

WA LABOR  
**PLAN FOR  
JOBS**



**A Government for You.**

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## Our Jobs Plan - the Right Choice for You

I am proud to present WA Labor's Plan for Jobs.

It is a plan that will create a more vibrant and diversified economy with a broader range of industries and jobs.

We will deliver a government focused on the long term needs of our people. A government that is prepared to make decisions which will create a stronger State and opportunities for all.

Our economy should be strong, diverse, efficient and resilient. We should be able to ride out the ebbs and flows of the mining cycles due to our innate inner strength and diverse array of vibrant industries.

Investment in jobs by a McGowan Labor Government will make current and future small businesses a priority.

Living in Rockingham with my wife and three young children keeps me in touch with the economic reality facing many Western Australians.

I know that families are worried about job security. Many families have already experienced the pain of unemployment. Families that used to depend on mining jobs are now trying to deal with a dramatic cut in income.

Western Australians know we need to broaden our economy and become more diverse and dynamic. An economy that creates more jobs across a wider range of industries.

WA Labor's Plan for Jobs is carefully targeted and affordable.

Western Australia requires much greater effort in the areas of science, technology, manufacturing, tourism, services, education services, agriculture and other industries.

Government policy must be directed to expand the range and strength of industries in WA.

A McGowan Labor Government has an experienced team and will do the hard work to diversify the economy, create new jobs and new opportunities. We will be a government for you.

We owe it to future generations of Western Australians.



**Mark McGowan**  
**WA Labor Leader**



### STAY INFORMED:

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# OVERVIEW: WA LABOR'S PLAN FOR JOBS

## The Innovation Economy

A McGowan Labor Government is committed to ensuring that there is a focus on innovation as a future driver of our economy.

A \$14.5 million New Industries Fund will be created to provide grants to new and emerging businesses. Innovation Hubs will be encouraged and growth industries such as the renewables sector fostered. The creation of an Office of Innovation and ICT will provide the focus required.

Priority will be given to creating a job ready workforce with initiatives including a \$17 million investment in purpose built science facilities at primary schools.

## Brand WA

A McGowan Labor Government will work with industries to develop Brand WA, a global toolkit of consistent concepts, packaging and messaging that will promote and support WA businesses across all sectors.

The economic benefits that come from a Brand WA are far reaching and will create jobs in local industries such as manufacturing, agriculture, new technology and service industries like education, tourism and hospitality as well as small business.

WA Labor's Plan for Jobs will deliver a \$425 million investment over five years to establish WA as one of the world's great tourist destinations.

## Building a Stronger WA

WA needs a bipartisan approach to building important infrastructure. A McGowan Labor Government will develop a State Infrastructure Strategy to ensure an end to the recent 'stop-start,' chaotic way of building infrastructure in WA. This will be a big generator of jobs through local content requirements and also give businesses the certainty they need to invest.

The Industrial Lands Authority will be created to cut through the barriers to investment and expansion at our industrial parks such as AMC, Bentley Technology Park and in regional WA. This will allow the private sector to invest in new industries and flourish.

There will be a special focus on the northern suburbs. Tens of thousands of jobs will be created through the development of Meridian Industrial Park in Neerabup and a future technology park north of Two Rocks.

## Local Jobs - Local Content

A McGowan Labor Government will introduce Western Australian Industry Participation Plans to increase local content on government contracts.

The WA Government spends billions every year running our schools, hospitals, public transport system, building critical infrastructure and delivering services across the State.

Local small and medium enterprises (SMEs) will be supported to compete for government contracts through a revamped Industry Capability Network (ICN) WA.

## Training for the Future

A McGowan Labor Government will rebuild our training system and reinstate the TAFE brand. Strong partnerships will be fostered with industry to increase training opportunities and create apprenticeships and traineeships at every opportunity.

Our training system will deliver real job opportunities for young Western Australians and older workers seeking to re-enter the workforce or change careers.

By maximising the number of training opportunities in everything we do, a McGowan Labor Government will increase the skill base to support the economy and grow jobs.

## Supporting Small Business

WA Labor's Plan for Jobs makes current and future small businesses a priority. We will deliver the action needed to support SMEs which will drive much needed employment and economic prosperity.

This includes ensuring that money spent by the WA Government wherever possible will be used to support SMEs with more local content on government contracts.

Our investment in the tourism sector will grow jobs in tourism and hospitality SMEs.

Operating across a range of industries, small businesses represent 97 per cent of all businesses in Western Australia.

A McGowan Labor Government will reduce red tape and provide opportunities for SMEs to grow and diversify. This will create new jobs across a broad range of industries.

## Jobs for the Regions

A McGowan Labor Government is committed to supporting regional communities and building community sustainability and economic diversity by creating jobs in the regions.

WA Labor's Plan for Jobs will boost the amount of local content and create jobs on government projects and through government procurement. Serviced industrial land will also be developed under the auspices of the Industrial Lands Authority to foster private sector investment in the regions.

A New Industries Fund will be created to provide grants to support new and emerging businesses in the regions. The agriculture sector will be encouraged to grow and more support provided for tourism and hospitality in the regions.

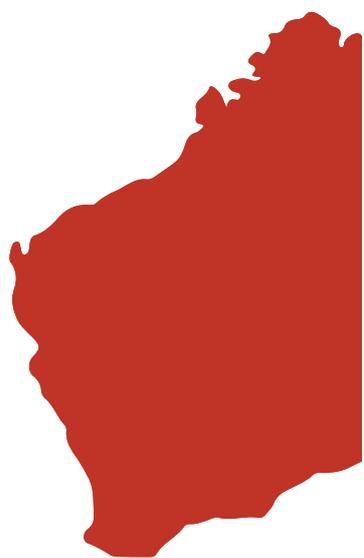
## Business Growth into Asia

A McGowan Labor Government will develop a comprehensive strategy that will guide opportunities across government and foster the growth of the business sector into Asia.

Western Australia is ideally situated to capitalise on the rapid population and economic growth of Asia as we diversify our economy and identify new areas for jobs growth. Governments can play an important role in promoting and facilitating collaboration between business, educational institutions and government agencies to create economic opportunities.

WA Labor's Asian Business Strategy will focus on the areas of trade, investment, jobs growth, government relations, education and cultural networks.

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WA LABOR  
**PLAN FOR  
JOBS**

**EXECUTIVE SUMMARY**

# EXECUTIVE SUMMARY

## The Innovation Economy

- A McGowan Labor Government will help stimulate jobs and growth in the high tech sector by appointing the State's first Minister for Innovation and Information and Communications Technology (ICT) and establishing an Innovation and ICT Office in WA.
- A McGowan Labor Government will establish a strong ICT vision and policy for Western Australia and will publish a State STEM strategy to support innovation including generating new job opportunities.
- A McGowan Labor Government will explore and develop revenue streams for government through the commercialisation of State Government intellectual property.

### New Industries Fund to Drive Startups

- A McGowan Labor Government will create a \$14.5 million New Industries Fund providing grants to support and accelerate new and emerging businesses in the Startup and gaming sector, creating jobs in this burgeoning hi-tech industry.
- A McGowan Labor Government will invest \$4.5 million from the New Industries Fund in regional WA.

### Connecting Startups and Investors

- A McGowan Labor Government will utilise the Asian Business Strategy and existing trade relationships with the USA, UK and Europe to attract foreign investment to Startup and gaming businesses in Western Australia.

### Skill the Local Workforce

- A McGowan Labor Government will appoint a STEM advisory panel incorporating industry, researchers and educators, chaired by the Chief Scientist, to ensure that there is a job ready local workforce to capitalise on the creation of job opportunities.
- A McGowan Labor Government STEM strategy will focus on improving STEM education and identify ways of promoting the importance of the key STEM skills of problem solving, critical thinking and innovation to employers, educators, parents and students.

### Coding

- A McGowan Labor Government recognises that coding will be the literacy of the 21st Century and will become part of the WA school curriculum.
- A McGowan Labor Government will engage with the Federal Government and provide practical funding to implement coding activities into the WA school curriculum.

### Back to Primary Schools for Science

- A McGowan Labor Government will invest \$17 million to roll out science programs in up to 200 public primary schools including funding to convert existing classrooms to science laboratories and upfront grants for resources to make science a more diverse and engaging experience for students.

### Science Fellowships

- A McGowan Labor Government will sponsor Science Industry Fellowships.

### Robotics

- A McGowan Labor Government will collaborate with our State's educators and industry to identify future job opportunities, opened up by the rapid developments in the computerisation and automation sector.

### Support for Innovation Hubs

- A McGowan Labor Government will foster structured interactions between government, universities, business, industry and the community to drive the development of Innovation Hubs creating new industries and job opportunities.
- A McGowan Labor Government will provide the planning laws that allow for higher density developments within Innovation Hubs.
- A McGowan Labor Government will review relevant legislation to reform restrictive governance over land within Innovation Hubs to allow for commercial development.

### Renewables Industry

- A McGowan Labor Government recognises the unique position of Western Australia with respect to renewable technologies in light of our coastal location, wide open spaces, sunshine, developed manufacturing and processing facilities and will promote local and overseas investment into renewable technology manufacturing.

- A McGowan Labor Government will:

Encourage research intensive programs into renewable energy and battery technology at our universities which could then be marketed to attract international investment, international students and research and development opportunities.

Work with technology companies, universities, TAFE and electricity utilities in a precinct to provide opportunities for emerging battery technologies.

Encourage the development of off-the-grid solutions and technologies like smart-meter trials and battery storage trials for greenfield developments around the State.

## Brand WA

### Brand WA

- A McGowan Labor Government will consult with industry to fast-track Brand WA enabling a consistent but flexible approach to marketing WA as a brand across all industries to secure a greater share of growing markets.

### Creating Jobs in Tourism

- A McGowan Labor Government will restructure the Tourism WA budget by consolidating the multiple tied budget lines into three budget lines, these being: Destination Marketing, Events Tourism and Tourism Infrastructure and Investment.
- A McGowan Labor Government will invest \$45 million per annum for five years for Destination Marketing including business events, domestic marketing and international marketing, delivering \$225 million in secure funding to grow this industry.
- A McGowan Labor Government will invest \$40 million per annum for five years for Event Tourism, delivering \$200 million in secure funding to grow this industry.
- A McGowan Labor Government will invest \$5 million per annum in the Perth Convention Bureau to attract conventions and conferences and grow WA's share of the Business Events Market.

### Tourism through the Knowledge Economy

- A McGowan Labor Government will promote tourism opportunities by growing the international knowledge economy as part of a broader strategy to diversify the economy and create new jobs.

### Growing Opportunities in the Hospitality Industry

- A McGowan Labor Government will amend the Liquor Control Act 1988 to:

*Add a new public interest assessment category which allows for a venue's tourism, community and cultural benefits to be considered in licence applications.*

*Give equal legal weight to the representations of tourism bodies as those of the Police Commissioner and Executive Director of Public Health.*

- A McGowan Labor Government will review the occasional licence and extended trading permit systems with the aim of addressing ways of reducing red tape for licensees with a good history of compliance.
- A McGowan Labor Government will remove the three-year restriction on proponents applying for a liquor licence for a particular premise after it has been refused in the public interest.
- A McGowan Labor Government will allow accredited tour operators to sell and supply alcohol under prescribed circumstances, such as a glass of champagne at the start of a tour.
- A McGowan Labor Government will allow producers to serve mixers with their tastings, for example, whisky and soda.

### **Cruises to See More of WA**

- *A McGowan Labor Government will work with industry to develop more landside destination options to the cruise ship sector thus generating additional visitor spend and more local jobs.*
- *A McGowan Labor Government will work with WAITOC and communities to strengthen and diversify the range and quality of Aboriginal tourism offerings to meet the demand of the cruise shipping sector.*

### **Supporting the Regions**

- *A McGowan Labor Government will allow regional wineries, brewers and distillers to sell their products at regional farmers' markets and cellar door collectives including producers in the Swan Valley.*

### **Creating New Jobs – The Knowledge Economy**

- *A McGowan Labor Government will invest \$2 million over five years to implement a long-term international education strategy to increase WA's market share of international students.*
- *A McGowan Labor Government will continue to work with Perth Education City on marketing projects that include specific support from relevant government agencies with an export focus.*

### **International Trade and Investment**

- *Under a McGowan Labor Government the WA Premier will lead at least one international trade delegation annually to promote Western Australian business and trade on the international stage.*

## Building a Stronger WA

### State Infrastructure Strategy Driving Job Creation

- A McGowan Labor Government will establish *Infrastructure WA*, an independent advisory body of senior private and public sector representatives reporting directly to the Premier on all major infrastructure projects.
- A McGowan Labor Government will drive job growth and job security through integrated, coordinated planning to build the infrastructure we need to keep growing the economy.

### State Infrastructure Strategy

- A McGowan Labor Government will publish a *State Infrastructure Strategy*, which will establish priorities for infrastructure planning and investment across Western Australia for the next 20 years creating more certainty for business investment and job growth.

### Unsolicited Proposals

- A McGowan Labor Government will establish the necessary mechanisms to allow unsolicited infrastructure proposals to be evaluated.

### Industry Technology Parks to Create Jobs

- A McGowan Labor Government will establish the *Industrial Lands Authority* to remove barriers to investment and expansion and drive the development of future industry and technology parks in Western Australia.

### Industrial Lands Authority Cutting Red Tape

- A McGowan Labor Government will work with local governments to identify plans for industrial lands through the mechanisms of the *Industrial Lands Authority*.

### Creating Thousands of Jobs in Perth's Northern Suburbs

- A McGowan Labor Government will bring *Meridian Park Industrial Estate*, Neerabup, under the auspices of the *Industrial Lands Authority* to reinvigorate the development of an industry and technology park in the northern suburbs.
- A McGowan Labor Government will undertake an in-depth study into the development of an industry and technology park north of *Two Rocks*.

### Australian Marine Complex (AMC)

- A McGowan Labor Government will declare the *AMC* and surrounding areas a *Technology Park* under the auspices of the *Industrial Lands Authority*.

### Bentley Technology Park

- A McGowan Labor Government will bring *Bentley Technology Park* under the auspices of the *Industrial Lands Authority*.

### Regional Technology Parks: Jobs in the Community

- A McGowan Labor Government will bring the development of industrial land in the regions under the auspices of the *Industrial Lands Authority* and develop serviced, ready to use industrial land at locations such as *Shotts* in *Collie*, *Lumsden Point* in *Port Hedland* and *Kemerton Industrial Park* near *Bunbury*.

## Local Jobs - Local Content

### Creating Local Jobs through Government Contracts

- A McGowan Labor Government will enact legislation to create the Western Australian Industry Participation Plan Act to create the opportunities for businesses including local small and medium businesses to compete for government contracts.

### Western Australian Industry Participation Plan

- A McGowan Labor Government will apply the following principles through the government procurement process: value for money, creation of local jobs and training opportunities, diversification and growth of the WA economy and transparency in decision making.

### Delivering Local Jobs: The Role of ICN WA

- A McGowan Labor Government will invest \$1 million per annum to reinvigorate ICN WA to support WA businesses to compete for government contracts.
- A McGowan Labor Government will engage the ICN WA to provide services to both suppliers for government projects and to departments and public sector bodies in identifying and delivering locally sourced equipment and services to these projects.

### Strategic Projects Framework

- A McGowan Labor Government will have the capacity to declare a project of strategic significance and place additional local content requirements to help drive additional economic activity and local jobs.

### Delivering Across Government

- A McGowan Labor Government will require all government agencies to apply the Western Australian Industry Participation Plan to their procurements process and report annually on their success in creating jobs and supporting the local economy through this process.

### Aboriginal Procurement Policy

- A McGowan Labor Government will adopt the Aboriginal Procurement Policy of awarding three per cent of all government contracts to Aboriginal owned businesses by 2020.

### METRONET: A Project of Strategic Significance

- A McGowan Labor Government will drive job creation through continuous infrastructure developments such as METRONET.
- A McGowan Labor Government will seek to maximise the amount of local content in the construction of METRONET by declaring it a project of strategic significance.
- A McGowan Labor Government will create jobs for trainees and apprentices at every stage of the METRONET build.

### Local Manufacturing of Rail Carriages

- A McGowan Labor Government will develop a passenger rail rolling stock manufacturing strategy for Western Australia with guaranteed levels of local content.
- A McGowan Labor Government will work with the TAFE sector to develop courses for apprentices and trainees in the rail rolling stock industry.

**Skilled Jobs on Local Projects**

- *A McGowan Labor Government will enact a Skilled Local Jobs Bill that will require a skilled work agreement to be implemented on all major resource projects in WA.*

**Putting WA Back on the Defence Industry Map**

- *A McGowan Labor Government will appoint a Minister for Defence Issues to champion the Western Australian defence industry drawing on the expertise of an advisory board.*
- *A McGowan Labor Government will create Defence West to champion the interests of the Western Australian defence industry and create jobs and opportunities for Western Australians.*

**Freeing up Business**

- *A McGowan Labor Government will free business from the burden of poor regulations and establish a lead reform agency to ensure that all agencies of government are focused on making regulations more efficient and effective.*
- *A McGowan Labor Government will commit to reforming regulation to encourage a diversified economy for a vibrant Western Australia by setting key performance indicators for government agencies.*

## Training for the Future

### TAFE the Future of Training

- A McGowan Labor Government will reinstate the TAFE brand under a unified TAFE banner.
- A McGowan Labor Government will transform TAFE Colleges into Industry Skill Centres. They will become one-stop shops that will liaise directly with emerging and established local industries, co-locate training and assessment facilities and provide employers, unions, apprentices and trainees with a single point of contact around their training needs.
- A McGowan Labor Government will revamp the State Training Board and Industry Training Councils to ensure that their structures and input provides a direct link between industry needs and government economic direction.
- A McGowan Labor Government will create training outcomes that allow apprentices from craft industries with small numbers to still study within TAFE and Western Australia.

### Quality Assurance in Training

- A McGowan Labor Government will:

*Immediately undertake an audit of existing WA Registered Training Organisations to ensure compliance and good practice. An assessment of RTO courses will be part of the ongoing drive to ensure training expenditure meets the economic objectives of WA Labor's Plan for Jobs.*

*Introduce a quality control system including an ongoing audit process for privately registered training providers seeking to deliver government funded training with an increase in on-site audits and a focus on outcomes.*

### Making Training a Priority in Everything We Do

- A McGowan Labor Government will maximise the number of apprenticeships and trainees created through government contracts and private sector activities in WA by:

*The introduction of Western Australian Industry Participation Plans that establish the number of training positions that will be created by businesses competing for government work.*

*Introducing the Skilled Local Jobs Bill and require a skilled local work agreement to be implemented on all major resource projects in WA including details on the number and type of apprenticeship and trainee positions that would be created.*

### Expand Priority Start to Create More Training Opportunities

- A McGowan Labor Government will:

*Create jobs for apprentices and trainees on every major State Government funded construction project.*

*Expand Priority Start to apply to all major State Government funded construction investment including big maintenance contracts and joint ventures or public private partnerships which involve a construction arrangement.*

*Require all business cases for construction projects to outline how many jobs, including apprenticeships and traineeships, the investment will create.*

- A McGowan Labor Government will group contracts together to ensure that contractors are required to meet the obligations of the Priority Start policy.

- *A McGowan Labor Government will ensure regular enforcement and compliance checks of our Priority Start policy.*

#### **Regional TAFEs Supporting Regional Job Growth**

- *A McGowan Labor Government will ensure that the State Priority Occupation List will be more responsive to the employment needs of the regions and ensure regional TAFEs are delivering training that aligns with future job growth in the regions.*
- *A McGowan Labor Government will implement a VET Regional Partnerships Program to provide an opportunity for regional TAFEs to invest in new and innovative long term partnerships to create training and job opportunities in the community.*

## Supporting Small Business

### Government Contracts

- A McGowan Labor Government will enact legislation to create the Western Australian Industry Participation Plan Act to create the opportunities for local SMEs to compete for government contracts while still achieving value for money.
- A McGowan Labor Government will reinvigorate ICN WA to provide local SMEs support to complete Participation Plans and compete for government contracts. These services will be available at no cost.
- A McGowan Labor Government will have the capacity to declare a project of strategic significance and place additional local content requirements to help drive additional economic activity and local jobs.

### Aboriginal Small and Medium Businesses

- A McGowan Labor Government will adopt the Aboriginal Procurement Policy of awarding three per cent of all government contracts to Aboriginal owned businesses by 2020.

### Skilled Jobs on Local Projects

- A McGowan Labor Government will enact a Skilled Local Jobs Bill that will require a skilled work agreement to be implemented on all major resource projects in WA.

### Microbusinesses

- A McGowan Labor Government will provide \$100,000 per annum to increase the services that can be provided to microbusinesses in WA.

### Defence Contracts

- A McGowan Labor Government will create Defence West to champion the interests of SMEs in the defence industries and grow jobs and opportunities for Western Australians.

### State Infrastructure Strategy

- A McGowan Labor Government will drive business investment and job growth through the State Infrastructure Strategy.

### METRONET

- A McGowan Labor Government will seek to maximise the amount of local content in the construction of METRONET by declaring it a project of strategic significance.

### Rolling Stock

- A McGowan Labor Government will develop a passenger rail rolling stock manufacturing strategy for Western Australia with guaranteed levels of local content.

### Industrial Lands Authority to Drive Industry Development

- A McGowan Labor Government will:

*Establish the Industrial Lands Authority to remove barriers to investment and expansion and drive industry development and job creation.*

*Work with local governments to identify plans for industrial lands through the mechanisms of the Industrial Lands Authority.*

*Declare the AMC and surrounding areas a Technology Park under the auspices of the Industrial Lands Authority.*

*Bring Bentley Technology Park under the auspices of the Industrial Lands Authority.*

*Drive the development of future industrial land and technology parks in Western Australia through the Industrial Lands Authority.*

### **Creating Jobs in Perth's Northern Suburbs**

- *A McGowan Labor Government, under the auspices of the Industrial Lands Authority, will:*

*Develop the North Metropolitan Industrial Technology Park at the Neerabup Industrial Estate.*

*Undertake an in-depth study into the development of a northern technology park north of Two Rocks.*

### **Regional Technology Parks**

- *A McGowan Labor Government will bring the development of industrial land in the regions under the auspices of the Industrial Lands Authority and develop serviced, ready to use industrial land at locations such as Shotts in Collie, Lumsden Point in Port Hedland and Kemerton Industrial Park near Bunbury.*

### **Brand WA**

- *A McGowan Labor Government will consult with industry to fast-track Brand WA enabling a consistent but flexible approach to marketing WA as a brand across all industries to secure a greater share of growing markets.*

### **Destination Marketing**

- *A McGowan Labor Government will invest \$45 million per annum for five years for Destination Marketing, delivering \$225 million in secure funding.*

### **Event Tourism**

- *A McGowan Labor Government will invest \$40 million per annum for five years for Event Tourism including business events, domestic marketing and international marketing, delivering \$200 million in secure funding.*

### **Perth Convention Bureau**

- *A McGowan Labor Government will invest \$5 million per annum in the Perth Convention Bureau and grow WA's share of the Business Events Market.*

### **Cruise Ship Industry**

- *A McGowan Labor Government will work with industry to develop more landside destination options to the cruise ship sector thus generating additional visitor spend and more local jobs.*

### **Hospitality Sector**

- *A McGowan Labor Government will add a new public interest assessment category to liquor license applications which allows for a venue's tourism, community and cultural benefits to be considered in licence applications.*
- *A McGowan Labor Government will review the occasional licence and extended trading permit systems with the aim of addressing ways of reducing red tape for licensees with a good history of compliance.*

### **Hospitality in the Regions**

- *A McGowan Labor Government will allow regional wineries, brewers and distillers to sell their products at regional farmers' markets and cellar door collectives including producers in the Swan Valley.*

### **The International Education Sector**

- *A McGowan Labor Government will invest \$2 million over five years to implement a long-term*

*international education strategy to increase WA's market share of international students.*

### **Business Opportunities in the Asian Region**

- *A McGowan Labor Government will develop formal networks that link SMEs with the people and resources to enable and support success in regional markets.*
- *A McGowan Labor Government will develop a regional business portal to assist SMEs to become export ready.*

### **Startup Sector**

- *A McGowan Labor Government will create a \$14.5 million New Industries Fund to provide grants to support new and emerging businesses in the Startup and gaming sector.*

### **Innovation Hubs**

- *A McGowan Labor Government will drive the development of Innovation Hubs by reviewing legislation to reform restrictive governance over land for commercial development.*

### **Renewables Sector**

- *A McGowan Labor Government recognises the unique position of the State with respect to renewable technologies in light of our coastal location, wide open spaces, sunshine, developed manufacturing and processing facilities and will promote business investment into renewable technology manufacturing in WA.*

### **Freeing up Business**

- *A McGowan Labor Government will target overly burdensome bureaucracy and poor and inefficient regulations that stifle jobs and investment by establishing a lead reform agency whose job will be to ensure all agencies of government are working to make regulation more efficient and effective.*

### **Supporting Business in Regional WA**

- *A McGowan Labor Government is committed to ensuring more local content in State Government purchasing and on building and construction projects to better support local SMEs and communities in regional WA.*
- *A McGowan Labor Government will close existing loopholes in government policies to ensure the Buy Local guidelines on the use of local businesses and workers are applied to regional projects and tender arrangements including to head contractors.*

### **Regional Development Commissions**

- *A McGowan Labor Government will ensure that all tenders, contracts and job vacancies on government funded projects in regional areas are advertised on the Regional Development Commission's websites.*

### **Agricultural Sector**

- *A McGowan Labor Government will consult with the agricultural industry on future growth and employment opportunities that will attract and retain SMEs in our regional communities.*
- *A McGowan Labor Government recognises the value adding potential of niche markets in Western Australia and will work with the agricultural industry to identify opportunities to grow these markets including export opportunities.*

### **Country of Origin Labelling**

- *A McGowan Labor Government will introduce Country of Origin Labelling requirements for seafood sold in restaurants.*

## Jobs for the Regions

### Supporting Local Business to Create New Jobs

- A McGowan Labor Government is committed to ensuring more local content in State Government purchasing and on building and construction projects to better support local business and communities and create more jobs in regional WA.

