



Government of **Western Australia**
Department of **Treasury and Finance**

Review of the Procurement Act 2020 (WA)

Discussion Paper

September 2026

Acknowledgement of Country

This document was prepared by the Department of Treasury and Finance on the traditional Country of the Wadjuk people of the Noongar Nation.

Department of Treasury and Finance respectfully acknowledges the Traditional Custodians of Country throughout Western Australia and their continuing connection to Country, Culture and Community.

We pay our respects to all members of Western Australia's Aboriginal communities and their cultures and to Elders past and present.

We acknowledge and pay tribute to the strength and stewardship of Aboriginal people in sustaining the world's oldest living culture and value the contribution Aboriginal people make to Western Australia's communities and economy.

We recognise our responsibility as an organisation to work with Aboriginal people, families, communities, and organisations to make a difference and to deliver improved economic, social and cultural outcomes for Aboriginal people.

Further information relating to this document may be obtained by emailing
procurementadvice@dtf.wa.gov.au

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Minister's Foreword

Government procurement plays a critical role in Western Australia by supporting economic activity, enabling the delivery of essential services and infrastructure, and creating opportunities for businesses across the State. The Western Australian Government is committed to ensuring that its procurement framework remains contemporary, effective and capable of delivering strong outcomes for the community and the WA economy.

Since the introduction of the *Procurement Act 2020* (WA) and the Western Australian Procurement Rules (WAPR), State agencies have operated within a more consistent and transparent procurement framework, underpinned by strengthened governance. This framework has enabled agencies to deliver better value for money and advance broader economic, social and environmental outcomes for Western Australians.

It is important, however, that our procurement framework continues to evolve in response to changing economic conditions, stakeholder expectations and the experiences of agencies and suppliers. In doing so, it must fully leverage the State's purchasing power to deliver on the Government's priorities, particularly supporting local industry, driving economic diversification, creating jobs and advancing a future that is Made in WA.

This discussion paper seeks your views on two important matters.

The first is a review of the competitive **procurement thresholds under the Western Australian Procurement Rules**. These thresholds establish how State agencies approach the market to procure goods, services and works. The review considers what thresholds will strike the best balance between procurement efficiency and flexibility, and appropriate levels of oversight, transparency and competition.

The second is a broader, **statutory review of the *Procurement Act 2020***. The Act establishes the legislative foundation for government procurement in Western Australia, including its objects of achieving value for money, supporting participation of small and medium enterprises, strengthening integrity, enabling coordinated leadership and maintaining flexibility to respond to future challenges. This review provides an opportunity to assess how effectively the Act has operated since its commencement and whether any changes are required to better support its objects.

Feedback from agencies, suppliers, industry bodies and the broader community will inform both reviews. In particular, insights from Western Australian businesses on how procurement settings affect participation in government opportunities will help identify areas for improvement.

I encourage all interested stakeholders to consider the questions in this paper and make a submission. Your insights and experience will play an important role in shaping a procurement system that continues to deliver strong outcomes for Western Australians and help us to have more things made in Western Australia.

I look forward to your contribution.

Hon David Michael MLA
Minister for Finance

Invitation to make a submission

The Department of Treasury and Finance (DTF) is seeking public feedback to inform a review of the current Western Australian competitive procurement thresholds and a review of the operation and effectiveness of the Procurement Act 2020 (WA).

About this paper

This discussion paper explains the matters under review, and sets out the relevant background, preliminary findings and consultation questions to help stakeholders provide informed feedback.

- **Part A** concerns the **review of Rule C4 of the Western Australian Procurement Rules**, which prescribes approach to market thresholds for goods, services and works procured by State agencies.
- **Part B** concerns the **statutory review of the *Procurement Act 2020***. Consistent with the terms of that review, this part of the paper focuses on the operation and effectiveness of the Act itself.

How to make a submission

Stakeholders may respond to one or both parts of this paper, depending on their interest and experience.

Responses should be submitted by email to procurementadvice@dtf.wa.gov.au using the relevant feedback template provided on the WA.gov.au webpage (links below).

