



The Western Australian Industry Participation Strategy

What is the Western Australian Industry Participation Strategy?

The Western Australian Industry Participation Strategy (WAIPS) was developed to give effect to the objectives within the Western Australian Jobs Act 2017 (WA Jobs Act), an Act that aims to maximise opportunities for local businesses to supply to the State Government market. The WAIPS represents a new era in State Government purchasing for both agencies and industry, as it applies to all State agencies and all forms of procurement.

The Minister for Jobs is responsible for the WAIPS, and may also revise and provide exemptions to the WAIPS if required. The WAIPS is implemented by the Department of Jobs, Tourism, Science and Innovation.

Which agencies and supplies does the WAIPS apply to?

The WAIPS applies to all State departments, agencies, statutory authorities and government trading entities.

It applies to all forms of procurement (goods, services, housing and works) that are above designated values, including private-public partnerships.

The WAIPS does not apply to universities, local government procurement and grants.

The values that trigger the WAIPS requirements are outlined in the following table. These values are for the total life of the contract including GST.

Form of Procurement	Contracts with WAIPS requirements
Goods & services - metro area	\$1 million and above
Goods & services - regional areas	\$500,000 and above
Housing & works - metro area	\$3 million and above
Housing & works - regional areas	\$500,000 and above

What does the WAIPS aim to achieve?

The WAIPS aims to provide local businesses with full, fair and reasonable opportunity to access and win State Government supply contracts. In particular, it focuses on small and medium sized enterprises, which make up approximately 97% of businesses in Western Australia. The objectives of the WAIPS are:

- Promoting the diversification and growth of the Western Australian economy by targeting supply opportunities for local industry.
- Providing suppliers of goods or services with increased access to, and raised awareness of, local industry capability.
- Encouraging local industry to adopt, where appropriate, world's best practice in workplace innovation and the use of new technologies and materials.
- Promoting increased apprenticeship, training and job opportunities in Western Australia.
- Promoting increased opportunities for local industry to develop import replacement capacity by giving local industry, in particular small or medium sized enterprises, a full, fair and reasonable opportunity to compete against foreign suppliers of goods or services.



Key Components of the WAIPS

The WAIPS has a number of components that work to ensure that local businesses are provided with maximum access to State Government supply opportunities. These include:

Procurement related principles and policies

The principles of accountability and probity, open and effective competition, transparency in decision making and value for money are key considerations in the development of the WAIPS.

As required by the WA Jobs Act, the WAIPS is consistent with State Supply Commission procurement principles and policies and Section 92 of the Australian Constitution.

Participation plans

The WAIPS requires prospective suppliers to complete and submit a participation plan as part of their tender bid for contracts above relevant thresholds. Depending on the value of the supply contract, they may need to prepare either a “core” or “full” participation plan.

A core participation plan is a simple plan that requires prospective suppliers to outline local economic benefits should they be awarded the contract.

A full participation plan is a more detailed plan that requires prospective suppliers to demonstrate local economic benefits and provide a full, fair and reasonable opportunity to local industry, should they be awarded the contract.

Participation plans will be used as part of the evaluation, award and contracting process.

Regional procurement

The WAIPS introduced a number of initiatives to improve economic outcomes for regional industry and businesses.

These include:

- Local Content Advisers (LCAs) will be located in each Regional Development Commission to provide assistance to local industry and businesses.
- Agencies will be encouraged to increase their delegated spend in regional areas.
- Changes to buying rules for Common Use Agreements and state wide contracts to provide greater opportunities for regional sourcing.

Assistance

Both State agencies and local businesses will be provided with assistance to implement the WAIPS through the Department of Jobs, Tourism, Science and Innovation’s Industry Link Advisory Service (ILAS) and the Local Content Advisers (LCAs).

Exemptions

Agencies may apply to be exempted from the obligation to require a participation plan for some types of contracts. However, while a participation plan may be deemed unnecessary, reporting on employment and training outcomes of the supply contract may still be requested by the Minister for Jobs.

Exemptions can be granted by the Minister for Jobs on a case by case basis.

The Department of Jobs, Tourism, Science and Innovation have developed Exemption Guidelines to help State agencies identify circumstances where an exemption may be appropriate.

What are the reporting and compliance requirements?

State agencies are required to ensure their supply contracts contain an obligation for the successful supplier to report on the outcomes of the implementation of their participation plan. Agencies are also required to track and report upon the economic outcomes of their overall implementation of the WAIPS.

Where can I find more information?

Find more information, implementation guidelines and a full version of the WAIPS on the WA Industry Link Portal at industrylink.wa.gov.au

Or contact the Industry Link Advisory Service on 08 9222 0722, or via email at industrylink@jtsi.wa.gov.au