### Maximising Local Content

- A McGowan Labor Government will maximise the amount of local content in the regions in government purchasing and projects through the application of the WAIPPs and the Buy Local Policy.
- A McGowan Labor Government will close existing loopholes in government policies to ensure the Buy Local guidelines on the use of local businesses and workers are applied to regional projects and tender arrangements including to head contractors.
- A McGowan Labor Government will introduce a Skilled Local Jobs Bill which will include a requirement that a skilled work agreement will identify how much work is being undertaken in the regions.

### Aboriginal Procurement Supporting Jobs in the Regions

- A McGowan Labor Government will adopt the Aboriginal Procurement Policy of awarding three per cent of all government contracts to Aboriginal owned businesses by 2020.

### Apprentices and Trainees in the Regions

- A McGowan Labor Government will maximise the number of apprenticeships and traineeships in regional WA by expanding the Priority Start policy.

### Back to Primary Schools for Science

- A McGowan Labor Government will invest \$17 million to roll out science programs in up to 200 public primary schools including funding to convert existing classrooms to science laboratories and upfront grants for resources to make science a more diverse and engaging experience for students.

### New Industries Fund

- A McGowan Labor Government will invest \$4.5 million from the New Industries Fund in regional WA.

### Regional Technology Parks: Jobs in the Community

- A McGowan Labor Government will bring the development of industrial land in the regions under the auspices of the Industrial Lands Authority and develop serviced, ready to use industrial land at locations such as Shotts in Collie, Lumsden Point in Port Hedland and Kemerton Industrial Park near Bunbury.

### Brand WA

- A McGowan Labor Government will consult with industry to fast-track Brand WA enabling a consistent but flexible approach to marketing regional WA as a brand across all industries to secure a greater share of growing markets.

### Hospitality in the Regions

- A McGowan Labor Government will allow accredited tour operators to sell and supply alcohol under prescribed circumstances, such as a glass of champagne at the start of a tour.

- A McGowan Labor Government will allow regional wineries, brewers and distillers to sell their products at regional farmers' markets and cellar door collectives including producers in the Swan Valley.

### Tourism in the Regions

- A McGowan Labor Government will:

*Restructure the Tourism WA budget by consolidating the multiple tied budget lines into three budget lines, these being: Destination Marketing, Events Tourism and Tourism Infrastructure and Investment.*

*Invest \$45 million per annum for five years for Destination Marketing including business events, domestic marketing and international marketing, delivering \$225 million in secure funding to grow this industry.*

*Invest \$40 million per annum for five years for Event Tourism, delivering \$200 million in secure funding to grow this industry.*

### Cruising Regional Ports

- A McGowan Labor Government will work with industry to develop more landside destination options to the cruise ship sector thus generating additional visitor spend and more local jobs in regional WA.
- A McGowan Labor Government will work with WAITOC and communities to strengthen and diversify the range and quality of Aboriginal tourism offerings to meet the demand of the cruise shipping sector.

### Role of Regional Development Commissions

- A McGowan Labor Government will ensure that Regional Development Commissions take a more proactive role in maximising the value of local content delivered on RFR programs.

- A McGowan Labor Government will ensure that all tenders, contracts and job vacancies on government funded projects in regional areas are advertised on the Regional Development Commission's websites.

### Regional TAFEs Supporting Regional Job Growth

- A McGowan Labor Government will ensure that the State Priority Occupation List will be more responsive to the employment needs of the regions and ensure regional TAFEs are delivering training that aligns with future job growth in the regions.
- A McGowan Labor Government will implement a VET Regional Partnerships Program to provide an opportunity for regional TAFEs to invest in new and innovative long term partnerships to create training and job opportunities in the community.

### Valuing the Agriculture Sector

- A McGowan Labor Government will consult with the agricultural industry on future growth and employment opportunities including making this a priority as part of our Asian Business Strategy.
- A McGowan Labor Government recognises the value adding potential of niche markets in Western Australia and will work with the agricultural industry to identify opportunities to grow these markets including export opportunities.

### Kemerton Food Hub Growing Jobs

- A McGowan Labor Government will engage with stakeholders on the proposal for a food hub in Kemerton.

### Livestock Precinct at Boyanup

- A McGowan Labor Government will work with the Shire of Capel on a suitable location for a Livestock Precinct to replace the current Boyanup Saleyards.

- *A McGowan Labor Government will fast-track a proposal for a Livestock Precinct in the South West to replace the current Boyanup Saleyards.*

#### **Fishing is COOL**

- *A McGowan Labor Government will introduce Country of Origin Labelling (COOL) requirements for seafood sold in restaurants.*

## Business Growth into Asia

### Asian Business Strategy

- A McGowan Labor Government will establish a whole of government Asian Business Strategy to foster growth in small business and job creation opportunities.
- A McGowan Labor Government will appoint a Minister for Asian Business.

### Asia Readiness: Trade, Investment & Jobs

- A McGowan Labor Government will promote Western Australian's competitive advantage and unique knowledge base around established industries such as education and training, and the mining and resources sectors to create opportunities for job growth into the Asian region.
- A McGowan Labor Government will develop formal networks that link businesses with the people and resources to enable and support success in regional markets, including establishing the Asian Business House.
- A McGowan Labor Government will host an annual ASEAN Dialogue concurrently with a trade and investment show and Asian Arts Festival.
- A McGowan Labor Government will develop a regional business portal to assist SMEs to become export ready.
- A McGowan Labor Government will establish a design sector panel with the State Architect as the chair to foster opportunities for designers in Asia.

### Asia Relationships: Government-to-Government

- A McGowan Labor Government will commit to the Premier, Ministers and Presiding Officers of the Parliament making regular visits to the Asian region.
- A McGowan Labor Government will require every relevant government department to develop a plan to support the implementation of the Asian Business Strategy.

### Asia Literacy: Education and Cultural Networks

- A McGowan Labor Government will establish the mechanisms through which Western Australia becomes a leading provider of international education in the Asian region, creating more jobs for Western Australians.
- A McGowan Labor Government will introduce a program to provide assistance to students who complete an ATAR course to undertake a one month "in country" placement.
- A McGowan Labor Government will investigate hosting an annual Asian Arts Festival to run concurrently with the ASEAN Dialogue.

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# THE WESTERN AUSTRALIAN ECONOMY TODAY



**WA Labor** | Plan for Jobs

# THE WESTERN AUSTRALIAN ECONOMY TODAY

One of the biggest challenges we face in WA is to grow and diversify the economy beyond the resources sector to provide jobs, housing, education and utilities for a population which is estimated to grow to 3.27 million by 2026.<sup>1</sup>

After more than ten years of prosperity, driven primarily by a mining construction and investment boom, Western Australia's economy is now changing as construction projects are completed and move into an operational phase. Symptoms of this change have become apparent and include a dramatic fall in iron ore prices, a reduction in mining-related capital investment, falling government royalty revenue, and increasing unemployment. There is no doubt that these changes have implications for economic growth, jobs and our living standards in the years to come.

These changes are not surprising to most Western Australians who are familiar with the cyclical nature of commodities prices. Indeed good governments play a role in preparing for changes in the cycle by building up the State's financial capacity to support jobs and economic growth during times of subdued private sector activity.

## ***Essentially, competent governments prepare for rainy days.***

Most state governments would have used the incredibly fortunate position of a huge revenue surge to ensure that debt was low for when the record high commodity prices inevitably declined.

<sup>1</sup>Department of State Development, WA Economic Profile, November 2015, p1

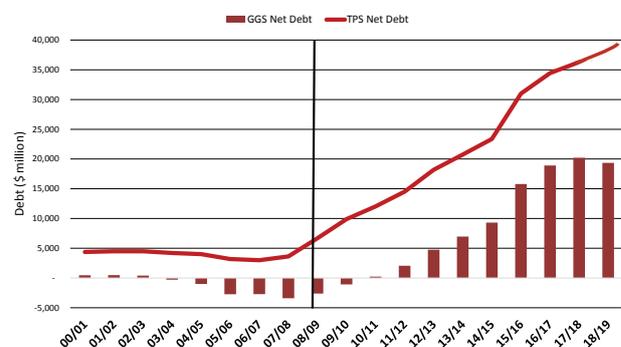
However the WA Liberal Government has failed to do this. Having inherited the best set of financial books in Australia in 2008, this Liberal Government have turned it into a \$31 billion State debt in 2015-16 which is expected to blow out to \$39 billion in 2018-19.<sup>2</sup>

This occurred at a time when Western Australia experienced a remarkable period of growth.

And yet the State economy is now in a more precarious position than during the Global Financial Crisis, due to poor management of mining royalties and a ballooning net debt in the general government sector by the Liberal Government.

Despite repeated warnings from WA Labor and leading economic analysts, the Liberal Government has continued to base Treasury forecasts on overly optimistic iron ore and oil price forecasts. These assumptions have put the State finances in such a vulnerable position that just a 3 per cent decline in revenue plunged the State into record deficits.

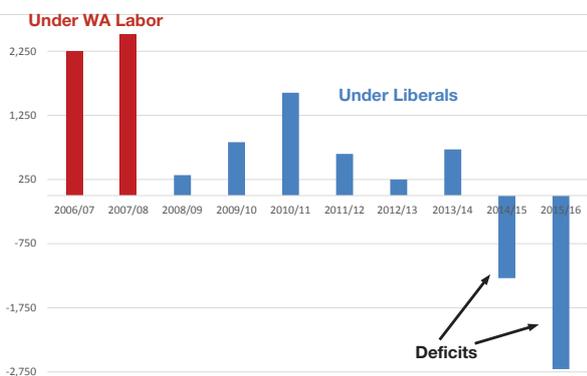
**Western Australian Public Debt: 2001 - 2019**



<sup>2</sup>Government Mid-Year Financial Projections, Statement 2015-16, p1

Total Public sector (TPS) net debt has increased from \$3.6 billion in 2008 to \$39 billion over the forward estimates.<sup>1</sup> This has occurred despite a record 40 per cent growth in revenues from 2008 to 2014, which was eclipsed by a 50 per cent increase in spending over the same period.

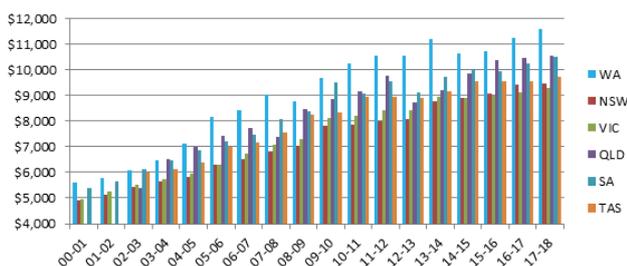
### Net Operating Balance General Government



**Western Australia now has its first operating deficit in 15 years.** Whilst this problem has been created by the Liberal Government, it is a problem that has to be addressed by WA Labor in formulating policies in the lead up to the 2017 election and beyond.

Western Australia has consistently enjoyed above average revenue on a per capita basis and, as displayed in the chart below, in 12 of the 15 years since 2001 Western Australia has collected more revenue per capita than any other state in the Commonwealth. Based on Treasury's current projections, also charted below, the situation will continue until at least 2017-18.

### State Revenue Per Capita 2001-18



<sup>1</sup>Government Mid-year Financial Projections Statement; p4

## Economic Growth Falls Under the Liberal Government

The value of minerals and petroleum sales in WA fell 18.5 per cent in the 2014-15 financial year.<sup>2</sup>

Annual business investment in WA fell 12.7 per cent in 2014-15.<sup>3</sup> This compared to an annual average growth of 11.3 per cent over the last ten years.<sup>4</sup>

The value of business investment also fell 11 per cent to \$63 billion in 2014-15.<sup>5</sup>

Western Australia's economic growth rate has fallen to two per cent in 2015-16, the lowest rate since 1990-91.<sup>6</sup>

## WA Stripped of its AAA Credit Rating

Upon assessing the fiscal discipline of the WA Liberal Government, credit rating agencies Standard and Poor's and Moody's stripped Western Australia of its AAA credit rating in September 2013.

Standard and Poor's were scathing of the WA Liberal Government citing the State Government's 'limited political willingness either to cut expenditure or raise revenues'<sup>7</sup> in November 2013 and again in April 2015 when they predicted that the WA Liberal Government would experience 'slippage' in the pursuit of their savings and debt reduction targets.

<sup>2</sup> Western Australian Economic Profile February 2016; p1

<sup>3</sup> Ibid, p1

<sup>4</sup> Ibid, p3

<sup>5</sup> Ibid, p3

<sup>6</sup> WA State Budget 2015-16; Budget Paper 3; p1

<sup>7</sup> Standard and Poor's, Supplementary Analysis, Western Australia, November 13 2013, p6

*“This potential slippage reflects, in our view, limited political will to make difficult decisions. In the absence of implementing significant policy changes, it appears that Western Australia will not achieve these targets and its budgetary performance will substantially weaken.”<sup>1</sup>*

In April of 2015 Standard and Poor’s put Western Australia’s AA+ credit rating on a negative watch and issued this warning:

*“Unless the state government undertakes significant corrective measures in its June 2015 – June 2016 budget, Western Australia could record average operating deficits of about 1.2 per cent over 2014 to 2018. This sustained level of deficits would make the States budgetary performance no longer consistent with a AA+ rating and would further increase its debt burden.”<sup>2</sup>*

In the January 2016 CommSec’s State of the States report, Western Australia was downgraded to fifth position as slower population growth and higher unemployment affected economic performance.<sup>3</sup>

## Population Boom State

Data released by the Australian Bureau of Statistics shows that Perth has been the fastest growing capital city in Australia. The WA population was 2.6 million in 2015, 33,213 more people than the same time in 2014 and below annual average growth of 2.6 per cent over the last 10 years.<sup>4</sup>

Population growth is forecast to slow in the coming years, primarily due to the consolidation of the mining sector, from 2.6 per cent in 2013-14 to 1.5 per cent in 2015-16 and then rising slightly to 2.2 per cent in 2017-18 and 2018-19, according to the 2015-16 State Budget.<sup>5</sup>

The largest population growth in WA is occurring in the outer suburban areas of Greater Perth. These are also some of the areas requiring the greatest need for infrastructure and public transport access.<sup>6</sup>

Earlier in 2015, the Liberal Government released their draft plans for Perth’s future growth after seven years without one. The plan sets an infill target of 47 per cent, but fails to explain how it will improve on the current 28 per cent level. Neither does it identify the need for an integrated transport system.

Perth residents are living with the consequences of a government that has failed to deliver sensible density planning and vibrant communities to cope with these population increases.

Outside of Perth, Busselton and Karratha have had the largest growth followed by Australind and Leschenault.<sup>7</sup>

<sup>1</sup> Standard and Poor’s Press Release, Ratings On State of Western Australia Placed On CreditWatch Negative On Weakening Budgetary Position, April 14 2015

<sup>2</sup> Ibid

<sup>3</sup> CommSec; State of the States January 2016 State and Territory economic Performance report; p3

<sup>4</sup> Western Australian Economic Profile February 2016; p2

<sup>5</sup> 2015-16 WA Economic and Fiscal Outlook, p14

<sup>6</sup> ABS 3218.0 Regional Population Growth, Western Australia

<sup>7</sup> Ibid

## Unemployment

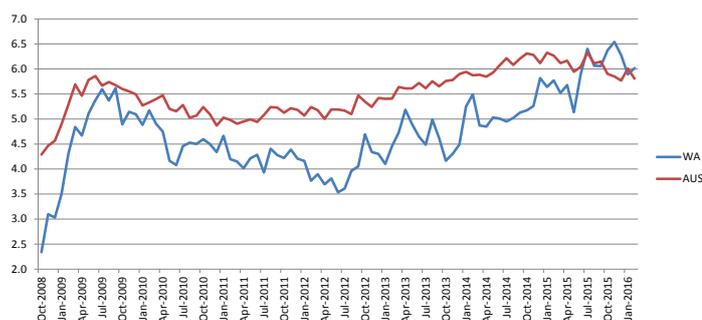
In February 2016, figures released by the ABS showed that WA has some of the highest number of unemployed in recorded history. Western Australia has an unemployment rate higher than the national average.

Over the last ten years, WA maintained an unemployment rate lower than the national average. However as construction activity in the mining sector has transitioned to an operational phase, the rate of unemployment has increased to six per cent (Feb 2016 - on trend basis). The national average is 5.8 per cent. State Government forecasts set an average unemployment rate of 6.25 per cent in 2015-16.<sup>1</sup>

As at February 2016, there were approximately 85,900<sup>2</sup> unemployed Western Australians which represents an increase of 57,200 people since October 2008.

This is a direct result of the Liberal Government's failure to diversify the economy and create new job opportunities in other industries to counteract the job losses in the resources sector. The timing of the end of the construction phase in the mining industry was known but not adequately planned for by the Liberal Government.

WA Unemployment Rate<sup>3</sup>



<sup>1</sup> Western Australian Economic Profile September 2015; p2

<sup>2</sup> 2ABS catalogue 6202.0 Unemployment rate, States and Territories, February 2016

<sup>3</sup> ABS Release 6202.0 - Labour Force, Australia, Feb 2016

## Regional Unemployment

Unemployment continues to be at its worst in regional areas with an unemployment rate in the Kimberley of 13.2 per cent, Gascoyne at 8.7 per cent and Mid-West at 7.1 per cent. Other regions are at or above the national average with no evident plan by the State Government to address regional unemployment.<sup>4</sup>

Liberal Government policies designed to deliver benefits to local businesses are not always being applied to big projects. Of the \$480 million worth of Royalties for Regions Projects completed in regional WA, only 17 per cent were awarded to head contractors based in the regions.<sup>5</sup>

This has to change. Government policies must ensure that Buy Local guidelines on the use of local businesses and workers are applied to regional projects and tender arrangements including head contractors to give regional WA the best chance at sustainable employment.

<sup>4</sup> ABS Release 6202.0 - Labour Force, Australia, Feb 2016

<sup>5</sup> Legislative Assembly Question On Notice No 3902-3923 and No 3925, Thursday 26 March 2015

## Youth Unemployment

Western Australia's youth (15-24 years) unemployment rate continues to increase to 10.7 per cent with now one in eight youth in the labour force being unemployed.<sup>1</sup>

The reasons for the high youth unemployment rate can be varied, but what has become evident is that entry-level jobs that were once plentiful are scarce or no longer exist. Our desire for efficiency and convenience has brought about technological changes that now make some entry level jobs obsolete. A great example of this is on-line shopping and self-serve checkouts making less need for checkout assistants.

Compounding the issue is the increases in TAFE fees of up to 510 per cent since 2013 making many TAFE options out of reach for many Western Australians.

There has been a 26 per cent drop rate in the number of people starting an apprenticeship or traineeship since 2012.

*"Figures from the WA Department of Training show 19,872 people started a traineeship or apprenticeship in the months to September 2015, compared with 26,986 in the same period of boom-time 2012".<sup>2</sup>*

WA also has a high attrition rate for apprentices and trainees who drop out before completion. The high attrition rate highlights the urgent need for better support for youths to improve retention rates and a transformation of the TAFE College system.

<sup>1</sup> Meredith Hammat, Secretary Unions WA Media Statement 17 September 2015.

<sup>2</sup> Job seekers urged to look at trades, not uni; West Australian; Macdonald, Kim; 22 January 2016; p28

## The Resources Sector

The mining sector is an important contributor to the State's economy and a major source of employment and innovation in WA.

WA has a diverse mineral export market. Extensive liquefied natural gas reserves will ensure we are an important source of energy throughout this century. The State also produces almost 70 per cent of the nation's gold and significant exports of salt and nickel.

Data from the Chamber of Minerals and Energy show that the resources sector workforce is expected to decline from 105,200 in 2014 to 87,000 by 2025.<sup>3</sup>

The Liberal Government have failed to manage the WA economy through the challenges of a world economy transitioning and the inevitable disruptions that come with such a transition.

<sup>3</sup> 2015-2025 Western Australian Resources Sector Outlook; p8

## Agriculture and Food

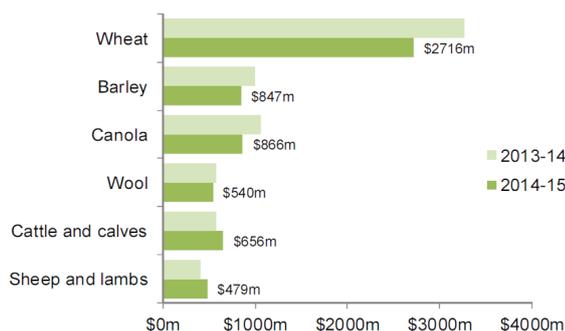
Agriculture is WA's second major export industry. Wheat, wool, beef and lamb are but some of the products we export as one of the most disease and pest free agricultural production areas in the world.

Agricultural production in WA has a gross value of \$11.6 billion (2014-15) and is an important employer in the State providing employment for around 30,000 Western Australians.<sup>1</sup>

The grains industry is the largest of the agricultural sectors in the State and the fourth largest export industry after iron ore, oil and gas, and gold.<sup>2</sup> The value of wheat production fell 17 per cent with volumes of grain down in 2014-15.<sup>3</sup>

The 2014-15 season has seen lower growth in the production and export of WA grains.

### Principal Agricultural Commodities<sup>4</sup>



The Liberal Government has made savage cuts to hundreds of jobs and millions of dollars in research funding from the Department of Agriculture and Food.

Agriculture was one of five priority areas of the Liberal Government's science statement. However, such massive cuts to staff and research will make it difficult to achieve the target of doubling WA's farm and food production.

Agri-food production includes agriculture, forestry and fishing industry products, pearls and food and beverage manufacturing. Exports rose ten per cent to \$7.6 billion in 2013-14 but have since fallen by 23 per cent in 2014-15 to \$4.5 billion.<sup>5</sup>

Global demand for high quality safe animal protein and products is why WA is a world leader in live exports, dairy and pork products. WA has high animal welfare standards which will continue to be optimised by industry.