Part A submissions close at **5pm on Tuesday 29 September 2026**. Submissions should be provided using the [*Procurement Act Feedback Template*](#).

State agencies that have already provided feedback on the procurement threshold review should only respond to Part A if there is a material change to their previous feedback.

Part B submissions close at **5pm on Tuesday 20 October 2026**. Submissions should be provided using the [*Procurement Act Feedback Template*](#).

Privacy

If you do not consent to your submission being treated as a public document, you should mark it as confidential, or specifically identify the confidential information, and include an explanation. Please note, even if your submission is treated as confidential by DTF, it may still be disclosed in accordance with the requirements of the Freedom of Information Act 1992 (WA), or any other applicable written law. DTF reserves the right to redact any content that could be regarded as racially vilifying, derogatory or defamatory to an individual or an organisation.

Key terms

Act means the *Procurement Act 2020 (WA)*.

Procurement includes:

- obtaining goods, services or works by purchase, lease, licence, public-private partnerships or other means; and
- disposing of goods or works.

The scope of procurement is determined by sections 4 and 9 of the Act, which set out inclusions and exclusions.

DTF means the Department of Treasury and Finance, the agency currently responsible for administering the Act.

State agency has the meaning given in section 5(1) of the Act and includes agencies as defined in section 3 of the *Financial Management Act 2006*. Government Trading Enterprises are not State agencies for the purposes of the Act.

GPD means a General Procurement Direction issued under section 21 of the Procurement Act. GPDs set whole of government rules and policies relating to the procurement of goods, service or works by State agencies. A list of the current GPDs is available [here](#).

WAPR means the *Western Australian Procurement Rules*. At the date of this paper, the current version of the WAPR is General Procurement Direction 2025/07. The WAPR apply to the procurement of goods, services and works by all State agencies.

Rule C4 'Procurement Method' refers to the WAPR rule that prescribes the minimum competitive requirements for the procurement of goods, services and works. It specifies the **monetary thresholds** for direct sourcing, limited sourcing and open advertisement, and sets out exceptions to those requirements.

Direct sourcing means the procurement of goods, services and/or works by placing an order with a supplier of choice, without seeking any other bids.



Limited sourcing means a market approach to more than one supplier, but not all suppliers.

Open advertisement means a market approach open to all suppliers or, in the case of standing offers, all eligible suppliers.

Cooperative Procurement Arrangement refers to an arrangement that enables State agencies and other authorised bodies (including public authorities, local governments, universities and not-for-profit organisations) to procure goods, services, community services or works collaboratively, either through a joint approach to market or by accessing an existing contractual arrangement established by another participant. See [Cooperative Procurement Guideline](#).

Debarment regime refers to the grounds, processes and governance to support improved supplier conduct and business practices and, in the most serious cases of wrongdoing, exclude suppliers from contracting with the Western Australian government. See [Debarment Regime: Guide for Western Australian Government agencies](#).

Part A: Western Australian Procurement Rules Threshold Review

Overview

Background

The Western Australian Procurement Rules (WAPR) came into effect on 1 June 2021 to harmonise the State's approach to procurement of goods, services and works. The WAPR prescribe the minimum policy requirements that State agencies and their officers must follow when undertaking procurement.

Rule C4 of the WAPR sets the procurement method thresholds for State agencies when procuring goods, services and works. These thresholds establish the minimum competitive requirements that apply at different monetary values and specify when an agency may directly engage a supplier, must undertake at least limited competitive sourcing, or must approach the market through an open tender, unless an exception or exemption applies. The applicable threshold is determined based on the total estimated value of the procurement, including any extension options and GST.

The thresholds for goods and services (including community services) have remained unchanged since 2014.

Reviews of the WAPR were undertaken in 2022 (internal to the former Department of Finance) and in 2023 (with all Western Australian State agencies invited to provide feedback). A notable finding from these reviews was strong State agency support for increasing the thresholds in Rule C4, reflecting concerns that current settings may no longer be fit for purpose.

