



WA Industry Link Annual Report 2023-24

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,

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1. Minister's Foreword

This is the seventh annual report produced by the Department of Jobs, Tourism, Science and Innovation (JTSI) covering the implementation of the Western Australian Jobs Act 2017 (the Act) and the Western Australian Industry Participation Strategy (WAIPS). The WAIPS was launched in March 2018. and I am proud to be the Minister responsible for the Act and WAIPS since November 2023.

From its full application in October 2018 to 30 June 2024, approximately \$49 billion of Western Australian Government procurement spend has been facilitated through the Act and the WAIPS. An estimated 86 per cent of contract value was sourced locally, amounting to approximately \$42 billion being retained in the Western Australian economy. I am committed to maintaining this impressive track record.

There is no doubt that the Act and WAIPS play a key role in facilitating local supply to government agencies. The ongoing delivery of WAIPS is supported by the commitment to upgrade and enhance the strategy on a regular basis, to effect

improvements in both its content and approach. Feedback and input from agencies and businesses will continue to assist this process.

It is anticipated that the refreshed strategy - WAIPS 2024 - will broaden and expand its scope to provide more benefits to the State.

A further dimension to WAIPS is the Strategic Project initiative. Wind farms became the fourth strategic project under the Act, on 11 January 2024.

WAIPS went digital on 1 July 2024 with the launch of a new user-friendly online platform to assist businesses to streamline their compliance with WAIPS-related reporting obligations.

This annual report contains significant detail on how Western Australian small and medium-sized enterprises (SMEs) have been supported by the Act and the WAIPS.

The Western Australian government also continued its ongoing support for local SMEs with a record 13 rounds of the Local Capability Fund (LCF) launched in 2023-24: Aboriginal Business, Standards Compliance,

Supplying Key Projects, Digital Transformation and nine Regional Rounds.

These rounds resulted in \$3.4 million in funding being provided to 123 WA businesses. The LCF plays a critical role in supporting local businesses' access to the government's \$32 billion per annum spend on goods, services and works for the community.

Since 2017, the LCF has provided \$21.7 million to 532 businesses, including 266 regional businesses, across a range of industry sectors. This funding has helped WA SMEs secure over \$918 million in new contracts - meaning for every \$1 of LCF funding awarded, WA SMEs have secured \$42 in contracts creating 1,821 jobs and 217 apprenticeships.

Hon Stephen Dawson MLC

Minister Assisting the Minister for State and Industry Development, Jobs and Trade.

2. Executive Summary

In 2023-24, the Western Australian Jobs Act 2017 and WA Industry Participation Strategy (WAIPS) continued to strengthen local supply chains for government procurement.

Since their full implementation in October 2018, nearly 2,400 contracts have been awarded, contributing significantly to Western Australia's economy. With a local content share of 86 per cent, these contracts have retained \$42 billion of their \$49 billion value within the State, reinforcing the importance of WAIPS in supporting local jobs and businesses.

In 2023-24, four Regional Business Engagement Forums (RBEFs) were undertaken across Western Australia. The forums play a critical role in informing regional SMEs about contracting opportunities, enabling them to be better prepared when bidding to supply goods, services and works to the Government. Forum locations were in Mandurah. Karratha. Port Hedland and Bunbury.

These forums provide an opportunity to discuss specific procurement topics, policy updates and upcoming

opportunities in their region. The contribution of the Local Content. Advisers Network (LCAN) was also crucial to the success of the forums. in both attendance and constructive outcomes.

A further notable advancement during the year was the development of the WAIPS Portal. The WAIPS Portal functions as an efficient way for users to complete and submit participation plans and reports, with automatic reminder emails and links to required reporting templates.

Additionally, the WA Government concluded its assessment of the independent review of WAIPS as required under the WA Jobs Act, and in April, Cabinet approved key review recommendations.

The Premier and the Hon. Stephen Dawson, as Minister assisting the Minister for State and Industry Development, Jobs and Trade, made brief ministerial statements on 7 and 8 May in Parliament. These statements outlined some of the Cabinet decisions, including that WAIPS 2024 will

encompass increased focus on local sourcing of medical and health products, local supply of digital technology, stronger links between procurement and innovation and realisation of opportunities arising from climate change.