Australia accounts for less than three per cent of global food trade. Western Australia exports almost 80 per cent of its agricultural production to countries in Asia such as China, Indonesia and Vietnam. In 2014-15, WA exported an estimated \$7.22 billion in agricultural products.<sup>6</sup>

The challenge to feed the world's population which is expected to reach 9.725 billion by 2050<sup>7</sup> ensures the agricultural industry will continue to have opportunities to grow in terms of food production, food security and technology, research and development, sustainability and human resources.

Our agricultural industry offers the State an enviable opportunity to further diversify the economy, create more employment and contribute to world food supply.

<sup>1</sup> Western Australian Economic Profile February 2016; p6

<sup>2</sup> www.agric.wa.gov.au

<sup>3</sup> Western Australia Economic Profile, February 2016, p6

<sup>4</sup> Ibid, p6

<sup>5</sup> Western Australia Economic Profile, February 2016, p6

<sup>6</sup> www.agric.wa.gov.au

<sup>7</sup> Department of Economic and Social Affairs Population Division, United Nations NY, 2015 Revision, p1

## Tourism

Tourism is a key economic driver generating more than 94,000 jobs and injecting \$8.9 billion into the WA economy.<sup>1</sup>

Our tourism industry is diverse, ranging from international students to interstate visitors, from big events to grassroots tourism operations such as visitor centres and small tour operators. The tourism dispersal around the state shows 60 per cent of tourists visiting Perth, 21 per cent visiting the South West and only between seven and eight per cent visiting the Coral Coast, North West and Golden Outback.<sup>2</sup>

However, the WA tourism industry accounts for only 10.3 per cent of the national direct tourism by Gross Value Added (GVA) and the WA market share relative to other states has declined. Promotion and investment in WA Tourism is vital to creating employment and diversifying our economy.

### International Visitor Survey<sup>3</sup>

	State	Year ending Dec 2014 (\$'000)	Year ending Dec 2015 (\$'000)	Change
1	NSW	75,991	85,766	13%
2	VIC	49,874	58,155	17%
3	QLD	46,697	53,029	14%
4	<b>WA</b>	<b>28,593</b>	<b>28,330</b>	<b>-1%</b>
5	SA	8,643	9,855	14%
6	ACT	4,543	5,099	12%
7	NT	4,752	4,062	-15%
8	TAS	3,179	3,248	2%

<sup>1</sup>Investing in WA Tourism, published online at [www.tourism.wa.gov.au](http://www.tourism.wa.gov.au)

<sup>2</sup>Tourism WA Fast Facts, September 2015, pg4

<sup>3</sup>International Visitors in Australia: December 2015 Quarterly Results of the International Visitor Survey, pg 8

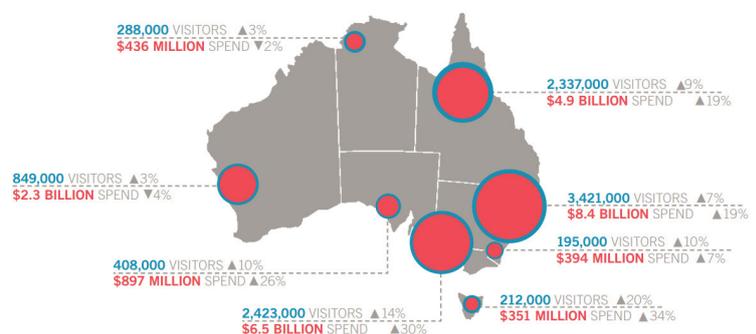
The Liberal Government has failed to use tourism to diversify the economy and create jobs. WA is being out-performed by virtually every State in key tourism measures, as outlined in the December 2015 Quarterly Results of the International Visitor Survey.

The figures also show that spending by international visitors to WA fell by 4.72 per cent in 2015, but grew by 18 per cent in most other states.<sup>4</sup>

WA had the lowest increase in the nation in overseas visitor spending. Between December 2014 and December 2015, WA's overseas visitor spending dropped 4 per cent. Over the same period, Queensland (9 per cent), New South Wales (19 per cent) and Victoria's (30 per cent) overseas visitor spending all had massive growth. Tasmania's (34 per cent) growth dwarfed WA's growth.<sup>5</sup>

We are competing with the eastern states for every tourism and hospitality dollar. WA is so much more than the resource state or the boom state. We are the alternative entry point to Australia.

### International Visitor Numbers and Spend by State, Year Ending December 2015<sup>6</sup>



<sup>4</sup>Tourism Research Australia, International Visitors in Australia - Year Ending December 2015

<sup>5</sup>Tourism Research Australia, International Visitors in Australia - Year Ending December 2015

<sup>6</sup>Tourism Research Australia, International Visitors in Australia - Year Ending December 2015

## Manufacturing in WA

Western Australia's manufacturing industry accounts for \$21.9 billion in export earnings. The industry represents 17 per cent of the State's total exports by value<sup>1</sup> and has grown by an average of 4.8 per cent annually.<sup>2</sup>

Our manufacturing industry represents 4.9 per cent of gross value added to WA's economy.<sup>3</sup>

The industry is the State's seventh largest direct employer and is comprised of some 8,900 employing businesses, which create 91,000 jobs. Notably, 85 per cent of Western Australian manufacturing businesses have an annual turnover of less than \$2million.<sup>4</sup>

The manufacturing sector has experienced the biggest decline in employment in terms of jobs lost recorded by any State industry. Manufacturing of food products and fabricated metal products experienced the largest decline, while the strongest growth occurred in primary metal and metal product manufacturing.

Over a period of time there has been a systemic failure of the Liberal Government to ensure that more local content was included in the expansion of the mining and resource sectors and in government infrastructure projects.

In 2011 and again in 2012, WA Labor introduced the Skilled Jobs Bills into Parliament. The intent of the legislation was to maximise local content, particularly in resource projects during the 'Boom'. The Liberal Government voted against the Bill on both occasions.

Industries which were complementary to the resources boom were forced to shut down because the Liberal Government did not use the regulatory and economic tools at hand to ensure the benefits from the resource projects were shared.

### Job losses in manufacturing in 2015

17 November 2015	Wesfarmers	<b>300 jobs cut</b> <sup>5</sup>
29 October 2015	Solahart	<b>100 jobs cut</b> <sup>6</sup>
30 September 2015	PepsiCo shutting Smith's factory	<b>300 jobs cut</b> <sup>7</sup>
1 April 2015	Austral	<b>300 jobs cut</b> <sup>8</sup>

<sup>1</sup>CCI WA, 'WA's Manufacturing Industry at a glance' (April 2015) <<http://cciwa.com/docs/default-source/membership/membership-manufacturing-flyer-april-2015.pdf?sfvrsn=2>>

<sup>2</sup>CCI WA, 'The Future of Manufacturing: A Vision for WA', p27

<sup>3</sup>Ibid, p27

<sup>4</sup>Ibid, p23

<sup>5</sup>Peter Klinger, The West Australian, 17 November 2015

<sup>6</sup>Daniel Mercer, Ben O'Shea, The West Australian, 29 October 2015

<sup>7</sup>Kim MacDonald, The West Australian, 30 September 2015

<sup>8</sup>720 ABC Perth at 7.45am, Rothwell

## Retail

The retail industry employs more workers than any other industry in WA and accounts for around 3.1 per cent of the Gross State Product each year.<sup>1</sup> However, the retail landscape is changing with competing online retailing, lower consumer confidence, and the pressure to operate in centre based developments are all having an impact on the viability of retailers.

The retail sector will undoubtedly be affected by an increase in state unemployment and lower consumer and business confidence as the State transitions to the slowdown in the resources sector and that of neighbouring countries.

If consumer sentiment remains fragile, the viability of smaller retailers could be under threat.

## Building and construction

The construction industry comprises 11.1 per cent of the workforce in Western Australia and contributes to 9.7 per cent of Gross State Product. There are currently over 150,000 people working in the construction industry.<sup>2</sup>

The construction industry contains 48.3 per cent of the total apprentices in the workforce and is a vital industry for future apprenticeship and training opportunities.<sup>3</sup>

Currently it is estimated that there are 20,000 construction industry employees who are working in the resources sector. This is 9,000 employees less than those employed in that sector in 2013.<sup>4</sup>

The Liberal Government, in their haste to build projects in the CBD over the past eight years were competing with the resources sector for building and construction contracts. This competition seriously inflated the cost of construction.

The consequence is that WA emerges from one of the greatest periods of revenue growth it has ever experienced with a balance sheet crippled by record debt and no strategy to diversify the economy and create more job opportunities for Western Australians.

<sup>1</sup>ABS- 1367.5 WA Statistical Indicators: Retail Industry in WA

<sup>2</sup>Construction Industry Snapshot - WA, January 2016

<sup>3</sup>Ibid

<sup>4</sup>Ibid

## Education and Training

WA schools have never been under greater pressure. In 2013 the Liberal Government cut funding to schools which had an immediate impact on their capacity to deliver quality education to WA students. The cuts continued in 2014.

In total the State Government's funding reduction since 2013 has resulted in the following:

- More than \$200million cut from school budgets;
- The loss of over 600 teaching positions;
- The loss of over 400 education assistants;
- 105 Aboriginal and Islander Education Officers cut;
- 150 central and regional office positions cut; and
- A further 200 teaching and non-teaching positions cut through redundancies.

The Liberal Government claimed this was necessary to move to a new model of funding, the Student Centred Funding Model (SCFM). In fact, the cuts had nothing to do with the new model, they were just cuts. The architect of the new school funding model introduced in 2015, Professor Richard Teese, raised concerns at the time that schools would struggle to introduce the planned reforms if jobs and resources were slashed at the same time as the new model was introduced.

These cuts resulted in increased class sizes, a reduction in staff and less money for student resources.

Critically, education assistants assist those students who need extra help to stay focused and ensure that other students are not distracted and the classroom teacher can get on with teaching. Without an adequate number of education assistants, the teacher has to spend more time with students who need a little bit of

extra help and has less time to ensure the whole class is moving along with their learning.

In 2015 the Liberal Government cut a further \$45 million from secondary schools budgets. These cuts were unprecedented. This has placed considerable financial pressure on the entire public school sector leaving many schools under-resourced.

WA public schools are facing increasing challenges with ever-diminishing resources but at the same time enrolment at schools are increasing. WA schools have never been under greater pressure. At the start of 2015 there was an extra 9,000 students in WA public schools and in 2016 there will be just over 300,000 students in K to Year 12, an increase of three per cent.

When the SCFM was introduced, central funding for languages other than English was cut, which means that now, almost 30 per cent of WA Public Schools no longer teach a language other than English.

In order for WA to be competitive in the growing markets in the Asian region, languages should be an important part of the school curriculum. This shift away from teaching languages could have a negative impact on our economic growth.

The Liberal Government is also lagging in their planning for schools in WA. The WA Government should be opening at least six primary schools a year to keep up with population growth and urban sprawl. However, in the last two WA State Budgets, funding has only been allocated to build four new primary schools.

It is further evidence that the Liberal Government is struggling to plan the infrastructure our growing suburbs need.

## TAFE

Since 2013, TAFE fees have risen by up to 510 per cent, making TAFE courses out of reach for many Western Australians. As a result TAFE enrolments were down nine per cent in 2014 with further declines expected in 2015-16.

Further to this, as many as 467 jobs or 325 Full Time Equivalent (FTE) staff were cut from TAFE campuses between late 2014 and early 2015 around the State. This is on top of 87 courses that are no longer offered since the end of 2014.<sup>1</sup>

These are savage cuts to the WA TAFE system that will severely limit the opportunity for thousands of young Western Australians to gain the skills they need to get decent jobs.

With the downturn in the mining sector it is even more important that Western Australians have options to re-train or skill up for jobs.

Currently in regional WA, TAFE course options have disappeared, funding for schools have been reduced and TAFE fees have increased dramatically. Young adults in regional WA are half as likely to go to university or TAFE as young adults in the city.

According to information released in the WA Parliament in April 2015,<sup>2</sup> 55 FTE lecturing staff were cut from regional TAFE campuses in late 2014 with a further 21 cut in June 2015.

<sup>1</sup>Legislative Assembly Question on notice 3604 Wednesday 25 February 2015 and Legislative Assembly Question on notice 3605 Thursday 19 March 2015.

<sup>2</sup>Legislative Assembly Question on notice 3605 Thursday 19 March 2015

## Registered Training Organisations

Much of the training in WA is carried out by private training organisations. In June 2015, the WA Auditor General found that 35 per cent of training organisations were 'critically' non-compliant with national standards<sup>3</sup> highlighting the need for better mechanisms to ensure Western Australians are receiving training and skills to the highest of standards.

In 2013-14, the Training Accreditation Council carried out audits on 323 Registered Training Organisations (RTOs) and found 35 per cent were either significantly or critically non-compliant with the national standards. Another 22 per cent were assessed as minor non-compliant. The report showed RTOs passed students who gave incorrect answers to questions, did no practical testing of engineering students and employed trainers with no competence or industry experience.

<sup>3</sup>Office of the Auditor General, Regulation of Training Organisations (Report 11 – June 2015) page 6

## Knowledge Economy

WA receives more than 40,000 international students each year. These students add an estimated \$1.2 billion to the local economy and create direct and indirect employment for 14,000 Western Australians. However, WA receives only 7 per cent of the national market share of international students choosing to study in Australia.

In 2014, international education contributed \$1.284 billion to the WA economy which equates to 34 per cent of all the money WA earns from international visitors in a year.<sup>1</sup> However, the export value of Victoria's international education sector in comparison was \$4.365 billion in 2012 which was 28.9 per cent of total Australian market share.<sup>2</sup>

The world-wide demand for international education is growing and there are forecasts of an extra three million students globally by 2020.<sup>3</sup> This increasing demand for international education provides a great opportunity for Western Australia to diversify the economy and create more job opportunities in the knowledge economy.

International education is a burgeoning global market and competition between destinations is fierce. The Liberal Government have failed to recognise this and provide adequate funding to Study Perth, the agency that has worked for decades to attract international students to Western Australia.

Effective destination and education marketing is critical to attracting international students to WA and the Liberal Government have failed to capitalise on this opportunity.

<sup>1</sup> www.studyperth.com.au facts sheet – August 2015

<sup>2</sup> International Education Strategy for Victoria 2013-2018 p7

<sup>3</sup>Ibid, p6

## Innovation and Information and Communication Technology (ICT)

Western Australia has been named the worst State in Australia for its policy and attitudes towards ICT management. Sentiments within local industries are that the Liberal Government has ignored ICT and as a consequence domestic supply of ICT skilled people has not kept up with demand.<sup>4</sup>

The recent failure to commission IT services at Fiona Stanley Hospital to make it a 'paperless' facility, demonstrate the dire need for government to plan, manage and invest more in the digital economy. In early April 2014, the WA Parliament's Education and Health Committee handed down the findings of its inquiry into Fiona Stanley Hospital:

*"We would have expected the Minister to seek significantly more information about the commissioning project, especially given that the December 2012 briefing note raised the possibility of delay on account of significant ICT readiness issues."<sup>5</sup>*

Put simply, the Liberal Government's failure to address ongoing IT readiness issues within the public sector is costing the State in terms of jobs and innovation and growth opportunities for the economy.

### **High tech jobs have a strong multiplier effect.**

Research shows that for each high-tech job, five additional jobs are created outside the hi-tech sector.

**1 Tech = >5 other jobs<sup>6</sup>**

<sup>4</sup> IT News, 19 June 2014, www.itnews.com.au

<sup>5</sup> WA Parliament Education and Health Committee

<sup>6</sup> Enrico Moretti, Professor of Economics California University, 2012, The New Geography of Jobs

Perth has the fourth biggest population of engineers per capita in the world and the highest in Australia, according to the State of Mind report commissioned by the University of Western Australia's Energy and Minerals Institute.<sup>1</sup>

This report also noted that Western Australia has developed substantial research expertise in some significant disruptive technologies. These include: energy storage, renewable energy, advanced oil and gas exploration and recovery; advanced robotics; and automation.<sup>2</sup>

However WA has fallen behind other states in the growth areas such as Startups and gaming. Two-thirds of Australian Startups operate out of Sydney and 40 per cent of games are produced in Victoria. The failure of the Liberal Government to provide support and leadership means WA is underperforming.

Mr Barnett disdainfully considered the innovation industries beyond mining as 'shallow'.

*"You've probably heard comments in the past few days saying the mining boom is over, so we're going to be the innovation society or whatever else — you know, that's a little bit shallow in thinking," Mr Barnett said.*<sup>3</sup>

Now more than ever, the WA Government needs a plan to diversify the economy and create new opportunities for job growth.

<sup>1</sup> Knowledge Society, State of Mind: Western Australia's new landscape of innovation and industry, University of Western Australia, 2015, p30

<sup>2</sup> Ibid pp33-39

<sup>3</sup> Nick Sas, West Australian; Barnett calls innovation focus shallow; December 8, 2015

## Renewables Sector

The Liberal Government has failed the renewable sector. Their stance on renewable energy is allowing innovation, technology jobs and economic growth, all of which have been shown to follow investment in renewable energy to flow to the eastern states.

*"... to build additional capacity on top simply to satisfy the Renewable Energy Target .... Is a sub-optimal approach and expensive for taxpayers. Western Australia can satisfy its RET requirement by purchasing certificates from projects on the Eastern States."*

*Dr Mike Nahan MLA, Minister for Energy  
8 October 2013 – Energy in WA Conference*

The Liberal Government has stated that it will not invest in the development of renewable energy generation facilities because the market already has an over-supply of generation capacity.

*".. we are.... being forced to buy windmills even if we do not need them..."*

*Dr Mike Nahan MLA, Minister for Energy  
17 April 2013 Legislative Assembly*

The Australian Renewable Energy Agency (ARENA) are looking to back large-scale solar power plants with a fund worth \$100 million. Of the 22 projects that have applied to access the ARENA funds, only one WA project made the shortlist.<sup>4</sup>

In contrast, the Queensland State Government has created the 'Solar 60' program to assist Queensland renewable energy companies to access ARENA funding. As a consequence, 10 projects vying for this round of ARENA funding came from Queensland.<sup>5</sup>

<sup>4</sup>Giles Parkinson; ARENA considers another round of large scale solar funding, 22 January 2016

<sup>5</sup> Shane Wright; West Australian; Barnett Government blasted over Solar Support; January 22, 2016; p24

The renewable energy sector is more labour intensive than that of fossil fuel technologies, which are typically mechanised and capital intensive. This means that on average, more jobs are created for each unit of electricity generated from renewable sources than from fossil fuels.<sup>1</sup>

In 2013-14 Western Australia recorded the lowest level of direct full time equivalents (FTE) employed in renewable energy activities of any state in Australia. This equates to 820 FTE employees or seven per cent of total employment in renewable energy activities in Australia.<sup>2</sup>

Western Australia's performance is in contrast with that of New South Wales, which recorded the highest level of annual direct FTE employment in renewable energy activities of any state or territory in Australia, with 2,950 FTE employees or 22 per cent of total employment in renewable energy activities in Australia. Victoria recorded 2,810 or 22 per cent of total employment in renewable energy activities, Queensland 2,520 (20 per cent), South Australia 1,330 (11 per cent), Tasmania 1,450 (12 per cent).<sup>3</sup>

Between 2011-12 and 2013-14 Western Australia experienced a fall of 920 employees (from 1,740 to 820) which is a 53 per cent drop in annual direct FTE employment in renewable energy activities.<sup>4</sup>

The Liberal Government has repeatedly shown their hostility to renewable energy technology. In mid-2013 the Liberal Government planned to slash the solar feed-in tariff. They later reversed the decision after huge public backlash and a pro-solar campaign.

Again in early 2015, the Liberal Government, faced with reduced revenue from declining electricity demand considered splitting its charge to have a fixed charge and a usage charge. This meant that customers who have solar panels and use little power from the grid would face higher costs for electricity as a result.

More recently in late 2015, the Liberal Treasurer said "the State Government would be reforming tariff systems and it would be considered in the next Budget"<sup>5</sup> which is expected in May 2016.

The Liberal Government doesn't understand the importance of developing and investing in the renewable energy sector as the energy sector of the future. A McGowan Labor Government understands the importance of positioning ourselves in the renewables space to take advantage of future innovation and opportunities to invest in Western Australian jobs for the future.

<sup>1</sup> Union of Concerned Scientists (UCSUSA) 'Benefits of Renewable Energy' <[http://www.ucsusa.org/clean\\_energy/our-energy-choices/renewable-energy/public-benefits-of-renewable.html#.VknqCF63E5U](http://www.ucsusa.org/clean_energy/our-energy-choices/renewable-energy/public-benefits-of-renewable.html#.VknqCF63E5U)>

<sup>2</sup> ABS, 'Employment in Renewable Energy Activities, Australia, 2013-14' <http://www.abs.gov.au/ausstats/abs@.nsf/mf/4631.0>

<sup>3</sup> Ibid

<sup>4</sup> Ibid

<sup>5</sup> Dr Mike Nahan MLA, Treasurer and Minister for Energy; Perth Now; December 1 2015

## Freight Infrastructure

The Liberal Government has a long history of poor and chaotic transport and infrastructure planning. Their signature policy, the Perth Freight Link (PFL) is a clear demonstration of this.

- The PFL is a \$1.6 billion highway that the Liberal Governments own modelling showed 42 per cent of trucks will not use.
- The proposal for the PFL stops at the wrong side of the Swan River with no plans to take the freight across the river into Fremantle Port creating a massive bottleneck at the already congested Stirling Bridge.
- The tender for the first stages of construction was advertised without plans being finalised.
- Current projections show that Fremantle Port will be at capacity in 2021, two years after the PFL is completed.
- The Liberal Premier confirmed in August 2015 they "...haven't done the planning work, selected a route, decided if its above ground or in a tunnel, designed it, done the engineering or environmental work."<sup>1</sup>
- Contracts for the first stages of construction were due to be signed by the Liberal Government in December 2015 without a completed business plan.
- December 2015, the Supreme Court concluded that WA's own Environmental Protection Authority took no account of its own published policies when it made the decision to approve a section of the PFL – Roe Highway Stage 8.

<sup>1</sup> Public Meeting North Fremantle, 25 August 2015

Not only is the PFL a flawed project, but it ignores the long held bipartisan view that we need a second container port for Perth. PFL would not service the second container port at Kwinana.

Rail infrastructure already exists into Fremantle Port and the Kwinana precinct. It will require upgrades but at a fraction of the cost of building PFL.

The WA Labor priority is to move more freight on rail. This is part of a longer term solution for freight transportation.

WA Government modelling predicts that freight on the rail network is forecast to increase from 75 million tonnes per annum to more than 130 million net tonnes per annum by 2030.<sup>2</sup>

The Liberal Government has reduced their target of 30 per cent of freight on rail to around 23 per cent. However, the number of containers on rail is currently around 13 per cent with no evident strategic plan on how they will increase this number or funds to improve current rail infrastructure.

Another emerging issue, which is undermining long term planning, is the Liberal Government's plan to sell state assets to raise much needed revenue. Fremantle Port has been identified for privatisation.

The Liberal Government has announced the sale but have not released a business plan. Similar large port infrastructure in Sydney, Melbourne and Brisbane have been privatised in the last few years, resulting in increased port user fees at each facility.

The Liberal Governments systemic failure to adequately plan infrastructure and transport projects is evident in the examples above and puts at risk our economic future.

<sup>2</sup> WA Regional Freight Transport Network Plan, p59

The demand for Western Australian exports remains strong and trade volumes, both imports and exports, at all ports continue to increase. WA has just ten per cent of the nation's population but exports more than half of the nation's total trade tonnage through our ports.<sup>1</sup>

The Liberal Government's planning processes are chaotic and often produce contradictory priorities. WA needs a McGowan Labor Government to focus once again on building essential infrastructure in a coordinated way that optimises value for the economy and jobs for Western Australians.

## Conclusion

The Liberal Government have dropped the ball on managing the WA economy during a period of record breaking growth, revenue income and consumer confidence. They have failed to manage our essential services and build the coordinated infrastructure a growing State needs.

The transitional phase in the resources sector was highlighted by economic experts and the WA Labor Opposition in relation to the need to diversify the economy and create new job opportunities.

WA now has an unemployment rate higher than the national average, poor consumer and business confidence and the first operating deficit in 15 years.

