

9 November 2022

Dr Michael Schaper  
Department of Jobs, Tourism, Science and Innovation  
Level 11  
1 William Street  
PERTH WA 6000



Chamber of Commerce  
and Industry WA

---

T: (08) 9365 7555  
E: [membership@cciwa.com](mailto:membership@cciwa.com)  
W: [www.cciwa.com](http://www.cciwa.com)

Via email: [jobsactreview@jtsi.wa.gov.au](mailto:jobsactreview@jtsi.wa.gov.au)

Dear Dr Schaper

### WA JOBS ACT REVIEW

The Chamber of Commerce and Industry of Western Australia (CCIWA) is the peak organisation advancing trade and commerce in Western Australia. We are fundamentally committed to using our insights to develop and advocate for public policies that will help realise our vision to make WA the best place to live and do business.

CCIWA welcomes the opportunity to comment on WA's Jobs Act Review. Improving access and opportunity to state government contracts is critically important for the WA business community, particularly small and medium enterprises (SMEs).

Our comments in this submission are aligned most closely with the following WA Jobs Act objectives:

- 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; and
- encouraging local industry to adopt, where appropriate, world's best practice in workplace innovation and the use of new technologies and materials.

#### ***Removing barriers to small business participation:***

We engaged with some of our CCIWA small business members to understand their experiences with the State Government procurement processes and this is what they told us:

#### **Small businesses see barriers to their participation, particularly if they are not the incumbent:**

"Some tenders lack adequate detail and it's difficult to meet expectations".

"So many barriers to meet the criteria. The system is set up for the incumbents and reinforce past decisions".

“For some tenders, if you don’t have ISO accreditation, don’t bother putting in a tender in. It’s too hard and expensive to get it and then you have to maintain it”.

### **End of contract notifications was also highlighted as an issue:**

“Our contract ends on the 17th of November and we only just found out that the contract was going to be extended. We need to know the outcome well in advance of the contract end so we can redeploy or lay off staff”.

There is a sense that State Government procurement processes favour incumbents. Consequently, this would likely limit the pool of available small businesses willing and able to participate in State Government procurement processes.

### ***Leverage existing industry networks***

Given the overarching aim of the WA Jobs Act is to increase the number of local businesses tendering for state government projects, we suggest the government should explore the use of existing industry networks to leverage the reach and effectiveness of State Government procurement processes.

One such example is the *Industry Capability Network (ICNWA)*, which connects project proponents across the resources, construction, infrastructure and defence industries with Australian suppliers. These major projects are listed on the ICN Gateway, the national platform for major projects, and ICNWA supports these major proponents by identifying capable local suppliers.

By utilising an industry platform such as ICNWA, the State Government can:

1. ***maximise reach***. For example, the ICNWA Gateway has over 7,000 WA suppliers listed from a total pool of 80,000 suppliers nationally, including 800 Aboriginal businesses. If the pool of local capability tendering for government projects is expanded, this has the added benefit of more competitive pricing, thereby optimising the use of government funds.
2. ***activate cross collaboration***. The State Government could leverage ICN’s analytics to accurately assess SME expression of interest and successful participation, which is critical to support evidence-based policy development.
3. ***ensure best practice***. Many major private sector proponents are leading the way in terms of their social procurement and decarbonisation objectives, and therefore, local suppliers are expected to demonstrate their own ESG credentials to participate in the private sector.<sup>1</sup> By utilising an industry platform, best practice can be transferred from the private sector to the government sector.

To maximise the effectiveness of the WA Jobs Act, we therefore recommend the State Government leverage existing industry networks to maximise reach and take up of state government contracts. We also consider leveraging the use of industry analytics as a

---

<sup>1</sup> For example, just recently, ICNWA and local WA provider *Climate Clever* have partnered to ensure suppliers are equipped with the tools to meet the increasing expectations around decarbonisation of major project proponents.

highly effective way to not only demonstrate transparency, but in understanding the policy's impact and effectiveness.

***Reduce database complexity***

Another important and related issue is the existence of multiple databases of business listings. This is often seen as a barrier to participation, because businesses have to use resources to manage multiple active profiles. For example, there are several Aboriginal business directories currently being managed variously by several government entities as well as local governments. ICNWA also has an Aboriginal Business Directory, which is the platform recommended by the Department of Finance to meet Aboriginal Procurement Policy targets.

To reduce database complexity and ensure the efficient and effective use of government and business resources, we recommended the State Government use and support one central database across all government agencies.

Once again, thank you for the opportunity to comment.

Yours sincerely

A handwritten signature in black ink, appearing to be 'CR', with a horizontal line extending from the end of the signature.

Chris Rodwell  
**Chief Executive Officer**