The WA Government continued to ensure local businesses were well supported and could grow their businesses and be competitive in winning contracts through the Local Capability Fund (LCF). The LCF has helped create local jobs and supported local businesses to bid for State Government contracts, while also helping them adapt and compete in a rapidly changing economic environment.

In the past 12 months, the WA Industry Link website recorded a total of 48.162 views, with Buy Local Policy, LCF and WAIPS requirements for businesses the most frequently visited pages.

A key factor for the success of WAIPS is that Western Australia possesses a competitive supply base that meets the majority of the needs of state agencies.

3. Industry Link Advisory Service (ILAS)

3.1 Western Australian **Industry Participation** Strategy (WAIPS)

In 2023-24, a total of 15,276 jobs were supported in Western Australia, with 2,675 of them located in the regions. A remarkable 76.5 per cent of local sourcing was also achieved. To add to this, it is estimated that WAIPS supported more than 1,189 apprenticeships and traineeships in WA, including 240 in the regions.

3.2 WA Industry Link Website

The WA Industry Link Website (website) www.industrvlink.wa.gov.au continued to act as a source of information accessible through wa.gov.au. The website 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) 2024

- » Western Australian Buy Local Policy 2022
- » Western Australian Jobs Act 2017 (the Act)

The website 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 website recorded a total of 48,162 views, with Buy Local Policy, LCF and WAIPS requirements for businesses the most frequently viewed pages.



Image: Tom Bolton presenting at a Regional Business Engagement Forum in Albany.

4. Strategic Projects

Three initiatives continued as strategic projects under the Act in 2023-24:

4.1 METRONET WA Railcar Program

In April, a major milestone was reached for local manufacturing in Western Australia, with the State's first locally built and manufactured WA Railcar Program 246 C-series railcars ready for passenger services. It is the first locally manufactured and built train to join the rail network in more than 30 years, with the WA local jobs during construction and Government currently meeting its 50 per cent local content target.

4.2 Stand-alone power systems (SPS)

The WA Government committed \$18.4 million to roll out another 50 locally built Stand-alone Power Systems (SPS) across regional Western Australia in 2023-24

SPS are an off-grid power solution that provide low-cost, reliable power to endof-network customers through a combination of solar panels and battery storage with back-up generation.

4.3 Women and **Babies Hospital**

In February 2024, the WA Government called for expressions of interest (EOI) for managing contractors to design and construct the landmark \$1.8 billion hospital, to be built on land in the Fiona Stanley Hospital precinct. The EOI is the first step in the work being carried out by the WA Government in delivering this important project. The project is expected to support more than 1,400 provide opportunities for local suppliers and contractors.

A new strategic project was declared under the Act in 2023-24:

4.4 Government Trading **Enterprise (GTE) owned Wind Farm Projects**

Wind farms were declared a strategic project under the Western Australian Jobs Act 2017, on 11 January 2024.

In June, the WA Government signed a collaborative agreement with the Advanced Manufacturing Growth Centre (AMGC) to deliver \$8 million in financial and non-financial support for local businesses, to enhance their participation in wind energy supply chains.

The program will assist local businesses in their pursuit to manufacture and service wind farm components and power up WA's energy capabilities.

Hon Stephen Dawson MLC, the Minister assisting the Minister for State and Industry Development, Jobs and Trade and Hon Reece Whitby MLA, Minister for Energy have agreed to extend the strategic classification of 'wind farms' to cover all state funded projects, demonstrating confidence in the contribution this initiative is making.

5. Regional Summary

The 2023-24 State Budget included significant initiatives with substantial potential for regional businesses to supply goods, services and works. These initiatives encompassed:

- » Regional housing and infrastructure.
- » Jobs and training to support and diversify regional economies.
- » Health services, including a funding boost to the Patient Assisted Travel Scheme
- » Upgrades to regional and remote airstrips.
- » Cost of living support.

It is estimated that for the 2023-24 fiscal year, 43 per cent of WAIPS contracts were regional, resulting in 2,675 employment opportunities and 240 apprenticeships and traineeships.

5.1 Regional Business Engagement Forums

As part of the government's commitment to job creation and regional development, the department delivered four Regional Business Engagement Forums (RBEFs) across regional WA during the year. The RBEFs continue to play an important role in informing regional SMEs of contracting opportunities, enabling them to be better prepared when bidding to supply to the WA Government's estimated \$42 billion annual spend on goods, services and works.