WA needs a McGowan Labor Government to focus once again on building essential infrastructure and properly managing essential services like our schools and hospitals. We have a plan for jobs in the regions and in Perth.

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<sup>1</sup> Western Australian Economic Profile September 2015, p8

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# THE INNOVATION ECONOMY



**WA Labor** | Plan for Jobs

## THE INNOVATION ECONOMY

A McGowan Labor Government is committed to ensuring that there is a focus on innovation as a future driver of our economy.

As technology reshapes current industries, work practices and professions, it is estimated that within the next 20 years, more than 40 per cent of Australian jobs may disappear.<sup>1</sup>

Western Australia is the only State to not have an Innovation and Information and Communications Technology (ICT) Strategy or apparent ministerial responsibility for IT.

A Minister for Innovation and Information and Communications Technology will provide the coordination urgently needed in this sector with the support of a dedicated Innovation Office. This will facilitate the creation of more jobs and harness the power of ICT to create a more efficient regulatory system.

- ***A McGowan Labor Government will help stimulate jobs and growth in the high tech sector by appointing the State's first Minister for Innovation and Information and Communications Technology (ICT) and establishing an Innovation and ICT Office in WA.***

An Innovation and ICT Office will work with industry to encourage collaboration to drive innovation and create new industries. It will also hone in on how technology can reduce the burden of regulation and make the business of government more efficient.

<sup>1</sup> Durrant-Whyte, H, McCalman, I, O'Callaghan, S, Reid, A, and Steinberg, D, 'The Impact of Computerisation and automation on future employment', in Committee for Economic Development of Australia 2015, Australia's Future Workforce, p58

Science, Technology, Engineering and Mathematics (STEM) disciplines invariably involve ICT and computing skills. ICT provides access to a wide variety of internet resources and tools that are integral for STEM learning.

- ***A McGowan Labor Government will establish a strong ICT vision and policy for Western Australia and will publish a State STEM strategy to support innovation including generating new job opportunities.***

A legacy of the mining boom is the pool of highly skilled and educated STEM workers in areas such as engineering, mining software and environmental science. The challenge is to capitalise on these natural advantages to broaden our economy and stimulate investment in innovative new enterprises.

There is also potential to develop revenue streams for the State Government through the greater commercialisation of intellectual property, as well as collaborative partnerships with industry.

- ***A McGowan Labor Government will explore and develop revenue streams for government through the commercialisation of State Government intellectual property.***

It is important that any investment in STEM is targeted to meet key strategic goals, aligned with a whole-of-government strategy. This will present the best methods of encouraging collaboration between the private and public sector, industry and research institutions to commercialise research.

## New Industries Fund to Drive Startups

A McGowan Labor Government will invest \$14.5 million in a New Industries Fund to support and accelerate new and emerging business in the Startup and gaming sector and diversify the economy. This investment will generate jobs in a diverse range of industries and provide investment opportunities for these new companies.

- ***A McGowan Labor Government will create a \$14.5 million New Industries Fund providing grants to support and accelerate new and emerging businesses in the Startup and gaming sector, creating jobs in this burgeoning hi-tech industry.***

We must also support innovation in regional WA which has the effect of boosting the local economy and creating further opportunities for job growth. The New Industries Fund will include a 'Regional Startups' stream.

In the regions, the Regional Development Commissions will identify locations to develop business incubators to foster and accelerate regional based Startup and gaming enterprises. WA Labor's Plan for Jobs will ensure there is a focus on innovation as a future driver of our regional economies.

The resources sector has been a major driver of new technologies and research expertise in the regions for many years. As this sector transitions to an operational phase, it is important that we retain the technology and specialist skills to drive new industries in regional WA.

- ***A McGowan Labor Government will invest \$4.5 million from the New Industries Fund in regional WA.***

The Startup sector in Western Australia has evolved significantly over the past ten years. As the dominance of the resource sector wanes, innovators are making good use of the available space, skills and capital to participate in the WA Startup and gaming community.

However, while WA's digital start-ups have grown by 235 per cent in the last two years, currently two-thirds of the Australian's Startup community operate out of Sydney.<sup>1</sup> Similarly 40 per cent of the games produced in Australia come from Victoria where state funding support is provided for game development.

The failure of the Liberal Government to provide support and leadership means that WA under performs in the Startup and gaming sector compared to other states. We need to do more to attract and foster these enterprises in Western Australia as future sources of economic diversity and job creation.

Funding support through the New Industries Fund will focus on early career and business development support and foster an environment where private investment does the heavy lifting for commercial production and market entry.

<sup>1</sup>PwC; The Startup Economy; April 2013; p5

## Connecting Startups and Investors

A McGowan Labor Government is committed to ensuring that government assists the WA Startup and gaming sector to attract overseas investment.

Startups provide a central point for investors, mentors and academics looking to capitalise on the next big high-tech opportunity.

“A report by surveyor StartUp Muster and backed by Google found nearly 20 per cent of Startup companies in Australia are planning to relocate overseas while around a quarter plan to undertake capital-raising overseas.”<sup>1</sup>

Whilst many Australian Startups head to the US or UK to pursue investment opportunities, the potential of Asia should not be ignored. A role for government is to develop and foster formal networks with our regional neighbours, to enable access to wider investment markets.

- ***A McGowan Labor Government will utilise the Asian Business Strategy and existing trade relationships with the USA, UK and Europe to attract foreign investment to Startup and gaming businesses in Western Australia.***

An initiative to develop formal networks with our regional neighbours, would involve Perth hosting an annual Association of the Southeast Asian Nations (ASEAN) Dialogue, initially at the Asia Research Centre at Murdoch University. The dialogue would run concurrently with a trade and investment show to maximise the exposure of the Startup and gaming sector.

<sup>1</sup> ABC Online; One in five Australian start-ups looking to go overseas, report finds; 9 December 2015

Our commitment to a business strategy will capture important trade and investment opportunities for the Startup and gaming sector to create Western Australian jobs and business opportunities.

## Gaming

The global games production industry is worth approximately \$100 billion USD and is growing annually. Western Australia has a small but talented games industry. However, 40 per cent of the games produced in Australia come from Victoria where State funding support is provided for game development.<sup>2</sup>

Like the Startup sector, WA Labor’s Plan for Jobs will provide funding support through the New Industries Fund to focus on early career and business development support and foster an environment where private investment does the heavy lifting for commercial production and market entry.

<sup>2</sup>Director of Games and Interactive Program; FTI WA; Submission to Senate Standing Committees on Environment and Communications, 11 Dec 2015

## Skill the Local Workforce

A McGowan Labor Government is committed to having a skill ready workforce. This is critical to our capacity to capitalise on the emerging innovation economy to create local jobs.

Digital proficiency will be a foundation skill, as important as reading and numeracy and will increasingly be the determinant of employment prospects and opportunity. A STEM advisory panel will be appointed to oversee this.

The Australian Computer Society (ACS) has raised concerns that the IT Industry is opting to fill job vacancies with overseas workers through the Federal Government's 457 Visa scheme; an initiative that sees overseas workers sponsored by Australian industry to work temporarily in Australia.

Further to this, the ACS claims that as "the ICT sector is the third largest user of 457 Visa's by industry, it is likely that by occupation, ICT is the largest group in the 457 program."<sup>1</sup>

The Australian Bureau of Statistics released a report which demonstrated that STEM skills jobs such as scientists, ICT professionals and engineers grew 1.5 times the rate of other jobs in recent years.<sup>2</sup> According to PricewaterhouseCoopers, Australia stands to gain a \$57.4 billion increase in GDP by shifting one per cent of the workforce into STEM-focused jobs.<sup>3</sup>

To support this shift, WA needs a collaborative approach to addressing the training needs of the future workforce. This approach needs to include ways of addressing both the current gap in the ICT

and STEM skilled workforce and ensure there is a job ready workforce for future job opportunities.

The WA Technology and Industry Advisory Council has done work in the area of STEM education in schools. A McGowan Labor Government will work with the Council to ensure the objectives under the Industry and Technology Development Act 1998 (WA) are better realised to ensure there is a job ready local workforce in WA.

- ***A McGowan Labor Government will appoint a STEM advisory panel incorporating industry, researchers and educators, chaired by the Chief Scientist, to ensure that there is a job ready local workforce to capitalise on the creation of job opportunities.***

One of the major challenges for the ICT sector is to improve the attraction and retention of young Western Australians in ICT as a career of choice. Only then will we have the specialist skills required to deliver and manage the technological change that is occurring.

This will include working with Western Australian teachers and academics so they can deliver ICT courses in a way that will inspire and engage young Australians.

***"The workers of the future need to have deep computer literacy."***

*Nathan Taylor CEDA Chief Economist;  
The industrial revolution's next wave.*

Business and industry have advocated strongly for greater emphasis on STEM on the basis of their expected future demand for these skills.

<sup>1</sup>Australian Computer Society Inc; ACS submission to independent Review of Integrity in the subclass 457 programme; 7 May 2014, p2

<sup>2</sup>ABS (CatNo4250.0.55.005) Perspectives on Education and Training: Australians with Qualification in STEM

<sup>3</sup><http://www.smh.com.au/national/education/schools-teach-coding-to-get-ahead-of-the-pack-20150520-gh61x8.html>

Nations which are strong in STEM have strategic STEM policy frameworks, with some using specially designed institutes and agencies to drive their agenda. Yet Western Australia doesn't have a comprehensive STEM strategy.

- ***A McGowan Labor Government STEM strategy will focus on improving STEM education and identify ways of promoting the importance of the key STEM skills of problem solving, critical thinking and innovation to employers, educators, parents and students.***

The STEM Strategy will initially map Western Australia's STEM workforce, highlighting strengths and gaps in skills and expertise. It will then identify STEM growth industries with a vision to grow the local workforce.

A commitment to STEM will be a key focus of a McGowan Labor Government. We will identify ways of promoting the importance of the key STEM skills of problem solving, critical thinking and innovation to employers, educators, parents and students.

## Coding

Coding is what makes it possible for us to create websites, apps and computer software.

Science and business leaders have long been calling for coding to be taught formally in schools.<sup>1</sup> The Federal Government has recently included coding for primary schools in the new national curriculum to start in 2016.

A McGowan Labor Government acknowledges the importance of this step towards teaching our children the language of the future. For the student, learning

coding allows a better appreciation of what can be built with technology. It also teaches students how to break down problems into solutions and carries with it all the benefits of learning a second language.

- ***A McGowan Labor Government recognises that coding will be the literacy of the 21st Century and will become part of the WA school curriculum.***

A McGowan Labor Government will engage with the Federal Government on their plan to introduce coding activities into the WA curriculum and will engage with teachers across the State and establish practical funding to support the integration of coding into their teaching.

- ***A McGowan Labor Government will engage with the Federal Government and provide practical funding to implement coding activities into the WA school curriculum.***

As Western Australia moves forward, digital proficiency will be a foundation skill, as important as reading and numeracy. In a global economy, we need to position kids today, to win the jobs of the future.

Former Australian Chief Scientist Ian Chubb said;

*"if the digital economy is an arena, then the skills you need to play include computer programming and coding. Informatics gives us these skills and this event highlights the global nature and ferocity of the competition."*<sup>2</sup>

<sup>1</sup><http://www.canberratimes.com.au/national/education/tony-abbott-ridicules-his-own-party-in-school-coding-gaffe-20150528-ghbdal.html>

<sup>2</sup>Gareth Hutchens; SMH; Chief Scientist Ian Chubb says Abbott Government needs to Adopt his Policy Recommendations, 26 March 2015

## Back to Primary Schools for Science

A McGowan Labor Government will invest \$17 million in schools to roll out science labs and equipment in up to 200 public primary schools. This investment in science, technology and innovation is part of our vision to create a broad economy which generates jobs in a diverse range of industries.

Science labs engage students and if we are serious about diversifying our economy then we must start at a school level to prepare students for jobs beyond the resources industry. WA Labor's Plan for Jobs is focused on science at a primary school level and that focus needs a science lab with appropriate resources and equipment.

- ***A McGowan Labor Government will invest \$17 million to roll out science programs in up to 200 public primary schools including funding to convert existing classrooms to science laboratories and upfront grants for resources to make science a more diverse and engaging experience for students.***

Most science in primary schools is not taught in a purpose built science lab, but in general classrooms or in multipurpose wet areas. Therefore the experience of science is narrower, less diverse and less engaging for the students.

The activity of observation and experiment is difficult to teach in the absence of a lab where resources and equipment are purpose built and permanent. In secondary school, science is taught in purpose designed labs where there are multiple work stations with built-in equipment.

A McGowan Labor Government will invite expression of interest from all public primary schools to apply for the program. In the initial phase, up to 200 schools will be upgraded to ensure that they have appropriate facilities.

- An allocation of \$12 million will be made available to convert classrooms into science labs.
- A further \$5 million will be provided in grants of \$25,000 to enable schools to buy resources to equip those labs.

The teaching of science should start as early as possible in a child's education however each school will have the flexibility to manage how they integrate the new science lab resources into their school curriculum. We will work with teachers and Scitech on appropriate professional development for teachers to focus on teaching science in schools. A focus on science will support the diversification of the economy and is an investment in the jobs of the future.

## Science Fellowships

A McGowan Labor Government will introduce Science Industry Fellowships. Science Industry Fellowships have been successful in building links between our university sector and industry, expanding the science network in Western Australia.

The Science Industry Fellowships will help WA benefit from the opportunities in our global regional economic zone and continue to take WA forward in the knowledge economy.

- ***A McGowan Labor Government will sponsor Science Industry Fellowships.***

Science Industry Fellowships will build the relationship between WA companies and our universities. This model is based on similar programs run by the Royal Society in the UK. It will encourage greater research and development in Western Australian companies.

## Robotics

In this rapidly changing technological environment, society has grown with and embraced the development of technology and automation in our modern lives.

New technologies have always driven new job requirements and skills. Western Australia is in a prime position to raise productivity, making industries more competitive globally and increase opportunities to train and employ more workers. This can be achieved through the utilisation of information processing, automation, robotics and niche sectors like gaming and app development.

- ***A McGowan Labor Government will collaborate with our State's educators and industry to identify future job opportunities, opened up by the rapid developments in the computerisation and automation sector.***

## Innovation Hubs: Knowledge, Jobs, Communities

Innovation Hubs are a vehicle to grow jobs and educational opportunities, unlock land development opportunities, foster innovation and create vibrant communities.

Opportunities exist to use our existing infrastructure, not only to diversify the economy, but to grow jobs and skills for the future and develop modern communities where there is an exchange of knowledge and innovation.

Innovation Hubs are not a new concept, but their success is being driven by the vanguard of this trend in cities such as Barcelona, Berlin, London, Medellin, Montreal, Seoul, Stockholm and Toronto.

Innovation Hubs can be defined as geographic areas where leading anchor institutions and companies come together with Startups, business incubators and accelerators. They are physically compact, transit friendly, accessible by public transport, technically wired and offer housing, office, education and retail.<sup>1</sup>

<sup>1</sup>Bruce Katz and Julie Wagner; The Rise of the Innovation Districts: A New Geography of Innovation in America; p1

Suitable sites with available space in Western Australia have been identified and in the case of 'Greater Curtin' University, are already well developed.

One of the biggest challenges we face in Western Australia is to grow and diversify the economy beyond the resources sector to provide jobs, housing, education and utilities for a population which is expected to grow to 3.27 million by 2026.

### Creating the City of Innovation: A Vision for a Greater Curtin University

"Greater Curtin is an urban environment where diverse groups from the world over will come to work, study and interact with new ideas.

We welcome the incidental networks created by enterprise and business connecting with those who form the urban fabric of the city.

Our proximity to Asia means that we will interact with countless individuals, researchers and companies that can add a wealth of knowledge investment and commercial viability to the City."

Curtin University, Creating the City of Innovation: A Vision for a Greater Curtin, 2013, p4

## Support for Innovation Hubs

Innovation Hubs have the ability to grow jobs in specific areas and industries that are subject to disruptive forces, for example digital disruption.

There are opportunities to create Innovation Hubs at sites around Perth and a McGowan Labor Government will engage with businesses and institutions to explore these opportunities further.

- ***A McGowan Labor Government will foster structured interactions between government, universities, business, industry and the community to drive the development of Innovation Hubs creating new industries and job opportunities.***

It is well established that collaborative facilities, shared spaces and shared use of technologies are a more cost effective way to operate a business. For example, officially known as home to the Innovation Centre of WA, the Technology Park in Bentley is also home to many leading local, national and international science and technology companies based there.<sup>1</sup>

The Park encourages active collaboration between the private and public sector. Curtin University of Technology has collaborated with CSIRO to form the Australian Resources Research Centre. It is also home to supercomputing infrastructure, better known as the Pawsey Computer.

The Bentley campus has significant land holdings for urban infill and attracting technology focused companies and research organisations.

- ***A McGowan Labor Government will provide the planning laws that allow for higher density developments within Innovation Hubs.***

<sup>1</sup><http://techparkwa.com.au/about/purpose-and-objectives/>

Located in the heart of the Joondalup CBD, Edith Cowan University is an international leader in cyber security research and host to the annual Security Congress. The West Coast Institute of Training is co-located at the same campus. The WA Police Academy is the third element of this learning precinct and shares facilities with both institutions. This area also has a greater capacity for urban infill.

Yet another Innovation Hub development could occur with the collaboration of Fiona Stanley Hospital and Murdoch University focussing on medical research and development opportunities.

Innovation Hubs can become environmentally sustainable developments when they have an integration of energy efficient principles for water, energy and accessibility. They allow universities and other anchor institutions to unlock the value of their land to reinvest in research and technology.

- ***A McGowan Labor Government will review relevant legislation to reform restrictive governance over land within Innovation Hubs to allow for commercial development.***

We know that all over the world, entrepreneurs are starting their businesses in collaborative spaces, close to state of the art facilities, where they can mingle with like-minded people. 'Innovation Hubs foster innovation across industries by concentrating people with different knowledge and expertise in dense urbanised areas.'<sup>2</sup>

By utilising our existing infrastructure where leading anchor institutions and companies cluster and leverage our existing assets in teaching, research, technology and medicine, we can further diversify our economy and grow the jobs of the future.

<sup>2</sup>Bruce Katz and Julie Wagner; The Rise of the Innovation Districts: A New Geography of Innovation in America; p4

## Renewables Industry

WA Labor recognises the importance of developing and investing in the renewable energy sector as the energy sector of the future. We understand the importance of positioning ourselves in the renewables space to take advantage of future innovation and opportunities to invest in Western Australian jobs for the future and address climate change.

In 2013-14 Western Australia recorded the lowest level of direct full time equivalents (FTE) employed in renewable energy activities of any state in Australia. This equates to 820 FTE employees or seven per cent of total employment in renewable energy activities in Australia.<sup>1</sup>

Western Australia's performance is in contrast with that of New South Wales, which recorded the highest level of annual direct FTE employment in renewable energy activities of any state or territory in Australia, with 2,950 FTE employees or 22 per cent of total employment in renewable energy activities in Australia. Victoria recorded 2,810 or 22 per cent of total employment in renewable energy activities, Queensland 2,520 (20 per cent), South Australia 1,330 (11 per cent), Tasmania 1,450 (12 per cent).<sup>2</sup>

Between 2011-12 and 2013-14 Western Australia experienced a fall of 920 employees (from 1,740 to 820) which is a 53 per cent drop in annual direct FTE employment in renewable energy activities.<sup>3</sup>

The renewable energy sector is more labour intensive than that of fossil fuel technologies. This means that on average, more jobs are created for each unit of electricity generated from renewable sources than from fossil fuels.<sup>4</sup>

According to the International Renewable Energy Agency (IRENA), in 2014 the global renewable energy industry employed 7.7 million people, either directly or in service related industries. That figure does not include the hydro-energy industry, which directly employs a further 1.5 million people. IRENA expects job growth to more than double by 2030 to around 16 million jobs.<sup>5</sup>

- ***A McGowan Labor Government recognises the unique position of Western Australia with respect to renewable technologies in light of our coastal location, wide open spaces, sunshine, developed manufacturing and processing facilities and will promote local and overseas investment into renewable technology manufacturing.***

<sup>1</sup>ABS, 'Employment in Renewable Energy Activities, Australia, 2013-14' <http://www.abs.gov.au/ausstats/abs@.nsf/mf/4631.0>

<sup>2</sup>Ibid

<sup>3</sup>Ibid

<sup>4</sup>Union of Concerned Scientists (UCSUSA) 'Benefits of Renewable Energy' [http://www.ucsusa.org/clean\\_energy/our-energy-choices/renewable-energy/public-benefits-of-renewable.html#.VkpqCF63E5U](http://www.ucsusa.org/clean_energy/our-energy-choices/renewable-energy/public-benefits-of-renewable.html#.VkpqCF63E5U)

<sup>5</sup>IRENA, 'Renewable Energy and Jobs – Annual Review 2015' <http://www.irena.org/menu/index.aspx?mnu=Subcat&PriMenuID=36&CatID=141&SubcatID=585>

In contrast to the Liberal Government, WA Labor's stance on renewable energy will allow for innovation, technology, jobs and economic growth in the renewable energy sector to occur.

Under the Federal Government's Renewable Energy Target (RET), every energy retailer has an obligation proportionate to the total amount of renewable energy produced under the RET scheme. They are required to either produce that renewable energy by building large scale renewable energy generation facilities – or buy the relevant obligation of renewable energy certificates. This can be done in two ways: they can buy the energy and the certificate or just the certificate and somebody else buys the energy.<sup>1</sup>

The Liberal Government has stated that it will not invest in the development of renewable energy generation facilities because the market already has an over-supply of generation capacity.

At an Energy WA Conference in October 2013, the WA Minister for Energy said *"...to build additional capacity on top simply to satisfy the RET ... is a sub-optimal approach and expensive for taxpayers. Western Australia can satisfy its RET requirement by purchasing certificates from projects on the Eastern States."*<sup>2</sup>

As the RET applies to large-scale renewable energy facilities, the Government's position means Western Australia will be obliged to buy renewable energy certificates from large scale renewable generation facilities in the eastern states to meet its statutory obligations. This attitude misses the opportunity to create job opportunities in WA and address elements of climate change.

<sup>1</sup> For full discussion see Hansard 'Energy Portfolio – Minister's Performance, Motion' 13 May 2015, Legislative Assembly.

<sup>2</sup> Quote of Dr Nahan taken RenewEconomy 'WA Government says no to new renewable energy' (8 October 2013) from <http://reneweconomy.com.au/2013/wa-government-says-no-to-new-renewable-energy-82648>.

- ***A McGowan Labor Government will:***

***Encourage research intensive programs into renewable energy and battery technology at our universities which could then be marketed to attract international investment, international students and research and development opportunities.***

***Work with technology companies, universities, TAFE and electricity utilities in a precinct to provide opportunities for emerging battery technologies.***

***Encourage the development of off-the-grid solutions and technologies like smart-meter trials and battery storage trials for greenfield developments around the State.***

# BRAND WA



**WA Labor** | Plan for Jobs

## BRAND WA

Brand WA will provide a global toolkit of consistent concepts, packaging and messaging that will promote our wonderful State to the rest of the world.

Western Australia is unique in so many ways and our diverse population is increasingly making us more connected to all parts of the world.

As a brand, WA has much to celebrate and has many desirable products to sell both nationally and internationally. However, the State lacks an instantly recognisable message.

We currently have a State Government strategy that involves numerous agencies developing various marketing materials, duplicating effort and competing for market share.

How we currently market ourselves to the world is not the best use of our resources.

Western Australia needs an overarching consistent brand that can be used by both the public and private sector as we seek to promote our wonderful state to the rest of the world.

Echoing the WA Birthmark program, developed in the 1960's, Brand WA will ensure we capitalise on every marketing dollar we spend. Brand WA will create a connection between all of the efforts of the public sector and private sector and ensure our messaging voice is interpreted the same way around the world.

