INDUSTRY PARTICIPATION STRATEGY (WAIPS) 2024

DIGITAL TECHNOLOGY

JUNE 2026

Following the launch of WAIPS 2024, Digital Technology was identified as a focus area for further development; and has been explored through consultation with suppliers and agencies. This addendum expands on Section 5.3 of the Strategy.

Addition to 5.3 Digital Technology

The Western Australian Digital Technology sector is complex and diverse, both in the nature of the businesses involved, and the changing nature of the products and services provided. Consequently, opportunities to link agency purchasing to local business development can vary significantly depending on the type of solution that is being procured. WAIPS classifies digital technology as software, hardware, services and infrastructure.

The digital technology sector in relation to software largely operates as a value-added reseller of software solutions developed by international vendors. This value-add may include customising and integrating system software to meet the specific needs of agencies or delivering technical support and training.

Local industry may be directly contracted to deliver on-the-ground support, manage deployments or customise solutions for local requirements. There are some opportunities for local firms to develop unique software or digital solutions to meet agency requirements or working with agencies on finding innovative digital solutions.

Hardware is similarly dominated by global manufacturers, with local businesses primarily reselling such products. Some local value is added through pre-deployment, installation, and related support services.

Agencies may also procure digital technology planning, consultancy and advisory services, implementation, operations and ongoing management. These services are largely provided by multinational corporations with some services provided by local businesses.

As the Western Australian government's demand for data storage and computing capacity grows, the role of digital infrastructure and in particular, data centres, becomes increasingly significant. There is an opportunity for locally based data centres to enhance sovereign capability and assist in meeting privacy and security obligations.

Given the dominance of imported technology solutions across the sector, the government will explore the introduction of indirect offsets by multinational vendors as a mechanism to support local economic development.



This may involve commitments such as local training, industry development, integration of locally developed products into suite solutions and digital marketplaces or investment to compensate for reduced direct procurement from Western Australian businesses.

Key Measures for WAIPS 5.3 Digital Technology

Supported by the review of the digital technology sector conducted by the Australian Information Industry Association, the following recommendations are incorporated into WAIPS 2024 through this addendum.

1. Modification to the WAIPS Participation Plan

Suppliers delivering digital technology goods or services above WAIPS thresholds will be required to complete a tailored Digital Technology Participation Plan. This will provide agencies with a clearer understanding of local industry involvement in each procurement.

2. Training for the Digital Technology Industry

Training workshops on Western Australian government related procurement policy will be developed and introduced focusing on the rationale and structure of procurement policy and process, as well as local sourcing and WAIPS. The intention is to ensure the digital technology industry is informed on policy and process when preparing and submitting bids for supply.

3. Encouragement of WAIPS Strategic Project Determination

The Department of Energy and Economic Diversification (DEED) will promote greater use of the WAIPS Strategic Project determination, to encourage agencies to specify the benefits that can be generated through digital technology procurement and supporting local industry participating in the government market.

4. Standing Offer Arrangements

Common use arrangements and agency panel arrangements represent a significant portion of Western Australian government procurement. Notably, digital technology procurement represents a significant proportion of Western Australian government expenditure of this type. These arrangements will be further investigated to ensure that full, fair and reasonable principles are being applied to support local digital technology businesses.

5. Communicate consultation findings

DEED will continue to communicate the specific concerns raised by the digital technology industry in relation to individual tendering, common use and panel contracting and approach to innovation to relevant agencies. This is intended to highlight to agencies where adjustments may be incorporated into digital technology procurement.



6. Further investigation of best practice solutions and benefits for agencies

DEED will seek to identify and implement interstate and international best practices in digital procurement to support the local digital technology industry to enhance outcomes. For example, the Australian Government recent policy changes for Small to Medium Enterprises and use of defined market share will be a priority for investigation.

7. Maintain Collaboration

DEED will continue regular collaboration with the digital technology industry and relevant industry bodies regarding government procurement and local industry participation. This will occur through utilising existing government forums; and through other digital industry government activities including those relating to the Digital Industries Acceleration Strategy; and Western Australian government assistance programs, such as the Local Capability Fund to help local digital technology businesses enhance their capability, capacity and competitiveness.

Further Advice and Assistance

WAIPS 2024 is a Western Australian government policy administered by the Department of Energy and Economic Diversification.

Further advice on WAIPS requirements can be obtained from [WA Industry Link](#).