The RBEFs provide SMEs with important information on government initiatives, including the WAIPS, the WA Buy Local Policy and the department's successful funding program, the LCF.

The RBEFs have become an important means of delivering information on supply opportunities between government agencies and regional businesses. Feedback received from previous RBEFs has helped shape the formulation and ongoing development of the WA Buy Local Policy.

5.2 Stand-alone Power Systems (SPS)

As part of the 2024-25 State Budget, the WA Government will deliver \$18.4 million to roll out another 50 locally manufactured Stand-alone Power Systems (SPS) in regional WA.

Since 2021, the WA Government has delivered 56 locally built SPS across regional WA, helping to produce cleaner, affordable and reliable energy while providing a pipeline of work for local manufacturing companies.

5.3 Local Capability Fund (LCF) – Regional Rounds

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 2023-24, a total of nine rounds of the LCF were launched exclusively for regional businesses, four of which were launched at the RBFFs.

Image: Kimberley Regional Service Providers (KRSP) Gator (quad bike), purchased with grant funding from the LCF.





Image: EK Contracting's Indigenous Engagement Director and Nyamal Traditional Owner, Glenn Rush, LCF grant recipient.



Image: Kimberlev Regional Service Providers (KRSP), LCF grant recipient.

5.4 Local Content Adviser **Network (LCAN)**

The contribution of the Local Content Adviser Network (LCAN) was also crucial to the success of the RBEFs, contributing both to attendance and constructive input.

Established in 2018, the network aims to drive and support opportunities for regional businesses to supply to State Government.

By fostering connections across Government Agencies, industry bodies, and SMEs, the LCAN helps regional business participate in supply chains, promoting growth, diversification and enhanced capabilities.

In addition to supporting businesses, the LCAN also informs Local Content policy, practice, and research. It also promotes the LCF, strengthening and diversifying local economies across Western Australia.

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.

Any variations 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.





Images: Attendees at the announcement of \$1.8 million LMIF for DIAB Engineering to expand Geraldton rail repair facility.

6.1 Number of awarded tenders that required a participation plan



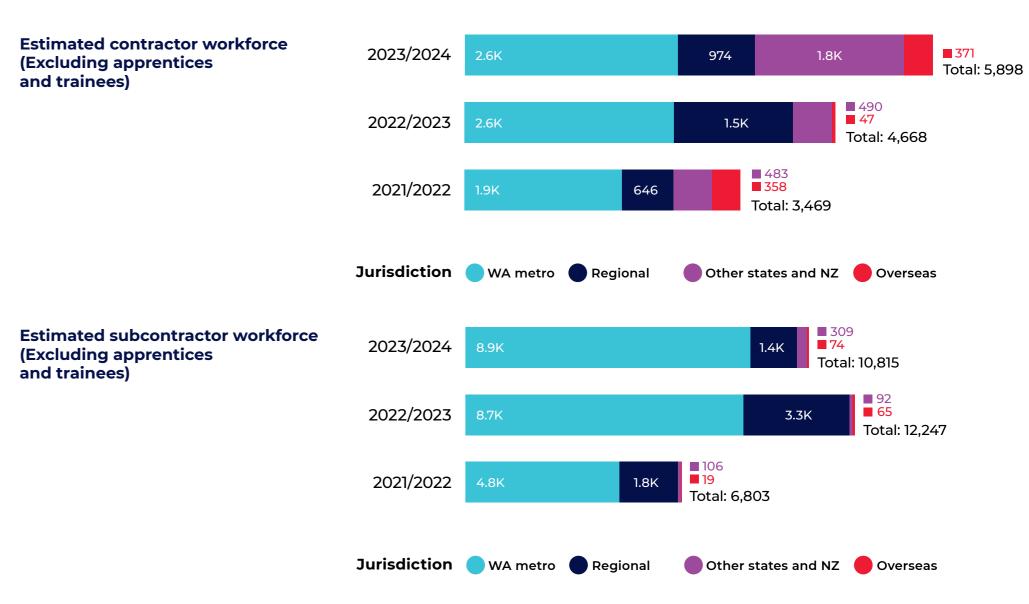
Goods and servicesHousing and works

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6.2 Total estimated workforce supported through WAIPS supply