- ***A McGowan Labor Government will consult with industry to fast-track Brand WA enabling a consistent but flexible approach to marketing WA as a brand across all industries to secure a greater share of growing markets.***

A McGowan Labor Government is committed to working with industry stakeholders to implement a consistent but flexible approach to marketing WA as a brand. There are many examples of globally successful brands that have built market share through a global toolkit of consistent concepts, packaging and messaging such as Red Bull, World Wildlife Fund and Coca-Cola.

The economic benefits that come from a Brand WA are far reaching and would benefit local industries including manufacturing, agriculture, new technology and service industries like education, tourism and hospitality as well as small business.

Brand WA will have a broader contribution to the economy in terms of business investment, job creation, trade and government to government relations with our regional neighbours.

## Creating Jobs in Tourism

A McGowan Labor Government will inject \$425 million over five years to establish WA as one of the world's great tourist destinations and support the tourism and hospitality sectors to create jobs and diversify the economy.

Tourism is a key focus of WA Labor's plan to create jobs and broaden our economy beyond resources. Figures provided by Tourism Council WA show that the industry employs 94,000 people and inserts \$9.3 billion in the WA economy.<sup>1</sup>

Western Australia competes with the other states in Australia to attract both interstate and overseas visitors. In recent years Victoria, Queensland and NSW have significantly increased their tourism spend. This increase in the funding available for events and marketing will have a positive boost for their economies and drive their share of the tourism market. It is important that WA is not left behind.

### New Tourism Funding Model

The Liberal Government allocates much of the tourism funding through tied grants over short periods of time. The nature of the tied funding makes it difficult for organisations to forward plan and secure the best outcomes for the economy. This includes the capacity of Tourism WA to maximise the return on investment from both public and complementary private sector investment in tourism.

A McGowan Labor Government will restructure the Tourism WA budget by consolidating the multiple tied budget lines into three budget lines, these being: Destination Marketing, Events Tourism and Tourism Infrastructure and Investment.

This model of funding will provide certainty and security for the tourism industry and will maximise the return on investment and create jobs in this important part of the economy.

- ***A McGowan Labor Government will restructure the Tourism WA budget by consolidating the multiple tied budget lines into three budget lines, these being: Destination Marketing, Events Tourism and Tourism Infrastructure and Investment.***

## Destination Marketing

A McGowan Labor Government will deliver \$45 million per annum for five years for Destination Marketing to establish WA as one of the world's great tourist destinations.

In the 2015-16 State Government Budget the forward estimates for destination marketing show a 36 per cent cut over the next three financial years from \$43 million in 2015-16 to \$28 million in 2018-19. This comes at a time when other state governments have significantly increased their tourism spend. WA's market share, relative to other states has declined. This will only get worse given this lack of investment by the Liberal Government.

The return on investment for taxpayer's dollars in the tourism sector is high. Currently domestic leisure visitors result in a return of \$22 for every \$1 of state government expenditure.<sup>2</sup> International leisure visitors provide the greatest return with the State's economy receiving \$93 for every dollar spent on attracting these visitors.

<sup>1</sup>Tourism Western Australia, Economic Contribution - April 2015

<sup>2</sup>Tourism Council WA, Pre-budget Submission for WA State Budget 2016, p6

At these levels of return on investment, the 36 per cent cut in destination marketing over the next three years will result in a loss of tourism economic output of \$747 million and 2,300 jobs by 2018-19.

In order to diversify the economy it is important that a significant investment be made in the tourism sector.

- ***A McGowan Labor Government will invest \$45 million per annum for five years for Destination Marketing including business events, domestic marketing and international marketing, delivering \$225 million in secure funding to grow this industry.***

Destination marketing includes business events, domestic marketing and international leisure. This marketing is delivered through the Perth Convention Bureau, Regional Tourism Organisations and Tourism WA directly.

## Event Tourism

A McGowan Labor Government will deliver \$40 million per annum for five years to attract events to WA drawing a much greater share of visitor numbers to Western Australia.

More than 2,000 additional hotel rooms will be added to the Perth market in the near term. This represents a serious challenge for events planning and funding. Unless the State builds or attracts suitable events that draw much greater numbers of visitors from interstate or overseas, the boost in hotel room capacity will be seen as a threat to hospitality businesses rather than an opportunity for the entire tourism sector.

The other significant change impacting events is the increased capacity that will be introduced by completion of the stadium. Apart from the obvious opportunity for larger crowds at high profile sporting events, the stadium will incorporate a number of venues capable of hosting additional conference style events. This capacity will be wasted unless a plan is developed and funded to grow visitor numbers as necessary to fill the capacity.

- ***A McGowan Labor Government will provide \$40 million per annum for five years for Event Tourism, delivering \$200 million in secure funding to grow this industry.***

## Perth Convention Bureau

A McGowan Labor Government will invest \$5 million per annum in the Perth Convention Bureau to boost the hospitality and tourism sectors' ability to create jobs and diversify the economy.

Business events brought to the State via the efforts of the Perth Convention Bureau (PCB) result in a return of \$30 for every taxpayer dollar expended.<sup>1</sup> WA Labor is committed to ensuring that the level of funding provides certainty and security for the PCB.

The success of the PCB will be complemented by WA Labor's Brand WA, a consistent but flexible approach to marketing WA as a brand, value adding to the work of the PCB.

As part of WA Labor's Plan for Jobs:

- ***A McGowan Labor Government will invest \$5 million per annum in the Perth Convention Bureau to attract conventions and conferences and grow WA's share of the Business Event Market.***

The commitment to invest \$5 million per annum in the PCB is a 62 per cent increase in funding compared to the funding cuts announced by the Liberal Government in the 2015-16 State Budget.<sup>2</sup> This will be funded through the \$425 million investment into tourism.

Tourism Council WA estimates that Labor's \$5 million annual investment to Perth Convention Bureau would create over 340 new jobs in WA and maintain a total of 1,260 jobs each year.<sup>3</sup>

The Tourism Council WA estimates that it will deliver:

- 340 new jobs;
- 941 direct full time equivalent (FTE) employment;
- 324 indirect FTE employment;
- Total 1,263 FTE's each year; and
- \$155 million in direct delegate expenditure.<sup>4</sup>

In the most recent budget, State Government funding for PCB was cut by \$5.3 million over the three years. It is estimated that this cut will result in a loss of \$85.4 million in direct delegate expenditure and the following aggregate economic loss over the three year period:

- 715 jobs;
- \$138 million in output;
- \$61 million in gross value added (similar to gross state product);
- \$35 million in local incomes and wages;
- \$2.17 million in future state government taxes; and
- 170,000 room nights and lost opportunity of \$36.6 million in revenue for Perth hotels.<sup>5</sup>

The PCB is a long established, part government funded body dedicated to assisting non-for-profit associations, corporations and agents bringing conferences and incentive groups to Western Australia.

Through the PCB, the WA Business Events Market directly contributed \$112 million to the State economy and created over 900 jobs in 2014-15.<sup>6</sup>

PCB regularly provides a return on investment more than two to three times its Sydney and Melbourne counterparts and operates on a much lower cost basis than competing bureaus.

<sup>1</sup>WA Business Events, Impact of Reduced Funding, September 2015, p8

<sup>2</sup>WA State Budget 2014-15; Budget Paper 2; Vol 1; p150

<sup>3</sup>Evan Hall, CEO Tourism Council WA

<sup>4</sup>Evan Hall, CEO Tourism Council WA

<sup>5</sup>AEC Group, Western Australian Business Events Impact of Reduced Funding Perth Convention Bureau final report, September 2015, p3

<sup>6</sup>AEC (2015) Western Australia Business Events Impact Assessment Final Report December 2015

## Tourism through the Knowledge Economy

There is a growing opportunity in Western Australia to increase our share of the international student visa market which will have a direct impact on the WA tourism dollar.

International students are worth \$17 billion to the national economy. However, Western Australia attracts only 7.8 per cent of the Australian student visa market, a net worth of \$1.3 billion to the WA economy. According to the Quarterly Visitor Snapshot, per person, international students spend more than six times the average for all other international visitors to WA.<sup>1</sup>

### **Average spend per person:**

- **\$13,511 international student**
- **\$2,866 international tourist**

Study Perth is a state government funded agency that has worked for decades to attract international students to Western Australia. International education is the second largest service industry after the tourism sector more broadly. It attracts 52,000 international students to the State, directly and indirectly employs 10,000 Western Australians and contributes \$1.284 billion annually to the State economy.<sup>2</sup>

Funding for Study Perth is drawn from the Departments of State Development and the Department of Education Services. The board of management has high level representation from the tourism industry and State Development. However, the agency needs increased support from the State Government in promoting Perth as a destination for international students and marketing projects with an export focus.

<sup>1</sup>www.studyperth.com.au facts sheet – August 2015

<sup>2</sup>Study Perth Fact Sheet published on website www.studyperth.com.au

- *A McGowan Labor Government will promote tourism opportunities by growing the international knowledge economy as part of a broader strategy to diversify the economy and create new jobs.*

Read more about our plan at page 66.

## Growing Opportunities in the Hospitality Industry

A McGowan Labor Government is committed to doing more to encourage a tourism friendly hospitality culture by cutting red tape.

As the architect of Western Australia's vibrant small bar scene, WA Labor Leader Mark McGowan has led the change in liquor licensing, creating more jobs and a vibrant culture attracting visitors from overseas and interstate.

The hospitality sector employs almost 90,000 people in Western Australia,<sup>3</sup> however there are many low-risk hospitality and tourism businesses which have been held back from creating more jobs as further necessary reforms have been hampered by the Liberal Government.

Some examples of sophisticated tourism developments that have been stymied as a result of well intentioned but often poorly targeted interventions by the Police Commissioner and Executive Director of Public Health include:

- an application for a 24-hour licence by the six-star Treasury Hotel;

<sup>3</sup>ABS Labor Force Survey November 2015

- a request by the State Theatre Centre to run a café and restaurant outside of performance times; and
- imposing irrelevant conditions on the licence for a fine dining restaurant at the National Anzac Centre in Albany.

The Government's own Metropolitan Redevelopment Authority believes that the requirements of the tourism and hospitality industries need more consideration in liquor licensing decisions.

*"Given that one of the objectives of the Act is to have regard for the development of tourism and hospitality industries, [the Metropolitan Redevelopment Authority] recommend[s] that consideration should be given to the particular licensing needs of tourism and hospitality precincts and the advice and opinions of professional industry associations, tourism and hospitality groups. For example, consideration of the hospitality and tourism needs of State Government redevelopment areas and tourism precincts, and referral of applications to Tourism WA for comment."*<sup>1</sup>

- **A McGowan Labor Government will amend the Liquor Control Act 1988 to:**

***Add a new public interest assessment category which allows for a venue's tourism, community and cultural benefits to be considered in licence applications.***

***Give equal legal weight to the representations of tourism bodies as those of the Police Commissioner and Executive Director of Public Health.***

- ***A McGowan Labor Government will review the occasional licence and extended trading permit systems with the aim of addressing ways of reducing red tape for licensees with a good history of compliance.***

There are many low-risk hospitality and tourism businesses which are being hurt by excessive and often unnecessary liquor licensing regulation. For small businesses, this ties up much-needed time and money to get their business off the ground and creating jobs.

For example, there is a three-year restriction on proponents applying for a liquor licence for a particular premise after it has been refused in the public interest. This red tape has adversely affected the development of sophisticated venues in important tourism precincts, as noted by Tourism Western Australia in a submission to the review of the Liquor Control Act 1988.<sup>2</sup>

- ***A McGowan Labor Government will remove the three-year restriction on proponents applying for a liquor licence for a particular premise after it has been refused in the public interest.***

We need to encourage a more tourism-friendly hospitality culture by allowing such simple measures such as making it easier for restaurants to sell alcohol without a meal and letting accredited tour operators offer an alcoholic drink on their tour, like a beer at the end of a tough bushwalk or a glass of champagne while watching the famed Western Australian sunset.

<sup>1</sup>Liquor Control Act 1988: Report of the Independent Review Committee, December 2013, p75

<sup>2</sup>Tourism Western Australia, Submission to the Review of the Liquor Control Act 1988, 25 March 2013

- ***A McGowan Labor Government will allow accredited tour operators to sell and supply alcohol under prescribed circumstances, such as a glass of champagne at the start of a tour.***

In some instances the liquor licensing regulations are also failing to support innovative new businesses such as distilleries.

- ***A McGowan Labor Government will allow producers to serve mixers with their tastings, for example, whisky and soda.***

## Cruises to See More of WA

The cruise ship sector provides WA with an opportunity to value add to this significant growth industry by developing the mechanisms by which more landside destination options can be provided to visitors before, during or after their cruise experience. This will be a priority for a McGowan Labor Government.

Passenger cruise ships visiting the many ports of Western Australia are a rapidly growing tourism sector, contributing \$275.3 million towards the WA economy in 2014-15.<sup>1</sup>

In 2012, Tourism WA and the Cruise WA Committee developed the WA Cruise Shipping Strategic Plan 2012-2020. One of the aims was to increase the value of the sector to \$274.4 million by 2020. Due to the recent surge in growth, this target was reached five years earlier and highlights an opportunity to revisit how the future of cruise shipping in this State can be further supported.

<sup>1</sup>Cruise Down Under; Economic Impact Assessment of the Cruise Shipping Industry in Australia, 2014-15

It is estimated that the 101 cruise ships that visited WA in 2014-15 generated the equivalent of 1,188 full-time jobs in tourism and associated industries.

Landside destination options include touring the Swan Valley's many boutique breweries, wineries, Aboriginal art and culture; a tour of historical Guildford, and further afield to Kalamunda National Park or Lesmurdie Falls National Park.

- ***A McGowan Labor Government will work with industry to develop more landside destination options to the cruise ship sector thus generating additional visitor spend and more local jobs.***

As passenger cruise ships visit our regional ports more regularly, it provides regional WA the opportunity to sell the many and varied shore excursion options for cruise ship visitors. Examples include the Ferguson Valley, Aboriginal cultural and heritage tours and the many wineries and breweries of the South West. Generating additional visitor nights has positive economic benefits for our regional communities.

Western Australia has some of the most unique and oldest Aboriginal art, culture and heritage in the world. A McGowan Labor Government will work with the WA Indigenous Tourism Operators Council (WAITOC) and relevant stakeholders to expand opportunities for Aboriginal tourism to be packaged for the cruise shipping sector.

- ***A McGowan Labor Government will work with WAITOC and communities to strengthen and diversify the range and quality of Aboriginal tourism offerings to meet the demand of the cruise shipping sector.***

With more coordination between WA's cruise sector, tourism operators, communities, local government and the private sector, a wider range of experiences can be packaged for the consumption of the cruise ship industry.

WA's ten cruise ship destinations are:

- Fremantle
- Esperance
- Albany
- Bunbury
- Busselton
- Augusta
- Geraldton
- Exmouth
- Port Hedland
- Broome

## Supporting the Regions

Tourism WA estimates that about 1.1 million visitors took part in food and wine experiences in 2013, with local specialties a key attraction. Western Australia can do more to capitalise on the boom in food and alcohol tourism, especially in promoting regional specialties.

We need to make it easier for tourists to try our unique local products by freeing up the regulations around regional collectives and farmers markets. Currently, regional collective cellar door facilities can showcase wines and beers from a particular region, but not distilled alcohol products.

- ***A McGowan Labor Government will allow regional wineries, brewers and distillers to sell their products at regional farmers' markets and cellar door collectives including producers in the Swan Valley.***

## Creating New Jobs – The Knowledge Economy

### WA's Knowledge Economy is Not Growing

Western Australia needs a comprehensive strategy to stem the flow of international students that are currently bypassing Perth to study in the eastern states. A McGowan Labor Government will invest \$2 million over five years to implement a long term strategy to increase our market share creating direct and indirect jobs and diversifying the economy.

Deloitte Access Economics estimates that for every ten international higher education students enrolled, 2.9 jobs would be created across the economy. Moreover, only a quarter of these jobs would be in the education sector.<sup>1</sup>

The international education market has grown significantly over recent years. Between 2000 and 2012 the number of tertiary students enrolled outside their country has more than doubled from 2.1 million to 4.5 million, with an average annual growth of almost seven per cent.<sup>2</sup>

However the same level of growth has not occurred in Western Australia. 2015 figures show that 15,434 international students were enrolled at WA tertiary institutions, which is a nine per cent reduction compared to 2012. By comparison, New South Wales and Queensland have grown their intakes by nine per cent, and Victoria eight per cent over the same period.<sup>3</sup>

Even if Western Australia were to deliver half the rate

of growth in the number of international students enrolling at its universities compared to eastern states, there would be an increase of almost 3,000 international students over the next four years. This would add an additional 1,500 family and friend visits who would spend an extra \$17 million in the local economy, and the creation of an extra 1,034 jobs.<sup>4</sup>

- ***A McGowan Labor Government will invest \$2 million over five years to implement a long-term international education strategy to increase WA's market share of international students.***

International education is the nation's largest services export industry contributing almost \$17 billion to the Australian economy in 2013-14. The sector supports nearly 130,000 jobs nationally. In 2013-14 international education contributed \$1.3 billion to the WA economy.<sup>5</sup>

Western Australia is geographically close and within the same time zone as many key Asian nations. With Perth universities listed in the top 35 most diverse universities,<sup>6</sup> an excellent TAFE sector and the China free trade agreement, WA is ideally situated to capitalise on the international student sector.

A survey by Tourism Research Australia found international students were frequently visited by friends and family from abroad. The study found that for every ten international students, three family members and two friends would visit from abroad each year.<sup>7</sup>

<sup>1</sup><http://www.thebyte.com.au/are-international-students-important-to-the-australian-tourism-industry/>

<sup>2</sup>Education at a Glance 2014: OECD Indicators page 343

<sup>3</sup>David Harrison, Director, Government and Corporate Communications, University of WA

<sup>4</sup>David Harrison, Director, Government and Corporate Communications, University of WA

<sup>5</sup>[www.studyperth.com.au/facts-sheet – August 2015](http://www.studyperth.com.au/facts-sheet-August-2015)

<sup>6</sup><http://studyperth.com.au/about/news-feeds/2015/02/wa-universities-recognised-world%E2%80%99s-most-international-universities>

<sup>7</sup><http://www.thebyte.com.au/are-international-students-important-to-the-australian-tourism-industry/>

Furthermore, a recent report on the expenditure patterns of visitors to Western Australia showed that, whilst visitors coming to Western Australia for leisure spent approximately \$2,866 per person, international visitors coming for the purpose of education spent approximately \$13,511 per person.<sup>1</sup> That is six times the average of all other international visitors to WA.

A world-wide demand for international education is growing and forecast an extra three million students globally by 2020. This increasing demand for international education provides a great opportunity for Western Australia to diversify the economy and create new jobs.

A WA international education strategy will be enhanced by the establishment of Brand WA.

## Study Perth

The Perth Education City (PEC) initiative is funded by the Department of State Development and Department of Education Services for the coordinated marketing of the WA brand of international education overseas. Capitalising on WA Labor's initiatives such as Brand WA and as part of our international education strategy, PEC will be supported to increase the market share of international students studying in WA.

Increasing the demand for international education provides a great opportunity for WA to diversify the economy and create more job opportunities in the knowledge economy.

PEC, also known as Study Perth, originated under a previous Labor Government in 1987 when interested institutions identified a need to meet and discuss issues of common interest in regards to international education.

Over time, more institutions expressed an interest in the group and in 1996 a registered association with its own secretariat was launched.<sup>2</sup>

In collaboration with governments, educational institutions and stakeholders, Study Perth provides a leadership role in building the profile of international education in WA and overseas. It is also the first point of contact for anyone wishing to obtain information on studying and living in Perth.<sup>3</sup>

The economic benefits that come from the international education sector reach further than student fees alone. They have a broader contribution to the economy in terms of domestic participation in higher education, job creation, increased tourism, migration to address skill shortages and government to government trade relations.

- ***A McGowan Labor Government will continue to work with Perth Education City on marketing projects that include specific support from relevant government agencies with an export focus.***

<sup>1</sup>Tourism WA, Quarterly Visitor Snapshot Year Ending June 2015

<sup>2</sup><http://studypertth.com.au/about/about-study-perth>

<sup>3</sup>ibid

## International Trade and Investment

Under a McGowan Labor Government, the WA Premier will lead a trade delegation to raise the profile of Western Australia as an emerging business destination, strengthen government to government relationships and grow the State's international networks.

Government can play an important role in promoting and facilitating collaboration between business, educational institutions and government agencies to create economic opportunities.

The Western Australian economy has seen an overreliance on investment in the natural resources sector to the detriment of many other industry sectors. The economy of the future is one that requires WA business to compete and win in the global marketplace.

The role of government in this space is to break down trade barriers where they exist, address policy and regulatory impediments and ultimately increase international trade and the capacity for local business to export.

International trade delegations play an important role in facilitating support for WA exporters and businesses seeking trade in both international and domestic markets.

- ***Under a McGowan Labor Government the WA Premier will lead at least one international trade delegation annually to promote Western Australian business and trade on the international stage.***

The objective of an international trade delegation is to promote the State as a preferred location not only for investment, but for the relocation of overseas businesses to the State thus diversifying the economy. An international trade delegation policy also complements the commitment to an Asian Business Strategy.

# BUILDING A STRONGER WA



**WA Labor** | Plan for Jobs

# BUILDING A STRONGER WA

## State Infrastructure Strategy Driving Job Creation

A McGowan Labor Government will create jobs through a planned approach to building government infrastructure. This will be driven by Infrastructure WA.

Government infrastructure projects can be a big generator of jobs both directly in the construction industry and indirectly through secondary industries that support the project.

The recent ‘stop-start,’ chaotic way of building infrastructure projects in WA is not working. We need a lead agency with a clear, transparent infrastructure strategy to guarantee smart infrastructure decisions.

- ***A McGowan Labor Government will establish Infrastructure WA, an independent advisory body of senior private and public sector representatives reporting directly to the Premier on all major infrastructure projects.***

Infrastructure WA will create a major opportunity to improve the State’s productivity, attract investment, provide job security and create new jobs. It will take the politics out of infrastructure planning.

- ***A McGowan Labor Government will drive job growth and job security through integrated, coordinated planning to build the infrastructure we need to keep growing the economy.***

Businesses need certainty that infrastructure projects will be delivered before they make investments and

employ staff. Infrastructure WA will publish five-year infrastructure plans identifying short-term priorities; set medium and long-term goals for infrastructure; identify how these projects can be funded and financed and anticipate demand for infrastructure.

These plans will be prioritised by this body, which will also identify and attract funding from private, State and Federal sources.

## State Infrastructure Strategy

It is critical that WA has a whole-of-state, long-term plan to ensure industry needs, like ports, road, rail and energy, and community infrastructure (such as health, housing and education) are coordinated in an orderly and timely way.

- ***A McGowan Labor Government will publish a State Infrastructure Strategy, which will establish priorities for infrastructure planning and investment across Western Australia for the next 20 years creating more certainty for business investment and job growth.***

The State Infrastructure Strategy will provide a guide to agency budgets and will ensure that major projects identified by the strategy also appear in the program of works for the relevant agencies such as Main Roads WA, the Department of Transport and government utilities.

## Unsolicited Proposals

A McGowan Labor Government will introduce the necessary mechanisms to allow unsolicited infrastructure proposals from the private sector. We believe this could stimulate the development of innovative infrastructure projects in Western Australia.

Unsolicited proposals are proposals for infrastructure projects made to governments directly from private contractors. They involve a government often negotiating exclusively with a third party without a competitive tender process.

Last year the Economic Regulation Authority (ERA) provided advice which recommended that the Government set up procedures for evaluating unsolicited proposals. "Such guidelines should seek to balance the protection of private sector intellectual property with competitive procurement principles required by Government to deliver value for money," the ERA pointed out.<sup>1</sup>

- ***A McGowan Labor Government will establish the necessary mechanisms to allow unsolicited infrastructure proposals to be evaluated.***

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<sup>1</sup> Inquiry into Microeconomic Reform in WA, Economic Regulation Authority, 30 June 2014, p139

## Industry Technology Parks to Create Jobs

A McGowan Labor Government will create the Industrial Lands Authority to cut red tape, remove agency duplication and the barriers to future investment. This will drive future development of our industrial lands and technology parks and create local jobs for Western Australians.