Approach to market thresholds were temporarily increased between June 2020 and May 2021 to support agencies in responding to the impacts of the COVID-19 pandemic and local economic recovery. A review of these temporary measures found improved flexibility and efficiency in procurement processes, while maintaining fair competition.

Considering these factors, including changes in market conditions, increased cost pressures, and agency experience under both permanent and temporary settings, DTF has undertaken a further review of the procurement thresholds in Rule C4.

Findings to date

DTF's review of Rule C4 drew on Tenders WA procurement data, interjurisdictional comparison, stakeholder consultation and a review of recent reports into procurement misconduct. Further detail regarding these findings is provided at Appendix A.



Overall, the evidence does not indicate a clear clustering of procurement activity at particular values, suggesting that there is no natural threshold at which procurement methods should be set for direct sourcing or open advertisement.

Cost indicators demonstrate material increases in the price of goods, services and works over the past decade, indicating that current thresholds have not kept pace with economic conditions. A purely inflation-based adjustment would support an open advertisement threshold of around \$350,000. However, thresholds must also balance efficiency, market access, competition and appropriate oversight.

A survey of State agencies identified broad support for increasing thresholds, with a strong preference for higher open advertisement thresholds and increased flexibility for lower-value procurements. Survey respondents also highlighted potential risks of raising thresholds, particularly in relation to integrity, transparency and impacts on small and local businesses. These risks are considered manageable and could be addressed through complementary governance measures.

Taken together, these findings support increasing the current procurement thresholds to improve efficiency, while maintaining appropriate safeguards to support transparency, integrity and supplier participation.

Preliminary recommendations

It is recommended that the following changes be made to the WAPR Rule C4 thresholds:

- Increasing the **open advertisement** threshold from \$250,000 to **\$500,000**.
- Increasing the **direct sourcing** threshold from \$50,000 to **\$100,000**.

These recommendations align with WA Government Priorities 2025–29, including supporting economic diversification and the delivery of quality infrastructure and services across the State.

Differing procurement thresholds for goods and services and for works are not recommended at this time.

Consequential changes to the WAPR and other General Procurement Directions (GPDs) will be required to reflect updated thresholds. While some thresholds will be adjusted accordingly, key transparency measures, such as requirements to publish contract award details on Tenders WA, are expected to remain unchanged.

The proposed changes are expected to improve procurement efficiency and flexibility, while maintaining appropriate safeguards to support transparency, integrity and supplier participation. Increased flexibility may also support improved engagement with local and regional businesses in appropriate circumstances.

Consultation Questions (Part A)

Complete the below questions using the [Procurement Act Feedback Template](#).

All feedback on the thresholds is welcome, in addition to the questions below.

Part A submissions close at **5pm on Tuesday 29 September 2026**.

State agencies that have already provided feedback on the procurement threshold review should only respond to Part A if there is a material change to their previous feedback.

- 1. Do you agree with the recommended threshold changes?**
 - a) Direct sourcing: Yes / No
 - b) Open advertisement: Yes / No
- 2. If no, which of the following alternatives do you prefer?**
 - c) Direct sourcing: \$50,000 / \$65,000
 - d) Open advertisement: \$250,000 / \$350,000
- 3. Are there any comments you would like to provide to support your responses above?**

Part B: Procurement Act 2020 Review

Overview

Background

The *Procurement Act 2020* (the Act) received Royal Assent on 19 June 2020 and came into full operation on 1 June 2021. The Act forms a critical part of the current Western Australian Procurement Framework, a unified legislative and policy structure governing how State agencies procure goods, services and works.

The Act gives effect to recommendations from the Government's Service Priority Review and Special Inquiry into Government Programs and Projects, which found the previous procurement framework was complex, fragmented and inefficient, and created unnecessary barriers for small and local businesses.

The intent of the Act is to establish a single legislative framework for the procurement of goods, services and works, to improve consistency and integrity, and provide a clearer basis for issuing procurement policy. The Act also seeks to align procurement more closely with government's social and economic objectives and to improve access to supply opportunities for local businesses and small and medium enterprises.