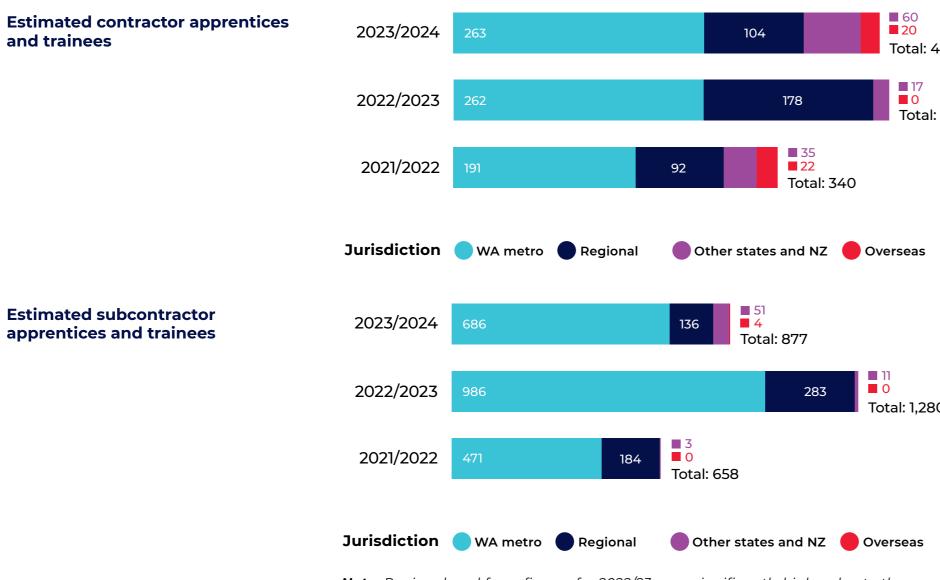


6.2 Total estimated workforce (continued)

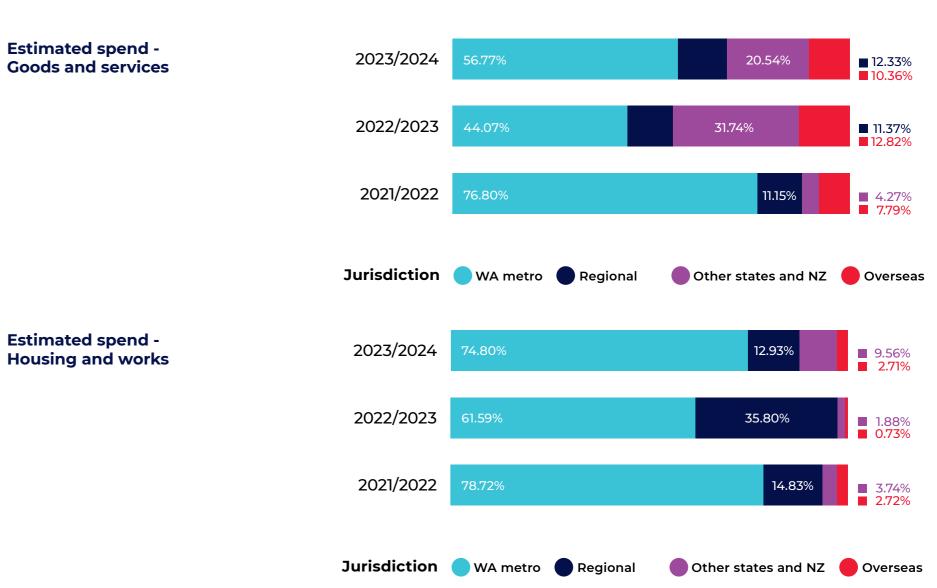


Note: Regional workforce figures for 2022/23 were significantly higher due to the Bunbury Outer Ring Road Project.