The Industrial Lands Authority will be created using the powers under the Industry and Technology Act 1998.

The Industrial Lands Authority will become the single agency responsible for the management and development of industry and technology parks such as the Australian Marine Complex, Bentley Technology Park, Meridian Park and future industry and technology parks across the State.

- ***A McGowan Labor Government will establish the Industrial Lands Authority to remove barriers to investment and expansion and drive the development of future industry and technology parks in Western Australia.***

## Industrial Lands Authority Cutting Red Tape

Further development and innovation at our industry and technology parks are being held back by red tape. Too many government agencies and rules are stifling investment.

At a time when local industry is facing furious competition from foreign companies, it is crucial that bureaucratic problems which are stifling the growth, management and funding of our technology parks are resolved.

An example is the AMC where there are four State Government agencies directly involved in ownership and management of land; Landcorp, the Department of Commerce, WA Planning Commission and the Department of Transport. The Fremantle Port Authority has control over access to waterways and the City of Cockburn has ownership of the roads.

The Industrial Lands Authority will be created using the powers of the Industry and Technology Act 1998 and be vested with development approvals powers. This will ensure that there is a single agency responsible for the management of our industry and technology hubs. These changes will ensure a streamlined process to secure approvals for land, prevent land banking and align land tenure with future projects and will be done in conjunction with local governments.

- ***A McGowan Labor Government will work with local governments to identify plans for industrial lands through the mechanisms of the Industrial Lands Authority.***

By streamlining the approval and investment process, a McGowan Labor Government will set into motion a change that will create thousands of manufacturing jobs and attract investment in the marine, defence, mining, oil and gas engineering, ICT, health and research sectors.

*‘Science and Technology Parks play a significant role in knowledge and technology transfer into the market. They contribute to regional economic development and facilitate the emergence of new technology-based companies.’<sup>1</sup>*

<sup>1</sup>Johannes Hahn; European Commissioner for Regional and Urban Policy, ‘Setting up, Managing and Evaluating EU Science and Technology Parks’; October 2013; p5

## Creating Thousands of Jobs in Perth's Northern Suburbs

A McGowan Labor Government will create thousands of jobs in the northern suburbs through the development of the opportunities for new, innovative and smart technology development.

It is vital for the creation of a balanced and sustainable Perth that major job opportunities are created closer to where people live.

WA Labor's Plan for Jobs will change significantly where and how people work and has the potential to provide job opportunities in the northern suburbs for years to come.

### Reinvigorate Meridian Park Industrial Estate, Neerabup

The Industrial Lands Authority will work with the City of Wanneroo on the future development of Meridian Park.

Modelling by the City of Wanneroo predicts the creation of 20,000 jobs with the full development of the Neerabup Industrial Estate at Meridian Park.

Currently the Meridian Park development, an area of nearly 400 hectares of industrial land is only partially developed.

With the collaboration of the City of Wanneroo and Edith Cowan University, Meridian Park can be transformed into a hub for emerging technology production; spin-off companies from the University and become an attraction for major commercial and industrial development.

- *A McGowan Labor Government will bring Meridian Park Industrial Estate, Neerabup, under the auspices of the Industrial Lands Authority to reinvigorate the development of an industry and technology park in the northern suburbs.*

Future growth of the industry and technology park is guaranteed for the next 20 years with over 1,000 hectares of developable land immediately surrounding the existing Meridian Park.

### Plan for an Industry and Technology Park North of Two Rocks

It is also time to look for new opportunities in the north where extensive land holdings north of Two Rocks have been mooted for various uses over the last 30 years.

A McGowan Labor Government will undertake an in depth study and site preparation plan into the development of a technology park north of Two Rocks that will drive investment in innovative industries and job creation.

- *A McGowan Labor Government will undertake an in-depth study into the development of an industry and technology park north of Two Rocks.*

The study will examine the location, infrastructure requirements, development time frames, industry type, employment modelling and include a detailed cost benefit analysis.

A large scale development over a long time frame is a realistic option and provides the State with the first serious opportunity since the 1960s to bring major employment opportunities to the far north of Perth. A technology park north of Two Rocks will provide an opportunity for innovative and smart technologies to be developed.

## Australian Marine Complex (AMC)

Expansion at AMC is currently thwarted by the ownership and management of the land. At a time when local industry is facing furious competition from foreign companies, this situation cannot be allowed to continue.

Some of the companies currently based at AMC include:

- Civmec, which has established the largest fabrication facility in Australia at the AMC;
- Matrix Composites and Engineering, which has built a world class export manufacturing facility for offshore oil and gas equipment;
- FMC Technologies, the largest sub-sea company in the world;
- BAE Systems, a global defence supplier of equipment and services; and
- Hanseatic and Echo Yachts, builders of some of the largest, fastest super yachts in the world.

Bringing the AMC under the Industrial Lands Authority will reduce multi agency responsibility and transform the AMC and surrounding area into one of the nation's biggest industry technology parks, generating more investment, more business and thousands of jobs.

- ***A McGowan Labor Government will declare the AMC and surrounding areas a Technology Park under the auspices of the Industrial Lands Authority.***

These changes will immediately create much needed large lay-down areas for the next generation of oil, gas and mining projects, something that cannot be achieved within the confines of the existing AMC. In turn, this will attract new projects and support manufacturing industries, leading directly to more

jobs in the fabrication, manufacturing and associated service sectors.

The ownership and title of private land will remain unchanged. State-owned land and management of State assets will transfer to the relevant Minister. The Minister will have the responsibility for the management of those assets, in keeping with the object of the Industry and Technology Development Act 1998 and the powers of the Minister.

## Bentley Technology Park

As the first technology park of its type in Australia, Bentley Technology Park has achieved varied success. CSIRO have invested heavily in the Park and some innovative Startups have begun life there, but the long-term vision has still not become reality.

The recent opening of the Pawsey Supercomputing Centre hosting the most powerful computer in the Southern Hemisphere provides a unique opportunity to encourage new and innovative companies to Bentley.

The key to the future development of Bentley Technology Park is land and infrastructure. At the right price, with minimum effort for approvals and accessible infrastructure, government owned land can become more attractive for Australian and international company investment.

- ***A McGowan Labor Government will bring Bentley Technology Park under the auspices of the Industrial Lands Authority.***

By bringing Bentley Technology Park under the auspices of the Industrial Lands Authority there will be a single approval body that is charged with attracting investment and creating jobs.

## Regional Technology Parks: Jobs in the Community

Under the auspices of the Industrial Lands Authority a McGowan Labor Government will drive the development of serviced industrial land and technology parks in the regions.

In towns like Bunbury, Geraldton, Albany, Collie, Kalgoorlie, Karratha, Port Hedland and Broome, the government of Western Australia either directly or through its various agencies holds significant and critically located tracts of land.

Currently, some regional towns have industrial parks developed or highlighted for development by Landcorp. Sites such as the Onslow Industrial Support Facility and the Port Hedland Industrial Area are clearly in need of the benefits that can be obtained from a single government owned, commercially minded ownership structure that has the capacity to incentivise and stimulate local, national and international investment.

All these sites are straightforward commercial developments by a government agency constrained by the restrictions set out in Landcorp's Act of Parliament. Currently there is little power or capacity to incentivise investment in regional industrial parks. Accordingly, many parks have struggled to attract investors and have done little to diversify the types of industries that would create meaningful long-term jobs.

- ***A McGowan Labor Government will bring the development of industrial land in the regions under the auspices of the Industrial Lands Authority and develop serviced, ready to use industrial land at locations such as Shotts in Collie, Lumsden Point in Port Hedland and Kemerton Industrial Park near Bunbury.***

The Industrial Lands Authority will promote, assist or offer incentives to attract regional business investment, under the broad economic provisions of the Industry and Technology Development Act 1998.

Companies at last will have a single government body to deal with. This will improve relations with existing businesses and tenants in industrial parks and encourage meaningful investment in regional WA and create new job opportunities throughout WA.

*“Academic comparative studies of Technology Parks across regions and nations have shown that there is a link between the apparent success of Technology Parks and the strength and diversity of the local economy where they are founded.*

*In general stronger and more diverse economies with good local innovation ecosystems tend to produce Technology Parks that are generally regarded as amongst the more successful.”<sup>1</sup>*

<sup>1</sup>Johannes Hahn; European Commissioner for Regional and Urban Policy, 'Setting up, Managing and Evaluating EU Science and Technology Parks'; October 2013; p7

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# LOCAL JOBS LOCAL CONTENT



**WA Labor** | Plan for Jobs

# LOCAL JOBS - LOCAL CONTENT

## Creating Local Jobs through Government Contracts

A McGowan Labor Government is committed to ensuring that the money spent by the WA Government wherever possible is used to support local businesses and create new jobs for Western Australians.

The WA Government spends billions every year running our schools, hospitals, public transport system, building critical infrastructure and delivering services across the State.

Increasing the amount of local content and local jobs delivered as a result of government contracts will support the growth of industries such as manufacturing, construction and new technologies.

Local small and medium enterprises (SMEs) will be given a full and fair opportunity to compete for government contracts, while still achieving value for money. This will help diversify the State economy, drive local industry development and most importantly, create local jobs.

Introducing a process supported by legislation, all government agencies will be required to include local content as a key criterion in tender evaluation and other relevant procurement processes.

Known as the Western Australian Industry Participation Plan (WAIPP), A McGowan Labor Government will draw on the experience of the Victorian Government which implemented a similar policy in 2001.

The policy was enshrined in legislation, the Victorian Industry Participation Policy Act 2003 (the VIPP Act) in 2003.

In 2013-2014 alone, the Victorian Industry Participation Policy (VIPP) is credited for creating 1,282 new local jobs and retaining a further 5,103 existing jobs.<sup>1</sup> See *Victorian Experience at page 81 for more details.*

The WAIPP will be underpinned by legislation confirming and supporting the primacy and importance of the WAIPP as a critical tool to promote local industry and create jobs.

- ***A McGowan Labor Government will enact legislation to create the Western Australian Industry Participation Plan Act to create the opportunities for businesses, including local small and medium businesses, to compete for government contracts.***

<sup>1</sup>Victorian Industry Participation Policy 2013-14 Annual Report p6

## Principles of the WAIPP

The WAIPP will be built on four fundamental principles that will be applied at all stages through a government procurement process including:

- value for money;
- creation of local jobs and training opportunities;
- diversification and growth of the WA economy; and
- transparency in decision making.

Businesses tendering for government work will be required to submit Participation Plans for all projects and procurement that meet the WAIPP criteria.

The Participation Plan will include requirements to outline the likely number of local jobs that will be generated from the tender, what opportunities there will be for apprenticeships and training outcomes and the benefits for local business including the enhancement of skills and knowledge.

To ensure that there is confidence in the system both for the business community and the taxpayer, there must be a high degree of transparency and accountability in the process. This includes ensuring that value for money is a primary consideration in government purchasing and supply decisions.

- ***A McGowan Labor Government will apply the following principles through the government procurement process: value for money, creation of local jobs and training opportunities, diversification and growth of the WA economy and transparency in decision making.***

### Western Australian Industry Participation Plan

- Promote the diversification of the Western Australian economy through generating employment and business growth by targeting government purchasing opportunities for local industry.
- Provide government appointed contractors with increased access to and raised awareness of local industry capability.
- Encourage local industry to adopt world's best practice in workplace innovation, e-commerce and the use of new technologies and materials.
- Encourage further opportunities for WA industry to develop import replacement capacity by giving local companies a fair opportunity to compete against foreign suppliers.

## Delivering Local Jobs: The Role of ICN WA

The implementation of WAIPP will be supported by the Industry Capability Network WA (ICN WA).

The services of ICN WA will be available free of charge to businesses to support them in developing Participation Plans and in identifying areas to increase localisation. This will help local small and medium enterprises (SMEs) to identify opportunities to compete for government work and actively support them through the process.

Businesses tendering for government work will be required to submit Participation Plans for all projects and procurement that meet the WAIPP criteria. The Participation Plan will be certified and evaluated by the ICN WA and must outline the bidder's commitments to achieving local content and employment, training and innovation outcomes through delivery of the contract.

The mechanisms will be established by which local SMEs will be supported to complete Participation Plans in order to compete for government contracts.

- ***A McGowan Labor Government will invest \$1 million per annum to reinvigorate ICN WA to support WA businesses to compete for government contracts.***

The ICN already undertakes many of these functions for the Victorian Government and have been successfully administering the Victorian policy for 12 years.

To streamline the implementation of the WAIPP an online system will be developed with ICN WA. The system will support the process by which agencies can determine if their procurements meet the contestability requirements and provide the portal

by which suppliers can seek assistance, lodge and certify their Participation Plans.

The services of ICN WA will be available to clarify issues relating to the Participation Plan, including how to identify and source local suppliers. Government agencies will refer suppliers to the ICN WA for localisation assistance as it will be expected that the ICN WA maintains an extensive database of suppliers in Western Australia, Australia and New Zealand.

### Participation Plans

- Establish the level of local, Australian and New Zealand value-added activities (level of local content).
- Establish the number of newly created and/or existing jobs retained.
- Establish the number of apprenticeships and traineeships.
- Estimate the growth benefit to the tendering company from the awarding of the contract and if the tender includes the creation of import replacement opportunities.
- Identify technology transfer outcomes or export opportunities that will be generated from the successful awarding of the contract.

The ICN WA will review the Participation Plans and prepare an assessment of the relative merits of each plan. This assessment is only provided to the Government agency’s tender panel for use in their final tender evaluation and selection of the successful tender.

- *A McGowan Labor Government will engage the ICN WA to provide services to both suppliers for government projects and to departments and public sector bodies in identifying and delivering locally sourced equipment and services to these projects.*

ICN WA services will be available at no cost in order to support suppliers in developing Participation Plans and in identifying areas to increase localisation.

### Victorian Experience

“The successful bidders for contracts commenced in 2013-14 have committed to using 84.1 per cent local content on average, representing \$1.41 billion in orders for local industry, creating 1,282 new local jobs and retaining a further 5,103 existing jobs. The contracts are also expected to create 214 new, and retain 606 existing, apprenticeships/traineeships across Victoria. Details are below at Table 1.

The contracts covered a range of activities, including infrastructure works, purchase of medical equipment, construction of schools and supply of information technology equipment.

In 2013-14, there were 324 small to medium sized businesses reported to have prepared a VIPP plan in the course of bidding for government contracts.”

Number of Contracts Commenced	<b>163</b>
Total Contract Value	<b>\$1.68 billion</b>
New Job Creation	<b>1,282</b>
Retention of Existing Jobs	<b>5,103</b>
New Apprenticeship/Traineeship Creation	<b>214</b>
Retention of Existing Apprenticeships/Traineeships	<b>606</b>
Average % of Local Content Committed	<b>84.1%</b>

Victorian Industry Participation Policy 2013-14 Annual Report p6

## Strategic Projects Framework

Under WA Labor's Plan for Jobs, the WA Government will have the capacity to declare a major project a project of strategic significance to the WA economy. These will be subjected to additional local content requirements to help drive additional economic activity and jobs.

Major projects that would be assessed include those worth over \$50 million in capital expenditure or \$250 million, as measured on a whole-of-life basis. Each of these would be considered on a case-by-case basis.

During 2013-14 there were eight projects declared as strategic under the VIPP across Victoria, totalling over \$11 billion. These eight projects committed to an average local content of more than 84 per cent, representing over \$9 billion in orders expected for local industry by 2020.<sup>1</sup>

- ***A McGowan Labor Government will have the capacity to declare a project of strategic significance and place additional local content requirements to help drive additional economic activity and local jobs.***

## Delivering Across Government

The WAIPP will be applied to relevant procurement activities by all WA Government agencies, as defined in the Financial Management Act 2006, which includes all Western Australian Government Departments and public sector bodies. For example, this definition incorporates all water and electricity corporations as established under the Water Corporations Act 1995 and Electricity Corporations Act 2005.

The WAIPP will be applied to procurement activities that meet or exceed:

- \$500,000 for procurement activities undertaken in the supply of new equipment, services or capital investments;
- \$3 million for procurement activities in construction or major projects in metropolitan Perth; and
- \$500,000 for procurement activities in construction or major projects in regional cities and the rest of Western Australia.

All WA Government agencies will be required to report on their application of the WAIPP annually including information on employment and training outcomes, as well as any other benefits that will establish jobs created, training benefits and the diversification of the Western Australian economy.

- ***A McGowan Labor Government will require all government agencies to apply the Western Australian Industry Participation Plan to their procurements process and report annually on their success in creating jobs and supporting the local economy through this process.***

<sup>1</sup>Victorian Industry Participation Policy 2013-14 Annual Report, p4

## Aboriginal Procurement Policy

A McGowan Labor Government is committed to supporting Aboriginal owned businesses and driving jobs growth for Aboriginal communities.

The Aboriginal Procurement Policy will result in the State Government increasing the number of contracts awarded to Aboriginal businesses focused on developing entrepreneurship and business opportunities for the Aboriginal community.

The WA Government has previously had a policy for increasing opportunities for Aboriginal owned businesses called the 'Open and Fair Procurement Policy'. This policy has encouraged a small number of contracts but at the very small end of tenders.

The Commonwealth Government has now adopted a much stronger procurement policy of three per cent of all government contracts be awarded to Aboriginal businesses by 2020. A WA Labor Government will follow this example by setting a percentage target of actual contracts awarded as opposed to value.

- ***A McGowan Labor Government will adopt the Aboriginal Procurement Policy of awarding three per cent of all government contracts to Aboriginal owned businesses by 2020.***

An Aboriginal owned business is one that must be at least 50 per cent owned by an Aboriginal person. Supply Nation can be used to confirm ownership. Supply Nation was established in 2009 and has a registration and certification process that confirms Aboriginal ownership. Supply Nation is used by the Commonwealth Government in the implementation of its Aboriginal Procurement Policy.

The Aboriginal Procurement Policy will provide real opportunities for Aboriginal owned businesses to develop and expand.

## **METRONET: A Project of Strategic Significance**

METRONET is an integrated and coordinated transport system that will solve Perth's long term congestion problems and create thousands of jobs. It will connect Perth suburbs with an integrated network of rail lines and lay down the foundation for Perth's transport system for decades to come.

Unlike the chaotic, start-stop transport planning of the Liberal Government, METRONET is a continuous build, creating sustained job growth for a local workforce.

- ***A McGowan Labor Government will drive job creation through a continuous infrastructure development such as METRONET.***

METRONET will be enshrined in legislation to ensure a long term commitment to its delivery with a special purpose account established to guarantee responsible funding of the project.

The certainty provided by METRONET will ensure businesses have the confidence to make investments, create jobs and employ trainees and apprentices.

Under the Western Australian Industry Participation Plan (WAIPP), METRONET will be declared a project of strategic significance. This will place additional local content requirements on the project and help drive additional economic activity and local jobs.

Businesses will be supported by ICN WA to identify opportunities to tender for work as part of the continuous build of METRONET. The services of ICN WA will be offered free of charge giving small businesses every opportunity to compete for work.

- ***A McGowan Labor Government will seek to maximise the amount of local content in the construction of METRONET by declaring it a project of strategic significance.***

A McGowan Labor Government will also ensure that the awarding of contracts by the State Government maximises the number of trainees and apprentices. Business cases for each stage of METRONET will outline how many jobs, including apprenticeships and traineeships, the investment will create.

- ***A McGowan Labor Government will create jobs for trainees and apprentices at every stage of the METRONET build.***

The Perth CBD to Mandurah rail line (71kms) stimulated more than 6,000 jobs in Western Australia over the five years it was built. It also injected almost \$700 million directly into the Western Australian economy.<sup>1</sup>

METRONET will require civil construction work, earthworks, rail-track work, and the construction of new stations, bridges, grade separation, principal shared pathways, overhead power systems, signalling systems, ballasts and sleepers. As with most infrastructure projects, jobs will be created directly with or in associated supply during construction phases.

Western Australia needs this kind of integrated, coordinated planning to build the infrastructure we need to keep growing the economy and creating jobs.

<sup>1</sup>Gallop, MacTiernan; Media Statement, 12 September 2002

## Local Manufacturing of Rail Carriages

A McGowan Labor Government will also develop a passenger rail rolling stock manufacturing strategy that will set out a long term plan for the manufacturing of passenger rail cars with guaranteed levels of local content. This strategy will secure existing maintenance jobs and potentially grow thousands of jobs in the manufacturing of rolling stock and associated supply chain.

Bombardier Transportation (BT) is the world's largest manufacturer of passenger rail rolling stock with manufacturing facilities in both Victoria (regional headquarters) and Queensland.

As part of the Victorian Government's 2015-16 May Budget, a plan to invest \$2 billion to kick-start a long-term plan for train and tram manufacturing in Victoria and grow jobs was announced. "The multi-billion investment will provide greater certainty to rolling stock manufacturers and suppliers, which employ up to 10,000 people in Victoria."<sup>1</sup>

WA needs a long-term strategy to manufacture our own rolling stock growing local jobs and guaranteeing local supply.

- ***A McGowan Labor Government will develop a passenger rail rolling stock manufacturing strategy for Western Australia with guaranteed levels of local content.***

This strategy will enable companies to invest in facilities, new technologies and local jobs to meet the future needs of our public transport system for decades to come.

<sup>1</sup>Daniel Andrews, Media Statement - \$2 Billion For Trains, Trams And Jobs In Victoria, 4 May 2015, <http://www.premier.vic.gov.au/2-billion-for-trains-trams-and-jobs-in-victoria>

The strategy will also detail the mechanisms by which a labour force will be skilled to fulfil the roles of mechanical fitters, electricians, mechanical and electrical engineers and associated administrative staff.

- ***A McGowan Labor Government will work with the TAFE sector to develop courses for apprentices and trainees in the rail rolling stock industry.***

Western Australia needs this kind of integrated, coordinated planning to build the infrastructure we need to keep growing the economy and creating jobs.

## Skilled Jobs on Local Projects

A McGowan Labor Government is committed to ensuring that the State maximises the benefits from our resources sector, with the clear objective of using this critical industry to help build and diversify our State's future economy and create local skilled jobs.

We will enact a Skilled Local Jobs Bill to support jobs growth in industries complementary to the resource sector. This will allow industries such as Mining, Engineering, Technology and Services (METS) to grow and prosper. Promoting and supporting the WA METS industries will foster innovation and deliver jobs, training and qualifications for young Western Australians.

It is important that the State retains the economic value of the growth experienced by the resources sector over last ten years and that local workers and businesses experience correlating economic improvement in their industries.

The Western Australian Government has always had regulatory and economic tools at hand to ensure that benefits from resource projects flow through to local business and industries and result in the creation of local jobs. Under the Liberal Government, however, these tools were never used. In fact after eight years of the Liberal/National Alliance, no industry policy was ever created or contemplated.

WA Labor has always argued that greater economic benefits to the State can be achieved through legislation which encourages the use of local content and delivers a workable process through which local companies have the opportunity to tender and compete for work on resource projects.

In 2011 and again in 2012 WA Labor introduced the Skilled Local Jobs Bill into Parliament. The intent of the

legislation was to maximise local content, particularly in resource projects. The Liberal Government voted against the Bill on both occasions.

- ***A McGowan Labor Government will enact a Skilled Local Jobs Bill that will require a skilled work agreement to be implemented on all major resource projects in WA.***

Projects covered by the Bill include any mining, oil or gas proposal that has a build value exceeding \$200 million and involve the taking or the processing of a non-renewable resource. It also includes build value, the construction of road, rail, pipelines or ports that support the proposal, including the generation and/or transmission of electricity.

Under the Skilled Local Jobs Bill, projects which meet the build value criteria will require a skilled work agreement be negotiated with the relevant Minister. This includes those projects subject to a Government State Agreement under the Government Agreements Act 1979.

The requirements of the skilled work agreement will demonstrate how local businesses will have the equal opportunity to participate in all aspects of the project and to tender and compete for any aspect of the work. These requirements are consistent with the principles of full, fair and reasonable opportunity articulated in the Australian Industry Participation National Framework.

Each skilled work agreement will also need to identify how much work is being undertaken in WA, which region the services would be carried out in and the number and type of apprenticeships and trainee positions that would be required.