The Act

The Act establishes the powers and functions that underpin a modern, coordinated and agile procurement framework, including a strengthened integrity regime. It provides for central procurement leadership while maintaining devolved decision-making.

Under the Act, the administering department (currently DTF) is empowered to perform key leadership functions, including:

- issuing procurement directions that apply across all State agencies or to specific agencies;
- establishing whole-of-government contracting arrangements; and
- auditing and investigating procurement activities for goods, services and works, supported by a centralised complaints function.

The Act also establishes a framework for the debarment or suspension of suppliers from current or future State agency contracts, promoting ethical conduct and accountability in government procurement. In addition, it enables State agencies to participate in cooperative procurement arrangements, allowing multiple agencies to procure through a single process and improving efficiency for both agencies and industry.

The Act interacts with other pieces of legislation, as listed in **Appendix B**.

Objects of the Act

The Act's objects are stated in section 3 and are as follows.

-
- a) *to promote best value for money in government procurement so as to deliver sustainable economic, social and environmental benefits to Western Australians.*
 - b) *to reduce barriers to the participation of small and medium businesses in government procurement by streamlining procurement procedures.*
 - c) *to strengthen integrity in government procurement and to promote ethical and accountable practices so as to provide confidence that procurement is conducted fairly.*
 - d) *to enable coordinated government procurement strategy, governance and leadership and devolved accountability and decision-making.*
 - e) *to provide a legislative scheme that is responsive to changing community expectations and that supports innovation in the Western Australian economy.*
-

Preliminary assessment

DTF's preliminary assessment of the Act's operation suggests that the Act is broadly meeting its objects and providing a robust foundation for a modern and effective procurement framework.

The extent to which the Act is delivering its intended outcomes is influenced by a range of contextual factors, including:

- how the policy levers available under the Act are applied by individual State agencies;
- the interaction with other procurement-related policies (such as the Western Australian Industry Participation Strategy and the WA Buy Local Policy);
- variations in agency procurement capability and maturity; and
- prevailing market conditions.

The following examples demonstrate how key features of the Act are contributing to the achievement of its objects in practice.

Example	Description	Relevant object(s)
Central procurement leadership	DTF's role under the Act as the sector's procurement functional leader enables effective whole-of-government responses to emerging issues (for example, supply disruptions and major incidents) and supports the development of system-wide initiatives, including those that enhance SME participation. As an example, DTF has the authority to release materials such as the Western Australian Social Procurement Framework, bringing together relevant government social procurement policies and conveying key community outcomes. It reinforces a broader approach to value for money by supporting consideration of social, economic and environmental outcomes in procurement decisions, including improved opportunities for SMEs and other priority supplier groups, alongside benefits for Western Australian people, businesses, places and communities.	Flexibility, innovation and future readiness; Value for money and broader public outcomes; Participation of SMEs; Coordinated leadership and devolved decision-making
Integration of works procurement into the legislative framework	The Act establishes a single legislative framework for the procurement of goods, services and works. This has significantly strengthened governance in works procurement. Previously, government lacked the ability to issue whole-of-government procurement policy for works, and agencies operated under their own individual policies. In contrast, works procurement is now undertaken in accordance with the Western Australian Procurement Rules and other relevant GPDs issued under the Act. This has providing greater consistency in areas such as the definition of value for money, tender thresholds, reporting requirements and the implementation of Project Bank Account arrangements. In addition to procurement policy, other core mechanisms enabled by the Act also apply to works include cooperative procurement arrangements, audit and integrity functions, supplier debarment, and strategic forward procurement planning. This has further strengthened oversight, coordination and consistency across works procurement.	Value for money and broader public outcomes; Participation of SMEs; Coordinated leadership and devolved decision-making; Integrity, ethics and accountability