6.2 Total estimated workforce (continued)

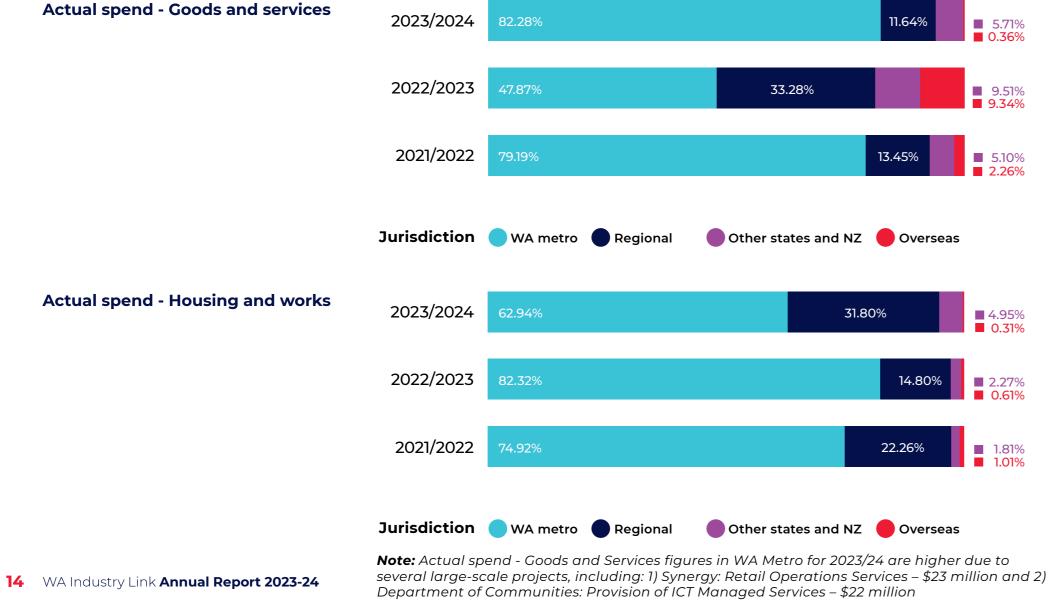


6.3 Estimated spend



Note: Regional workforce figures for 2022/23 were significantly higher due to the Bunbury Outer Ring Road Project.

6.4 Actual spend



7. Local Capability Fund Statistics

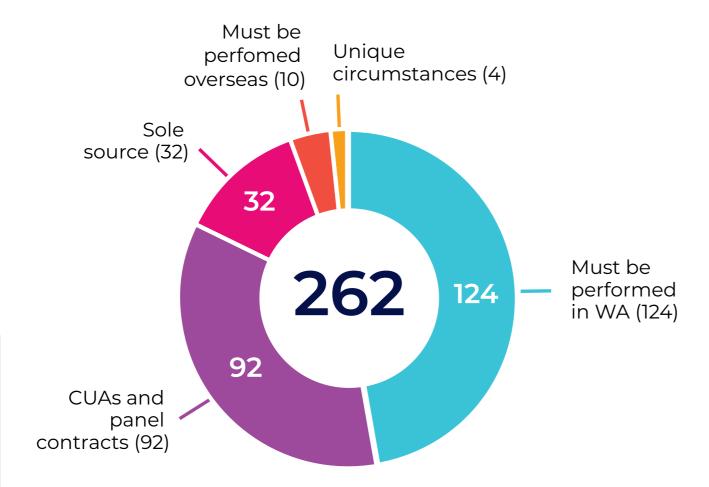
Round	Funds Recommended	Number of Applications
LCF 2023-24 — Supplying Key Projects Round	\$1,046,717.88	23
LCF 2023-24 — Digital Transformation Round (Pilot)	\$617,231.45	26
LCF 2023-24 — Aboriginal Business Round	\$552,380.94	13
LCF 2023-24 — Standards Compliance Round	\$505,512.37	28
LCF 2023-24 — Regional Round - Great Southern	\$127,387.45	8
LCF 2023-24 — Regional Round - Pilbara	\$102,786.82	4
LCF 2023-24 — Regional Round - South West	\$102,450.00	6
LCF 2023-24 — Regional Round - Gascoyne	\$79,032.42	5
LCF 2023-24 — Regional Round - Mid-West	\$75,685.00	5
LCF 2023-24 — Regional Round - Peel	\$75,260.00	4
LCF 2023-24 — Regional Round - Kimberley	\$63,317.73	5
LCF 2023-24 — Regional Round - Wheatbelt	\$36,669.27	3
LCF 2023-24 — Regional Round - Goldfields-Esperance	\$26,583.73	2
Total	\$3,411,015.06	132 (123 distinct businesses)

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 www.wa.gov.au/ government/publications/waindustry-link-wa-industryparticipation-strategy-grantedexemptions

Total number of approved exemptions for 2023-24 = 262







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