Types of services that would be covered by a skilled work agreement include engineering, procurement, construction or management services, design and drafting, manufacturing, fabrication information technology and robotics to name but a few. These add to the skill base that will contribute to the Western Australian economy well into the future.

A McGowan Labor Government is committed to ensuring that local content on current and future resource projects is maximised. We will leverage local jobs and industries from the expansion and future developments in our resource industry through the Skilled Local Jobs Bill.

The failure of the Liberal Government to support these principles was a missed opportunity during one of the greatest mining booms ever experienced in WA. The Liberal Government failed to use every lever available to help build and diversify our State's economy.

## Australian Industry Participation National Framework

### Full, Fair and Reasonable Opportunity

Project proponents are encouraged to maximise Australian industry participation in investment projects by providing industry full, fair and reasonable opportunity to participate.

**Full:** Australian industry has the same opportunity afforded to other global supply chain partners to participate in all aspects of an investment project (eg. design, engineering, project management, professional services, IT architecture);

**Fair:** Australian industry is provided the same opportunity as global suppliers to compete on investment projects on an equal and transparent basis, including being given reasonable time in which to tender; and

**Reasonable:** tenders are free from non-market burdens that might rule out Australian industry and are structured in such a way as to provide Australian industries the opportunity to participate in investment projects.

Project proponents are encouraged to utilise information flows that provide fair and reasonable opportunities for participation by Australian industry and to engage in deliberations on how Australian industry might be utilised throughout the duration of a project's development and implementation.

Extract, Australian Industry Participation National Framework, 2001

## Putting WA Back on the Defence Industry Map

A McGowan Labor Government is committed to establishing a robust, government-led structure to work with local industry and advocate for a greater share of the defence dollar.

The WA Labor Gallop and Carpenter Governments identified the defence industry sector as a key pillar in diversifying the State's economy. They established a Defence Industry Advisory Board and created a Defence Industry Skills Unit.

The Liberal Government disbanded both the board and the skills unit in 2009. By 2015 it became clear that Western Australia was missing out to other States who took a much more forceful position when it came to securing skilled employment for their communities.

The average annual expenditure on defence capital investment is \$11.4 billion. An additional \$8.1 billion is also dedicated to defence sustainment annually. This scale of expenditure represents significant opportunity for Western Australian industry, particularly in the fields of steel fabrication and technology.

Recent examples of significant contracts being let in the defence sector include 1100 Hawkei protected vehicles worth \$1.3 billion, an in-service support contract for the operational maintenance of the Hawk Lead-in Fighter fleet valued at \$126 million, and a \$665 million contract to develop and deliver a new communications system for the Australian Army.

Very large capital projects for the provision of new naval major and minor combatants include Pacific Patrol Boats, the Offshore Patrol Vessels, Frigate replacement and new submarine builds. The Federal Government's recent Defence White Paper outlined an investment of around \$195 billion in defence capability over the next ten years. Almost a quarter

will be spent on key enablers of which the large majority of investment will be spent in Australia. This provides WA defence businesses with an opportunity to bid for a diverse range of capabilities and services.

Beyond the one-off opportunity represented by winning a contract to construct a new class of warship or submarine, successful defence industries benefit from the demand for ongoing maintenance and sustainment of the vessels once they enter service. The recent decision by the Federal Government to commit to a 'continuous build' program for both Frigates and the Offshore Patrol Vessels has made the contracts even more attractive, effectively providing certainty of demand for successful contractors far into the future.

The Liberal Government has belatedly announced it will form a Defence Shipbuilding Council to develop strategies to promote Western Australia's expertise in shipbuilding to the Prime Minister and Defence Minister. This move is feeble by comparison to competitor states. The Defence South Australia Advisory Board sets the standard and is chaired by former Chief of Defence Sir Angus Houston.

A McGowan Labor Government will appoint a Minister and draw upon a high-powered advisory board with strong military background. It will also include high level representation from local defence industry for whom it will advocate.

- ***A McGowan Labor Government will appoint a Minister for Defence Issues to champion the Western Australian defence industry drawing on the expertise of an advisory board.***

A professional team drawn from the Department of State Development will be created and will report directly to the Minister for Defence Issues. Under the banner of Defence West they will champion the interests of the Western Australian defence industry.

- ***A McGowan Labor Government will create Defence West to champion the interests of the Western Australian defence industry and create jobs and opportunities for Western Australians.***

Defence West, will actively campaign to win a greater share of the Australian defence spend. It will actively work with the Commonwealth's Centre for Defence Industry Capability (CDIC) to enhance WA's defence industry to be competitive and meet the contractual obligations required by the CDIC.

Defence West will also target other potential clients such as the US Navy, on behalf of the WA based defence industry. This will be achieved through attendance at established national and international trade shows and conferences, an annual trade show in WA, direct advocacy with Federal Ministers and defence executives and taking every opportunity to promote the WA defence industry sector across all media.

Defence West will have the explicit aim of extracting our fair share of the defence budget (and any other potential markets) for WA based industry and building jobs and opportunity within the sector.

Defence West will have the responsibility of ensuring defence industry requirements are included and promoted within the State Infrastructure Strategy.

It will also resume the role of attracting young Western Australians into engineering and manufacturing careers within the WA defence industry sector. To this end there will be a specific role within Defence West to promote careers in the industry in the State's school and TAFE systems.

Western Australia hosts the nation's greatest concentration of defence industry contractors, fabrication industries active in the offshore oil and gas sector and small to medium enterprises capable of supporting defence projects. The vast majority of these businesses lie within an arc focussed on the Australian Marine Complex and stretching from Fremantle, through Bibra Lake and down to Rockingham and the HMAS STIRLING.

Western Australian ship building companies have a track record in building patrol boats and state-of-the-art warships for the US Navy. Many other local companies regularly meet the demands of significant upgrade and maintenance contracts for the Navy. Smaller, but no less important contracts, are met in support of Special Forces, the RAAF and Singaporean Defence Forces. Beyond those companies already engaged with the defence sector, many industry players active in the offshore oil and gas and mining sectors have the capacity and skill sets necessary to meet defence needs.

A strong local defence industry can provide long term, reliable employment opportunities to offset the 'boom and bust' cycle of the resources sector. If WA succeeds in winning a fair share of the Australian defence dollar, local industry can then compete internationally for contracts to supply and support foreign navies creating new highly skilled jobs.

## Freeing up Business

A McGowan Labor Government will target overly burdensome bureaucracy and poor and inefficient regulations that stifle jobs and investment by establishing a lead reform agency.

Western Australia is a high-cost jurisdiction to operate a small business in. Small businesses are disproportionately affected by over-regulation. In 2013 the Productivity Commission found that Western Australian wineries were required to meet 139 licence requirements, compared to 73 in Tasmania and 76 in the ACT, stating ‘regulation has a disproportionate effect on small businesses and can limit their ability to create jobs’.<sup>1</sup>

The job of the agency will be to ensure all agencies of government are working to make regulation more efficient and effective.

- ***A McGowan Labor Government will free business from the burden of poor regulations and establish a lead reform agency to ensure that all agencies of government are focused on making regulations more efficient and effective.***

Targets for reform would be set and every part of government will have to meet key performance indicators. The targets and each agency’s performance would be published so that the business community could monitor reform and take advantage of new opportunities to grow and innovate their businesses.

- ***A McGowan Labor Government will commit to reforming regulation to encourage a diversified economy for a vibrant Western Australia by setting key performance indicators for government agencies.***

Regulatory reform will take an approach to reduce red tape by focusing on excessive and inappropriate regulation, costly regulatory instruments and costs of enforcement.

These initiatives are in line with a key recommendation of the Economic Regulation Authority.<sup>2</sup>

<sup>1</sup>Regulator Engagement with Small Business - Productivity Commission Research Report September 2013, p296

<sup>2</sup>Microeconomic Reform (2014); Economic Regulation Authority WA; p11

# TRAINING FOR THE FUTURE



# TRAINING FOR THE FUTURE

## TAFE the Future of Training

A McGowan Labor Government will rebuild our training system, increase training opportunities and develop strong partnerships.

TAFE will remain a modern responsive training organisation that will drive the future economic development of our State. Under WA Labor's Plan for Jobs, TAFE will continue to be the preeminent provider of vocational training in the State and do so under the banner of TAFE. Over recent years, name changes to the various TAFE colleges have diluted this important brand.

- ***A McGowan Labor Government will reinstate the TAFE brand under a unified TAFE banner.***

TAFE WA is the preeminent delivery body for the skills that keep Western Australia productive and competitive. It is an organisation that for decades has trained the trade, non-trade and para-professional workers for the majority of industries across WA.

It has also been the primary source of affordable further education for the adult population over a wide range of interests. In the last seven years however TAFE has been under merciless attack by the Liberal Government. The Department of Training and all of the Colleges have been subjected to funding cuts, job losses, course closures and students have been subjected to massive increases in study fees.

In reinvigorating the TAFE brand and structure it is important to ensure that it continues to be responsive

to the needs of industry and areas of future job growth and creation. As part of WA Labor's Plan for Jobs, TAFE Colleges will be transformed into one-stop-shop Industry Skill Centres, sites where new skills can be gained, existing skills tested and where prospective employees can find direct links into work.

Government training facilities will play a vital role in the economic and industrial development of our State. As Industry Skill Centres, TAFE Colleges will liaise directly with emerging and established local industries and campuses will become not only places of learning, they will also become incubators for innovation.

Training facilities will sit alongside technical advice outlets and employment agencies. Industry Skills Centres will provide employers, unions, apprentices and trainees with a single point of contact around their training and career needs.

The creation of Industry Skill Centres on TAFE Campus will be funded through a re-organisation of existing departmental expenditure points, a better use of College assets and incorporating work previously undertaken by Workforce Development Centres and the Career Centre into College Skill Centres.

- ***A McGowan Labor Government will transform TAFE Colleges into Industry Skill Centres. They will become one-stop shops that will liaise directly with emerging and established local industries, co-locate training and assessment facilities and provide employers, unions, apprentices and trainees with a single point of contact around their training needs.***

The State Training Board and the Industry Training Councils provide an important link between the needs of industry and the economic direction of the State. The dialogue that these organisations facilitate is important in focusing training on areas of future job growth.

- ***A McGowan Labor Government will revamp the State Training Board and Industry Training Councils to ensure that their structures and input provides a direct link between industry needs and government economic direction.***

There are also a number of craft industries that, while small in number, provide ongoing job opportunities. Their future is in doubt as courses to support these industries are cut.

- ***A McGowan Labor Government will create training outcomes that allow apprentices from craft industries with small numbers to still study within TAFE and Western Australia.***

## Quality Assurance in Training

A McGowan Labor Government is committed to ensuring that students receive the quality education that they sign up for and that employers can be confident in the skills that potential employees will have. A better quality control system is required if these two aims are to be met.

In recent years there has been a significant freeing up of the capacity of private training providers to access government funding to deliver training. While most private providers offer high quality training, there have been significant incidences of students undertaking training and gaining qualifications without actually having the skills required to work in their chosen field.

The Auditor General's 2015 Report on Registered Training Organisations and recent findings of the Senate Inquiry into VET-Fee Help schemes have shown that there is a major challenge to clean up shonky private training providers.

Through the Senate inquiry into the operation, regulation and funding of private VET providers in Australia, the Committee heard that;

*".....a fundamental problem with private provision of VET courses is that educational priorities are sometimes at odds with the profitability considerations central to the operation of a business."<sup>1</sup>*

*".....providers have based their course offerings on access to government funding and not on training students for areas in which skills shortages exist."<sup>2</sup>*

<sup>1</sup>The Senate, Education and Employment References Committee Report into Getting our money's worth: the operation, regulation and funding of private vocational education and training (VET) providers in Australia; October 2015, p15  
<sup>2</sup>ibid, p15

*“Evidence received suggests that some VET providers are delivering courses of inadequate quality, most obvious in the extremely short timeframes in which some qualifications are offered, alongside insufficiently rigorous assessment practices.”<sup>1</sup>*

The Senate enquiry clearly highlights that many course offerings through the private VET sector are being profit driven and not skills driven with a high level of non-compliance with VET national standards.

Both reports highlight the importance of ensuring there is a thorough audit process for any provider accessing government funding.

- ***A McGowan Labor Government will:***

***Immediately undertake an audit of existing WA Registered Training Organisations to ensure compliance and good practice. An assessment of RTO courses will be part of the ongoing drive to ensure training expenditure meets the economic objectives of WA Labor’s Plan for Jobs.***

***Introduce a quality control system including an ongoing audit process for privately registered training providers seeking to deliver government funded training with an increase in on-site audits and a focus on outcomes.***

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<sup>1</sup>The Senate, Education and Employment References Committee Report into Getting our money’s worth: the operation, regulation and funding of private vocational education and training (VET) providers in Australia; October 2015, p49

### Case Study: Auditor General Report into Registered Training Organisations

Key findings from the WA Auditor General Report found the Training Accreditation Council did 323 checks of Registered Training Organisations in 2012-13 and found:

- 60% were **non-compliant** with the national standards
- 35% were either **significantly or critically non-compliant**
- 22% were assessed as **minor non-compliance**

In the 18 checks that were received by the WA Auditor General, the Council assessed:

- 14 RTOs as non-compliant of which:
  - 5 were **significantly non-compliant**; and
  - 4 were **critically non-compliant**

Office of the Auditor General WA, Report No. 11, Regulation of Training Organisations, June 2015, p13

## Making Training a Priority in Everything We Do

A McGowan Labor Government is committed to ensuring that we maximise the number of local jobs and training opportunities created through government contracts.

Businesses tendering for work will be supported to complete Western Australian Industry Participation Plans (WAIPP). Specifically the WAIPPs will need to establish the number of apprenticeships and traineeships that will be created by businesses competing for government work.

There will also be the capacity to declare a project of strategic significance and place additional local content requirements on the project.

A Skilled Local Jobs Bill will be introduced by a McGowan Labor Government. The purpose of this legislation is to require a skilled local work agreement to be implemented on all major resource projects in WA. As part of this process the agreement would need to identify how much work is undertaken in WA and the number and type of apprenticeship and trainees positions that would be created.

- ***A McGowan Labor Government will maximise the number of apprenticeships and trainees created through government contracts and private sector activities in WA by:***

***The introduction of Western Australian Industry Participation Plans that establish the number of training positions that will be created by businesses competing for government work.***

***Introducing the Skilled Local Jobs Bill and require a skilled local work agreement to be implemented on all major resource projects in WA including details on the number and type of apprenticeship and trainee positions that would be created.***

*Read more about our plan at page 78.*

## Expand Priority Start to Create More Training Opportunities

The Priority Start policy will be expanded to all construction investment by the State Government, including big maintenance contracts and joint ventures or public private partnerships which involve a construction arrangement.

The current Priority Start policy places specific requirements on businesses undertaking government construction work to employ apprentices and trainees when the labour component of the job reaches a certain value. WA Labor introduced Priority Start under the Carpenter Government.

In recent years there have been lost opportunities to train young people. The Liberal Government was criticised by the Auditor General in 2011 for losing job opportunities for young workers by failing to properly monitor and enforce the existing Priority Start policy.<sup>1</sup>

- ***A McGowan Labor Government will:***

***Create jobs for apprentices and trainees on every major State Government funded construction project.***

***Expand Priority Start to apply to all major State Government funded construction investment including big maintenance contracts and joint ventures or public private partnerships which involve a construction arrangement.***

***Require all business cases for construction projects to outline how many jobs, including apprenticeships and traineeships, the investment will create.***

Under recent changes by the Liberal Government, Priority Start has been watered down by allowing successful tenderers of government contracts to count existing apprentices as meeting a contractor's obligations to employ apprentices and trainees.

Contracts will be grouped together where appropriate to ensure that contractors are required to meet the obligations of the Priority Start policy.

- ***A McGowan Labor Government will group contracts together to ensure that contractors are required to meet the obligations of the Priority Start policy.***

The Priority Start policy will be properly enforced and monitored closely so that State Government investment in major construction projects is used to train young Western Australians. Regular enforcement and compliance checks will be undertaken to ensure the policy is implemented.

- ***A McGowan Labor Government will ensure regular enforcement and compliance checks of our Priority Start policy.***

The Priority Start policy will be expanded to ensure that the opportunity to create apprenticeship and trainee positions is maximised. The success of the Priority Start policy will also be supported through the implementation of the Western Australian Industry Participation Plan (WAIPP).

<sup>1</sup>Western Australian Auditor General Report, Public Sector Performance Report 2011, Report 5, June 2011

## Regional TAFEs Supporting Regional Job Growth

A McGowan Labor Government is committed to ensuring that there is a quality TAFE system in regional WA. A TAFE system that delivers training linked to real jobs and aligns with future job growth in the regions. It is also important for TAFE to develop partnerships and drive innovation and new industries.

An independent review of the training sector commissioned by the Liberal Government has identified the need to be more responsive to the needs of regional WA when developing the State Priority Occupation List (SPOL).<sup>1</sup> The creation of the list is used to determine which courses are delivered and the level of government funding different courses will attract. The Liberal Government rejected the recommendation of the review to better align the SPOL to the needs of regional WA.

Failure to change training needs on the SPOL affects the annual funding allocations by the Department of Training including the allocations to regional State training providers on training priorities. The report found that “this has significance not only for workforce development in the regions but also for the sustainability of the STPs (State Training Providers) themselves.”<sup>2</sup>

- ***A McGowan Labor Government will ensure that the State Priority Occupation List will be more responsive to the employment needs of the regions and ensure regional TAFEs are delivering training that aligns with future job growth in the regions.***

There are numerous sources of information identified in the review that would be available to inform this process including the Regional Workforce Development Plans, the Regional Investment Blueprints and the research and information branch located within the Department of Regional Development.

The Independent Review also recommended that consideration be given to a five year project under the heading “‘VET Regional Partnerships Program’ for regional State Training Providers that are looking to embark on new, innovative and long term partnerships for the benefit of their institutions and their communities.”<sup>3</sup>

- ***A McGowan Labor Government will implement a VET Regional Partnerships Program to provide an opportunity for regional TAFEs to invest in new and innovative long term partnerships to create training and job opportunities in the community.***

<sup>1</sup>Emeritus Professor Margaret Seares , Independent Review of the Vocational Education and Training Sector in Western Australia 2013-14, Final Report (Extract), p13  
<sup>2</sup>Ibid, p91

<sup>3</sup>Emeritus Professor Margaret Seares , Independent Review of the Vocational Education and Training Sector in Western Australia 2013-14, Final Report (Extract), p11

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# SUPPORTING SMALL BUSINESS



## SUPPORTING SMALL BUSINESS

WA Labor's Plan for Jobs makes current and future small businesses a priority. Operating across a range of industries, small businesses represent 97 per cent of all businesses in Western Australia. WA Labor is committed to delivering the action needed to support small and medium enterprises (SMEs) which drive much needed employment and economic prosperity.

Over the past seven years, the Liberal Government has presided over the most highly regulated small business sector this state has ever seen. They have added to the financial burden of SMEs and crippled opportunity through increased taxes and delays in red tape reduction.

WA Labor is committed to initiatives that will reduce red tape and provide opportunities for small businesses in both metro and regional areas to grow and diversify.

### Government Contracts

Money spent by the WA Government wherever possible will be used to support local businesses and create new jobs for Western Australians. A McGowan Labor Government will enact legislation to increase local content on government contracts.

- ***A McGowan Labor Government will enact legislation to create the Western Australian Industry Participation Plan Act to create the opportunities for local SMEs to compete for government contracts while still achieving value for money.***

The implementation of WA Industry Participation Plan (WAIPP) will be supported by the Industry Capability Network WA (ICN WA). ICN WA services will be available at no cost in order to support SMEs to develop Participation Plans and identify areas to increase localisation.

- ***A McGowan Labor Government will reinvigorate ICN WA to provide local SMEs support to complete Participation Plans and compete for government contracts. These services will be available at no cost.***

The WA Government will have the capacity to declare a major project a project of strategic significance to the WA Economy. These will be subjected to additional local content requirements to help drive additional economic activity, business investment and jobs.

- ***A McGowan Labor Government will have the capacity to declare a project of strategic significance and place additional local content requirements to help drive additional economic activity and local jobs.***

*Read more about our plan at page 78.*

## Aboriginal Small and Medium Businesses

A McGowan Labor Government is committed to supporting Aboriginal owned businesses to develop and expand job opportunities in Aboriginal communities.

A WA Labor Government will implement a procurement policy that will result in the State Government increasing the number of contracts awarded to Aboriginal businesses focussed on developing entrepreneurship and business opportunities for the Aboriginal community.

The WA Government previously had a policy for increasing opportunities for Aboriginal owned businesses called the 'Open and Fair Procurement Policy'. This policy has encouraged a small number of contracts but at the very small end of tenders.

The Commonwealth Government has now adopted a much stronger procurement policy of three per cent of all government contracts be awarded to Aboriginal businesses by 2020. A WA Labor Government will follow this example by setting a percentage target of actual contracts awarded as opposed to value.

- ***A McGowan Labor Government will adopt the Aboriginal Procurement Policy of awarding three per cent of all government contracts to Aboriginal owned businesses by 2020.***

The Aboriginal Procurement Policy will provide real opportunities for Aboriginal owned businesses to develop and expand.

*Read more about our plan at page 83.*

## Skilled Jobs on Local Projects

A McGowan Labor Government is committed to ensuring that local content and local jobs on current and future resource projects is maximised for SMEs. Greater economic benefits to the State and SMEs can be achieved through legislation.

- ***A McGowan Labor Government will enact a Skilled Local Jobs Bill that will require a skilled work agreement to be implemented on all major resource projects in WA.***

The requirements of the skilled work agreement will include having to demonstrate how local businesses will have the equal opportunity to participate in all aspects of the project and to tender and compete for any aspect of the work.

*Read more about our plan at page 86.*

## Microbusinesses

A McGowan Labor Government recognises the contribution the microbusiness sector makes to the State's bottom line, and to the diversification of the economy and job creation.

As more Western Australians look for more flexible options to balance their work and home life, many are choosing to become self-employed or start a microbusiness. Microbusinesses employ between one and four workers and together with non-employing businesses, make up 86.8 per cent of the small business sector in Western Australia.

The Small Business Development Commission (SBDC) provides crucial services to small businesses throughout WA including micro Startups and already established operations. In 2015, the Liberal Government halved the number of SBDC's offices resulting in diminishing service delivery capacity and assistance to microbusiness.

- ***A McGowan Labor Government will provide \$100,000 per annum to increase the services that can be provided to microbusinesses in WA.***

The microbusiness sector is a huge contributor to private sector employment and a significant contributor to the State's economy. It is important to ensure this sector of the business community can access adequate advice and support to make their business a success.

## Defence Contracts

Western Australia hosts the nation's greatest concentration of defence industry contractors, fabrication industries active in the offshore oil and gas sector and SMEs capable of supporting defence projects.

Under WA Labor's Plan for Jobs, a robust government led structure will be created that draws on the expertise of the defence local industry to advocate for a greater share of the defence dollar.

- ***A McGowan Labor Government will create Defence West to champion the interests of SMEs in the defence industries and grow jobs and opportunities for Western Australians.***

A strong local defence industry can provide long term, reliable employment opportunities to offset the boom and bust cycle of the resources sector. If WA

succeeds in winning a fair share of the Australian defence dollar, local industry can then compete internationally for contracts to supply and support foreign navies creating new highly skilled jobs.

*Read more about our plan at page 88.*

## State Infrastructure Strategy

A McGowan Labor Government recognises that businesses need certainty that infrastructure projects will be delivered before they make investments and create jobs.

We need to move away from the stop-start chaotic way of building infrastructure projects and move to whole-of-State long term planning. This will ensure industry needs like ports, road, rail and energy and community infrastructure such as health, housing and education are coordinated in an orderly and timely way.

- ***A McGowan Labor Government will drive business investment and job growth through the State Infrastructure Strategy.***

A State Infrastructure Strategy is critical to future business investment.

*Read more about our plan at page 70.*

## METRONET

METRONET is an integrated and coordinated transport system that will solve Perth's long term congestion problems and create thousands of jobs. Unlike the chaotic, start-stop transport planning of the Liberal Government, METRONET is a continuous build, creating sustained job growth for a local workforce.