Consolidation and modernisation of procurement policy	The ability under the Act to issue GPDs has supported the consolidation and standardisation of procurement policy across government. A suite of GPDs have replaced the previously fragmented framework of State Supply Commission policies, Treasurer's Instructions and agency-specific policies. This has led to more consistent and robust procurement practices across government and contributed to a reduction in administrative burden for agencies.	Value for money and broader public outcomes; Coordinated leadership and devolved decision-making; Participation of SMEs
Delegation of General Procurement Directions (GPDs) from Minister	Under the Act the Minister has delegated his authority to issue GPDs to senior officers within DTF. This supports timely and flexible responses to government priorities, emergency situations and social policy objectives. Recent examples of GPDs issued to support government's social and economic priorities include GPD 202/15 'Supporting Local Manufacturing' and the GPD 2026/01 'Mental Health and Suicide Prevention Awareness Training'. GPDs have also been used to respond to emergency situations, including the (now repealed) GPD 2020/01 'Procurement Measure to Support the Economic Recovery of the WA Building and Construction Industry' and GPD 2022/01 'State of Emergency - Centralised Purchasing of Essential Products'	Value for money and broader public outcomes; Coordinated leadership and devolved decision-making; Flexibility, innovation and future readiness; Participation of SMEs
Agency Specific procurement directions (ASPDs)	The ability under the Act to issue ASPDs has enabled greater autonomy for agencies with sufficient procurement capability. Several ASPDs have been issued to allow agencies to undertake works procurement independently, enabling more efficient and tailored approaches and reducing administrative burden.	Coordinated leadership and devolved decision-making; Value for money and broader public outcomes
Audit function and debarment regime	The Act enables DTF to undertake procurement reviews and investigations into State agency compliance with the Act and Procurement Directions. This authority has been operationalised through DTF's procurement assurance and investigation processes. The Act, together with the Procurement (Debarment of Suppliers) Regulations 2021, has also enabled the establishment of the Debarment Regime, which sets out the grounds	Integrity, ethics and accountability; Coordinated leadership and devolved decision-making

	and processes for excluding suppliers from doing business with the WA Government. This regime has been applied in a small number of cases of serious wrongdoing since the Act's commencement. Together, these mechanisms strengthen oversight of procurement activities and provide a framework for addressing misconduct and safeguarding public funds. They have supported integrity, accountability and confidence in government procurement.	
Cooperative procurement arrangements (CPAs)	The Act enables agencies to establish CPAs. This may include undertaking joint approaches to market or accessing contractual arrangements established by other agencies. These arrangements can range from small, one-off procurements involving a small number of agencies to larger standing offer arrangements used by multiple participants. Cooperative procurement has supported agencies to achieve savings and efficiencies by sharing procurement processes, reducing duplication and administrative effort and aggregating demand. Cooperative procurement has also reduced duplication for suppliers, including small and medium enterprises, by minimising the need to respond to multiple procurement processes. The application of cooperative procurement arrangements across a diverse range of procurements demonstrates their flexibility and broad applicability. CPAs established include legal services panels, maintenance and trade panels, health equipment and ICT procurements, and emergency management arrangements.	Value for money and broader public outcomes; Participation of SMEs; Coordinated leadership and devolved decision-making
Strategic forward procurement planning	The Act assigns functional responsibility to the Department CEO for setting requirements for strategic forward procurement planning by State agencies. This has been operationalised through the Western Australian Procurement Rules (Rule F6), which requires State agencies to submit Strategic Forward Procurement Plans (SPFFs) to DTF. By improving visibility of upcoming opportunities, SPFFs enable suppliers, including SMEs, to better prepare for and compete for government work, and assist	Participation of SMEs; Value for money and broader public outcomes; Flexibility, innovation and future readiness

	State agencies and Authorised Bodies to identify cooperative procurement opportunities.	
Clarification of leasing arrangements	The Act provides greater clarity regarding the treatment of leasing by bringing certain leasing arrangements within the procurement framework and clearly excluding others. While policy settings in this area are still evolving, the framework creates the opportunity for a more consistent and coordinated approach to leasing procurement over time.	Value for money and broader public outcomes; Coordinated leadership and devolved decision-making

Consultation Questions (Part B)

For each of the suggested questions below, provide a rating 1 to 10 and brief comments including examples where relevant using the [Procurement Act Feedback Template](#)

For the purposes of these questions, 'government procurement' should be read as referring to procurement by State agencies only.

1. Overall effectiveness of the Act

- a) Overall, does the Act provide an effective legislative framework for the procurement of goods, services (including community services) and works in Western Australia?
- b) Overall, are the objects of the Act appropriate?

2. Made in WA

- a) What modifications would you recommend to the State procurement framework to deliver on the Government's priorities, particularly supporting local industry, driving economic diversification, enabling sovereign capability, creating jobs and advancing a future that is Made in WA?
- b) How would you recommend such modifications to be implemented?

3. Effectiveness of the Act against its objectives

2.1 Value for money and broader public outcomes

- a) To what extent does the Act allow government to deliver best value for money for State agencies?
- b) To what extent does the Act support the achievement of broader economic, social and environmental benefits through government procurement?

2.2 Participation of small and medium enterprises (SMEs)

- a) To what extent does the Act enable SMEs to compete fairly for government procurement opportunities? In responding, consider whether the Act has allowed for streamlined processes and reduction in administrative burden.
- b) Are there aspects of the Act that unintentionally disadvantage or discourage SMEs from participating in government procurement? This includes local and regional SMEs or those owned by women, First Nations peoples and culturally and linguistically diverse communities.
- c) Does the Act strike an appropriate balance between allowing agencies to tailor procurement approaches in ways that support SME participation, while maintaining sound governance and achieving effective outcomes?

2.3 Integrity, ethics and accountability

- a) Are the Act's governance, audit and supplier debarment mechanisms operating effectively and proportionately?
- b) Are there legislative gaps or limitations that reduce the Act's ability to address integrity risks?

2.4 Coordinated leadership and devolved decision making

- a) Are the roles and responsibilities established under the Act clear?
- b) Does the Act strike the right balance between coordinated leadership and devolved agency decision making across a large and geographically dispersed public sector?

2.5 Flexibility, innovation and future readiness

- a) Does the Act provide sufficient flexibility to respond to changing community expectations, emerging risks and innovation in procurement practice?
- b) Are there features of the Act that unnecessarily constrain future policy development?

4. Future operation of the Act

- a) Are changes to the Act required to improve its effectiveness in meeting its objects? If yes, what aspects of the Act should be amended, and why?
- b) Are there aspects of the Act that create practical challenges, unintended consequences or unnecessary complexity in its day-to-day operation?
- c) Are you aware of legislative approaches in other jurisdictions that, if adopted in Western Australia, would effectively support one or more of the objects of the Act? (Note, this review focuses on the structure and operation of the Act and WA's large, devolved, geographically dispersed procurement system).
- d) are there any aspects of the Act that specifically need to change to better support gender equity and an inclusive community?

5. Other

- a) Are there any other matters relating to the operation or effectiveness of the Act, within the scope of this Review, that you wish to raise?

Appendix A: Rule C4 Review Findings

Data analysis

Tenders WA procurement data was analysed to assess whether procurement activity clustered at particular values that would indicate natural thresholds for direct sourcing or open advertisement. Common Use Arrangement (CUA) purchases were excluded from the datasets. In the analysis of procurements valued at over \$250,000, those undertaken through direct engagement and limited sourcing were also excluded.

The analysis covered the 2021-22 to 2023-24 financial years to exclude the influence of temporary COVID-19 procurement measures.

For both goods and services and works procurement, activity was broadly distributed across value ranges, with no clear clustering at specific procurement values.

The Consumer Price Index and the WA Government spending deflator over the 10 years to June 2025 were also analysed. These indicators show material cost increases across procurement categories. However, there is no significant divergence between cost increases for goods and services and for works. On this basis, there is limited evidence to support higher thresholds for works compared to goods and services.

Interjurisdictional analysis

A review of procurement thresholds across Australian jurisdictions was undertaken, based on publicly available information and a summary compiled by the Australasian Procurement and Construction Council.

Drawing meaningful conclusions from this analysis was challenging due to the differing approaches across jurisdictions with varying procurement method requirements (some use monetary thresholds, and others use a risk-based approach).

Where monetary thresholds are used, there is significant variation. Reported thresholds range from approximately \$80,000 for goods and services and \$100,000 for works at the lower end, to around \$680,000 for goods and services and \$9.58 million for works at the upper end. In some cases, jurisdictions apply different competitive thresholds for goods and services and for works.

Some jurisdictions use risk-based approaches to determine procurement methods, particularly for goods and services, rather than applying fixed monetary thresholds. However, it is considered that the Western Australian public sector does not yet have sufficient procurement capability maturity to adopt a fully risk-based model. Such a shift would also represent a significant change for industry, particularly given Western Australia's long-standing reliance on monetary thresholds.

Consultation

All respondents generally supported increasing procurement thresholds to better reflect rising costs and reduce administrative burden. However, respondents emphasised the need to balance increased flexibility with:

- potential impacts on opportunities for small and local businesses;
- increased fraud and integrity risks at lower value thresholds; and
- flow-on impacts on other WAPR requirements (e.g. Rule C1 'Involve Department of Housing and Works'¹ and Rule D8.1 'Publish Contract Award Details on Tenders WA'²).

Key findings

- Open advertisement threshold: 64% of respondents identified \$500,000 as the most appropriate threshold. The remaining responses were evenly split between \$250,000 and \$350,000.
- Direct sourcing threshold: 83% of respondents supported an increase. A further 12% did not support an increase and 5% were unsure. Respondents were not specifically asked to nominate a preferred alternative value, although some made suggestions in additional commentary.
- Differentiated thresholds for works vs goods and services: 62% of respondents supported separate thresholds for goods and services and for works, while 38% did not.

Summary of survey commentary

Survey respondents were invited to provide supporting examples or evidence where current procurement thresholds were considered inappropriate, as well as any additional comments on the Rule C4 procurement method thresholds.

Key themes from the survey commentary included:

- Cost pressures: Respondents identified increased cost pressures across all sectors and noted that current thresholds are misaligned with economic conditions, creating unnecessary administrative burden for both suppliers and agencies.

¹ Rule C1 requires agencies to involve the Department of Housing and Works (DHW) in procurements from the planning stage onward. For goods and services procurements, DHW generally acts as facilitator for procurements valued at \$250,000 and above. For works procurements, DHW generally acts as project manager for procurements at all values. The Rule provides for certain exceptions, including Agency Specific Procurement Directions and where a State agency is undertaking works as authorised by its enabling legislation.

² Rule D8.1 requires agencies to publish contract award details on Tenders WA for contracts valued at \$50,000 or more, within 30 days of award. Details include the State agency's name, a description of the procurement, the contract dates, estimated value, name and address of the successful supplier, and procurement method used.

- Impacts on small and regional businesses: Respondents highlighted challenges for local and regional suppliers, including difficulty competing with larger metropolitan-based businesses.
- Experience with temporary thresholds: Temporary increases to thresholds during the COVID-19 economic recovery period were generally seen as successful in improving procurement efficiency.
- Governance and implementation considerations: Respondents noted potential impacts on integrity and governance, as well as practical implementation challenges such as updating internal policies and training.
- Alternative approaches: Some respondents suggested exploring non-monetary approaches, such as risk-based procurement models.

Appendix B: Related Legislation

- *Public Works Act 1902*
- *Financial Management Act 2006*
- *Public Sector Management Act 1994*
- *Corruption and Crime Commission Act 2003*
- *Western Australian Jobs Act 2017*
- Legislation that authorises a State agency to undertake works procurement using its own statutory powers (e.g. *Main Roads Act 1930*; *Public Transport Authority Act 2003*)