The certainty provided by the McGowan Labor Government's METRONET plan will ensure business has the confidence to make investments, create jobs and employ trainees and apprentices. METRONET will be declared a project of strategic significance which will place additional requirement to maximise local content.

- ***A McGowan Labor Government will seek to maximise the amount of local content in the construction of METRONET by declaring it a project of strategic significance.***

WA Labor will ensure that we maximise the number of trainees and apprentices. Business cases for each stage of METRONET will outline how many jobs, including apprenticeships and traineeships, the investment will create.

METRONET will require civil construction work, earthworks, rail-track work, and construction of new stations, bridges, grade separation, principal shared pathways, overhead power systems, signalling systems, ballasts and sleepers. As with many infrastructure projects, jobs will be created directly with or in associated business supply during construction phases.

*Read more about our plan at page 84.*

## Rolling Stock

A McGowan Labor Government will develop a passenger rail rolling stock manufacturing strategy that will set out a long term plan for the manufacturing of passenger rail cars in Western Australia. This strategy will secure existing maintenance jobs and potentially grow thousands of jobs in the manufacturing of rolling stock and its associated supply chain.

This strategy will enable SMEs to invest in facilities, new technologies and local jobs to meet the future needs of our public transport system for decades to come.

- ***A McGowan Labor Government will develop a passenger rail rolling stock manufacturing strategy for Western Australia with guaranteed levels of local content.***

*Read more about our plan at page 85.*

## Industrial Lands Authority to Drive Industry Development

A McGowan Labor Government will create the Industrial Lands Authority to remove agency duplication and the barriers to investment. The Industrial Lands Authority will be created using the powers under the Industry and Technology Act 1998.

The Industrial Lands Authority will become the single agency responsible for the management and development of industry and technology parks.

The Industrial Lands Authority would be vested with development approvals powers. This approach will streamline approvals, eradicate red-tape and the current confusion over government agency responsibility, creating certainty for businesses and investors.

- ***A McGowan Labor Government will:***

***Establish the Industrial Lands Authority to remove barriers to investment and expansion and drive industry development and job creation.***

***Work with local governments to identify plans for industrial lands through the mechanisms of the Industrial Lands Authority.***

***Declare the AMC and surrounding areas a Technology Park under the auspices of the Industrial Lands Authority.***

***Bring Bentley Technology Park under the auspices of the Industrial Lands Authority.***

***Drive the development of future industrial land and technology parks in Western Australia through the Industrial Lands Authority.***

## Creating Jobs in Perth's Northern Suburbs

A McGowan Labor Government's northern suburbs technology park plan will change significantly where and how people work and has the potential to provide job opportunities in the northern suburbs for years to come.

The Industrial Lands Authority will work with the City of Wanneroo to develop Meridian Park and speed up investment and job creation opportunities for people living in the northern suburbs.

An in-depth study and site preparation plan into the development of a northern technology park north of Two Rocks will also be completed.

- ***A McGowan Labor Government, under the auspices of the Industrial Lands Authority, will:***

***Develop the North Metropolitan Industrial Technology Park at the Neerabup Industrial Estate.***

***Undertake an in-depth study into the development of a northern technology park north of Two Rocks.***

## Regional Technology Parks

Under the auspices of the Industrial Lands Authority a McGowan Labor Government will drive the development of serviced industrial land and technology parks in the regions.

The Industrial Lands Authority will attract regional

small business investment under the broad economic provisions of the Industry and Technology Development Act 1998.

- ***A McGowan Labor Government will bring the development of industrial land in the regions under the auspices of the Industrial Lands Authority and develop serviced, ready to use industrial land at locations such as Shotts in Collie, Lumsden Point in Port Hedland and Kemerton Industrial Park near Bunbury.***

Small businesses at last will have a single government body to deal with. This will improve relations with existing businesses and tenants in industrial parks and encourage meaningful investment in regional WA and create new job opportunities throughout WA.

*Read more about our plan at page 72.*

## Brand WA

Western Australia needs an overarching consistent brand to improve the marketing of our State to promote WA goods, services and tourism to the world.

A McGowan Labor Government is committed to working with industry stakeholders to implement a consistent but flexible approach to marketing WA as a brand.

Brand WA will provide a global toolkit of consistent concepts, packaging and messaging that will promote our wonderful State to the rest of the world.

Echoing the WA Birthmark program, developed in the 1960's, Brand WA will ensure we capitalise on every marketing dollar we spend. Brand WA will create a connection between all of the efforts of the public sector and private sector and ensure our messaging

voice is interpreted the same way around the world.

- ***A McGowan Labor Government will consult with industry to fast-track Brand WA enabling a consistent but flexible approach to marketing WA as a brand across all industries to secure a greater share of growing markets.***

The economic benefits that come from a Brand WA have a broad contribution to the regional economy in terms of manufacturing, business investment, job creation, agriculture, hospitality and export opportunities.

*Read more about our plan at page 58.*

## Destination Marketing

As part of WA Labor's Plan for Jobs funding certainty over the next five years will provide SMEs the security to invest in the tourism industry. Funding of \$45 million per annum will be delivered to support this growth industry.

- ***A McGowan Labor Government will invest \$45 million per annum for five years for Destination Marketing, delivering \$225 million in secure funding.***

WA Labor will enhance destination marketing of Perth and Western Australia for the purposes of tourism, international education, Asian engagement trade and export through the pooling of scarce marketing dollars, integrated marketing campaigns, and greater collaboration between all government agencies and stakeholders.

*Read more about our plan at page 59.*

## Event Tourism

Tourism events are often televised to interstate and overseas audiences offering a unique opportunity to further promote the State. Events also attract visitors that stay for the event and remain to holiday, supporting SMEs participating in the tourism sector.

Popular event campaigns include the Perth Hopman Cup, Fringe World Festival, Perth International at Karrinyup and the Perth International Arts Festival.

Event tourism has supported projects in regional WA such as the Albany ANZAC Centenary Commemoration, the Ironman WA and the IGA Taste Great Southern event, to name a few and will continue to support events in the regions.

- ***A McGowan Labor Government will invest \$40 million per annum for five years for Event Tourism including business events, domestic marketing and international marketing delivering \$200 million in secure funding.***

A McGowan Labor Government is committed to creating certainty and security for the tourism industry by providing a \$425 million over five years.

*Read more about our plan at page 60.*

## Perth Convention Bureau

The Perth Convention Bureau (PCB) is a part government funded body dedicated to assist not-for-profit associations, corporations and agents to bring conferences and incentive groups to Western Australia. PCB regularly provides a return on investment more than two to three times its counterparts in Sydney and Melbourne.

The most recent State Government budget cuts to the PCB will have a massive negative impact on WA tourism businesses at a time when growing opportunities and jobs in the sector are critical. This will be rectified by a McGowan Labor Government .

- ***A McGowan Labor Government will invest \$5 million per annum in the Perth Convention Bureau and grow WA's share of the Business Events Market.***

This will form part of the plan to invest \$425 million in the tourism sector.

*Read more about our plan at page 61.*

## Cruise Ship Industry

Passenger cruise ships visiting the many ports of Western Australia are a rapidly growing tourism sector, contributing \$275.3 million towards the WA Economy in 2014-15.<sup>1</sup>

The cruise ship sector provides WA with an opportunity to value add to this significant growth industry by developing more landside destination options that can be provided to visitors before, during or after their cruise experience.

- ***A McGowan Labor Government will work with industry to develop more landside destination options to the cruise ship sector thus generating additional visitor spend and more local jobs.***

*Read more about our plan at page 64.*

<sup>1</sup> Cruise Down Under; Economic Impact Assessment of the Cruise Shipping Industry in Australia, 2014-15

## Hospitality Sector

As the architect of Western Australia's vibrant small bar scene, WA Labor Leader Mark McGowan has led the change in liquor licensing, creating more jobs and a vibrant culture attracting visitors from overseas and interstate. However there are many low-risk hospitality and tourism SMEs which are still being held back from growing.

- ***A McGowan Labor Government will add a new public interest assessment category to liquor license applications which allows for a venue's tourism, community and cultural benefits to be considered in licence applications.***
- ***A McGowan Labor Government will review the occasional licence and extended trading permit systems with the aim of addressing ways of reducing red tape for licensees with a good history of compliance.***

Other initiatives to support SMEs in the hospitality industry include removing the three-year restriction on proponents applying for a liquor licence for a particular premise after it has been refused in the public interest.

We need to encourage a more tourism-friendly hospitality culture by allowing such simple measures as making it easier for restaurants to sell alcohol without a meal and allowing accredited tour operators offer an alcoholic drink on their tour.

*Read more about our plan at page 62.*

## Hospitality in the Regions

We need to make it easier for tourists to try our unique local products by freeing up the regulations around regional collectives and farmers markets. Currently, regional collective cellar door facilities can showcase wines and beers from a particular region, but not distilled alcohol products.

- ***A McGowan Labor Government will allow regional wineries, brewers and distillers to sell their products at regional farmers' markets and cellar door collectives including producers in the Swan Valley.***

*Read more about our plan at page 65.*

## The International Education Sector

International education is the nation's largest services export industry contributing almost \$17 billion to the Australian economy in 2013-14. The sector supports nearly 130,000 jobs nationally. In 2013-14 international education contributed \$1.3 billion to the WA economy.<sup>1</sup>

WA needs a comprehensive strategy to stem the flow of international students that are currently bypassing Perth to participate in the Victorian education market.

- ***A McGowan Labor Government will invest \$2 million over five years to implement a long-term international education strategy to increase WA's market share of international students.***

The economic benefits that come from the international education sector are further reaching than student fees alone. They have a broader contribution to the economy in terms of domestic participation in higher education, job creation, investment in SMEs, increased tourism, migration to address skill shortages, and government to government trade relations.

*Read more about our plan at page 66.*

## Business Opportunities in the Asian Region

An Asian Business Strategy will provide Western Australian SMEs with the knowledge and flexibility to adjust and respond to shifts in demand and policy in the Asian region.

- ***A McGowan Labor Government will develop formal networks that link SMEs with the people and resources to enable and support success in regional markets.***

To further develop the formal networks, Perth would host an annual ASEAN Dialogue, initially at the Asia Research Centre at Murdoch University.

The ASEAN Dialogue would run concurrently with a trade and investment show to emphasise the direct local economic intent of the dialogue. There are also on-the-ground opportunities for SMEs in the areas of infrastructure, construction and logistical skills.

- ***A McGowan Labor Government will develop a regional business portal to assist SMEs to become export ready.***

*Read more about our plan at page 128.*

<sup>1</sup>www.studyperth.com.au facts sheet – August 2015

## Startup Sector

More needs to be done to attract and foster Startups in Western Australia to create the SMEs and employment opportunities of the future. As part of the Innovation and Information and Communications Technology (ICT) Strategy \$14.5 million will be invested into a New Industries Fund.

- ***A McGowan Labor Government will create a \$14.5 million New Industries Fund to provide grants to support new and emerging businesses in the Startup and gaming sector.***

The New Industries Fund will include a regional Startups stream of \$4.5 million.

The commitment to an engagement strategy will capture important trade and investment opportunities for the Startup and gaming sector to grow business opportunities in Western Australia.

*Read more about our plan at page 47.*

## Innovation Hubs

Innovation Hubs are a vehicle to grow jobs and educational opportunities, unlock land development opportunities, foster innovation and create vibrant communities.

It is well established that collaborative facilities, shared spaces and shared use of technologies are a more cost effective way to operate a SME. Innovation Hubs can link students with mentors, Startups with venture capital and SMEs with industry and government.

- ***A McGowan Labor Government will drive the development of Innovation Hubs by reviewing legislation to reform restrictive governance over land for commercial development.***

There are opportunities to create Innovation Hubs at sites around Perth and a McGowan Labor Government is keen to engage with businesses and institutions to explore these opportunities further.

*Read more about our plan at page 53.*

## Renewables Sector

A McGowan Labor Government recognises the importance of developing and investing in the renewable energy sector as the energy sector of the future. We understand the challenges of addressing climate change and the importance of positioning ourselves in the renewables space. We will take advantage of future innovation and provide opportunities for SMEs to invest in the energy sector of the future.

- ***A McGowan Labor Government recognises the unique position of the State with respect to renewable technologies in light of our coastal location, wide open spaces, sunshine, developed manufacturing and processing facilities and will promote business investment into renewable technology manufacturing in WA.***

We need to redirect the flow of innovation, technology, jobs and economic growth that follows investment in renewable energy back to Western Australia.

*Read more about our plan at page 55.*

## Freeing up Business

Western Australia is a high cost jurisdiction in which to operate a small business. Small businesses are disproportionately affected by over-regulation.

- ***A McGowan Labor Government will target overly burdensome bureaucracy and poor and inefficient regulations that stifle jobs and investment by establishing a lead reform agency whose job will be to ensure all agencies of government are working to make regulation more efficient and effective.***

The regulatory reform will take an approach to reduce red tape by focusing on excessive and inappropriate regulation, costly regulatory instruments and costs of enforcement.

These initiatives are in line with a key recommendation of the Economic Regulation Authority and recommendations by PwC.

*Read more about our plan at page 90.*

## Supporting Business in Regional WA

A McGowan Labor Government supports Royalties for Regions (RFR) but believes some RFR projects are missed opportunities to grow regional SMEs and create jobs in the regions. WA Labor is committed to ensuring more local content in State Government purchasing and on building and construction projects to better support local business and communities.

There are many positive outcomes when investing in local businesses. Local businesses employ and train people in regional areas who then reinvest directly back into the towns and regions they live in.

- ***A McGowan Labor Government is committed to ensuring more local content in State Government purchasing and on building and construction projects to better support local SMEs and communities in regional WA.***

In regional WA the WA Industry Participation Plan will be implemented in conjunction with an enhanced Buy Local policy to ensure that regional SMEs experience the full benefit of investment in the regions.

- ***A McGowan Labor Government will close existing loopholes in government policies to ensure the Buy Local guidelines on the use of local businesses and workers are applied to regional projects and tender arrangements including to head contractors.***

*Read more about our plan at page 114.*

## Regional Development Commissions

The role of the Regional Development Commissions will be enhanced by requiring them to take a more proactive role in ensuring that the value of the local content on RFR programs and other State Government contracts is increased.

- ***A McGowan Labor Government will ensure that all tenders, contracts and job vacancies on government funded projects in regional areas are advertised on the Regional Development Commission's websites.***

This will allow local SMEs and job seekers to have a single portal to access opportunities in their region.

*Read more about our plan at page 120.*

## Agricultural Sector

Agricultural production in WA has a gross value of \$11.6 billion (2014-15) and is one of the State's largest employers, providing employment for more than 30,000 Western Australians.<sup>1</sup>

- ***A McGowan Labor Government will consult with the agricultural industry on future growth and employment opportunities that will attract and retain SMEs in our regional communities.***

The growing trend in agricultural niche markets has positioned WA well for a burgeoning Asian middle class where premium products are most desirable.

Another driving force for niche markets is the more conscience consumer who wants to know where their food is sourced and how their food has been treated. Organic, genetically modified (GM) free, gluten free and free-range are great examples of niche markets that consumers are becoming more familiar with and demanding more of.

- ***A McGowan Labor Government recognises the value adding potential of niche markets in Western Australia and will work with the agricultural industry to identify opportunities to grow these markets including export opportunities.***

If current trends continue the increased demand for our agricultural goods will also mean an increase in the growth of the agricultural service industries in the areas of agronomists, agribusiness professionals (finance) and grain marketing.

*Read more about our plan at page 122.*

<sup>1</sup>Western Australian Economic Profile September 2015; p6

## Country of Origin Labelling

The WA fishing industry already generates thousands of jobs across the State both within the industry and through food service and associated SMEs.

When consumers sit down to a meal, they have a right to decide whether they order seafood grown locally or from another country or region. Given that choice, we believe that many Western Australians would choose to eat locally sourced and sustainably farmed seafood.

- ***A McGowan Labor Government will introduce Country of Origin Labelling requirements for seafood sold in restaurants.***

The flow on effect is higher demand for locally sourced and/or sustainably farmed seafood that will grow the local industry.

*Read more about our plan at page 124.*

# JOBS FOR THE REGIONS



## JOBS FOR THE REGIONS

A McGowan Labor Government believes that more should be done to deliver skilled jobs in regional WA.

The State Government has a role to play in building community sustainability and economic diversity, including supporting local business, developing skills and creating jobs.

Many parts of regional Western Australia have not experienced the full benefits of government purchasing with missed opportunities to use infrastructure development to grow local businesses, skill up local people and create local jobs. A McGowan Labor Government will continue to support Royalties for Regions (RFR) however there are many examples of RFR projects that are missed opportunities to create jobs in the regions.

There are many positive outcomes when investing in local businesses. Local businesses employ and train people in regional areas who then reinvest directly back into the towns and regions they live in. This has the effect of boosting the local economy and creating further opportunities in the regions.

Regional areas often have higher levels of unemployment, especially youth and Aboriginal unemployment. Good policies to enhance local content policies on programs such as RFR can assist in alleviating this situation.

This will have a huge social and economic impact in those communities. Local companies employing local workers should have priority in much of the work in regional areas. Local businesses often have local knowledge and can provide a service that best suits the region they are located in.

- ***A McGowan Labor Government is committed to ensuring more local content in State Government purchasing and on building and construction projects to better support local business and communities and create more jobs in regional WA.***

### Maximising Local Content

WA Labor's Plan for Jobs outlines our commitment to ensuring that we maximise the number of local jobs created through government contracts and in the resources sector. This includes a commitment to maximise the number of jobs created in regional WA.

A McGowan Labor Government will introduce the Western Australian Industry Participation Plan (WAIPP). WAIPP's are supported by legislation and will increase the amount of local content delivered as a result of government contracts. All government agencies will be required to include local content and local jobs as a key criterion in tender evaluation and other relevant procurement processes.

Specifically the WAIPPs will apply to procurement activities in construction or major projects in regional cities and the rest of Western Australia that meet or exceed more than \$500,000 for procurement activities undertaken in the supply of new equipment, services or capital investments.

In regional WA the WAIPPs will be implemented in conjunction with an enhanced Buy Local policy.

*Read more about our plan at page 78.*

- ***A McGowan Labor Government will maximise the amount of local content in the regions in government purchasing and projects through the application of the WAIPPs and the Buy Local Policy.***

Loopholes that exist in the current buy local policies means regional WA is not experiencing the full benefit of investment in the regions. A recent analysis shows that the regional business preference eligibility was applied to just 17 per cent of the worth of projects in regional WA.

- ***A McGowan Labor Government will close existing loopholes in government policies to ensure the Buy Local guidelines on the use of local businesses and workers are applied to regional projects and tender arrangements including to head contractors.***

A McGowan Labor Government is also committed to introducing a Skilled Local Jobs Bill that will require a skilled work agreement to be implemented on all major resources projects in WA.

The requirements of the skilled work agreement would demonstrate how local businesses would have the equal opportunity to participate in all aspects of the project and to tender and compete for any aspect of the work. It would also identify how much work is being undertaken in WA, which region the services would be carried out in and the number and type of apprenticeships and trainee positions that would be required.

- ***A McGowan Labor Government will introduce a Skilled Local Jobs Bill which will include a requirement that a skilled work agreement will identify how much work is being undertaken in the regions.***

## Aboriginal Procurement Supporting Jobs in the Regions

A McGowan Labor Government is committed to supporting Aboriginal owned businesses and driving jobs growth for Aboriginal communities in the regions.

A policy will be implemented that will result in the State Government increasing the number of contracts awarded to Aboriginal businesses focussed on developing entrepreneurship and business opportunities for the regional Aboriginal community.

The WA Government previously had a policy for increasing opportunities for Aboriginal owned businesses called the 'Open and Fair Procurement Policy'. This policy has encouraged a small number of contracts but at the very small end of tender values.

The Commonwealth Government in 2015 has now adopted a much stronger procurement policy of three per cent of all government contracts be awarded to Aboriginal businesses by 2020. A McGowan Labor Government will follow this example by setting a percentage target of actual contracts awarded as opposed to value.

- ***A McGowan Labor Government will adopt the Aboriginal Procurement Policy of awarding three per cent of all government contracts to Aboriginal owned businesses by 2020.***

The Aboriginal Procurement Policy will provide real opportunities for Aboriginal owned businesses to develop and expand.

*Read more about our plan at page 83.*

## Apprentices and Trainees in the Regions

A McGowan Labor Government is committed to expanding the Priority Start Policy to ensure that the opportunity to create apprenticeship and trainee positions is maximised. The success of the Priority Start policy will also be supported through the implementation of WA Labor's Western Australian Industry Participation Plan (WAIPP).

In regional WA this will result in more young people having access to training and skilled jobs.

- ***A McGowan Labor Government will maximise the number of apprenticeships and traineeships in regional WA by expanding the Priority Start policy.***

*Read more about our plan at page 96.*

## Back to Primary Schools for Science

A McGowan Labor Government will invest \$17 million in schools to roll out science labs and equipment in up to 200 public primary schools. This will include an investment in regional primary schools.

Science labs engage students and if we are serious about diversifying our economy then we must start at a school level to prepare students for jobs beyond the resources industry. WA Labor's proposal is to focus on science at a primary school level and that focus needs a science lab with appropriate resources and equipment.

- ***A McGowan Labor Government will invest \$17 million to roll out science programs in up to 200 public primary schools including funding to convert existing classrooms to science laboratories and upfront grants for resources to make science a more diverse and engaging experience for students.***

Expressions of interest will be invited from all public primary schools to apply for the program. In the initial phase, up to 200 schools will be upgraded to ensure that they have appropriate facilities and will include an allocation for regional primary schools.

- An allocation of \$12 million will be made available to convert classrooms into science labs.
- A further \$5 million will be provided in grants of \$25,000 to enable schools to buy resources to equip those labs.

The teaching of science should start as early as possible in a child's education however each school will have the flexibility to manage how they integrate the new science lab resources into their school curriculum. We will work with teachers and Scitech on appropriate professional development for teachers to focus on teaching science in schools. A focus on science will support the diversification of the economy and is an investment in the jobs of the future.

*Read more about our plan at page 51.*

## New Industries Fund

There will be a \$4.5 million investment to attract and foster Startups in regional WA.

- ***A McGowan Labor Government will invest \$4.5 million from the New Industries Fund in regional WA.***

Our commitment to an engagement strategy will capture important trade and investment opportunities for the Startup and gaming sector to grow business opportunities in regional Western Australia.

*Read more about our plan at page 47.*

## Regional Technology Parks: Jobs in the Community

Under the auspices of the Industrial Lands Authority a McGowan Labor Government will drive the development of serviced industrial land and technology parks in the regions.

In towns like Bunbury, Geraldton, Albany, Collie, Kalgoorlie, Karratha, Port Hedland and Broome, the WA Government either directly or through its various agencies holds significant and critically located tracts of land.

Currently, some regional towns have industrial parks developed or highlighted for development by Landcorp. Sites such as the Onslow Industrial Support Facility and the Port Hedland Industrial Area are clearly in need of the benefits that can be obtained from a single government owned, commercially minded ownership structure that has the capacity to incentivise and stimulate local, national and international investment.

All these sites are straightforward commercial developments by a government agency constrained by the restrictions set out in Landcorp's Act of Parliament. Currently there is little power or capacity to incentivise investment in regional industrial parks. Accordingly, many parks have struggled to attract investors and have done little to diversify the types of industries that would create meaningful long-term jobs.

- ***A McGowan Labor Government will bring the development of industrial land in the regions under the auspices of the Industrial Lands Authority and develop serviced, ready to use industrial land at locations such as Shotts in Collie, Lumsden Point in Port Hedland and Kemerton Industrial Park near Bunbury.***

The Industrial Lands Authority will promote, assist or offer incentives to attract regional business investment, under the broad economic provisions of the Industry and Technology Development Act 1998.

Companies at last will have a single government body to deal with. This will improve relations with existing businesses and tenants in industrial parks and encourage meaningful investment in regional WA and create new job opportunities throughout WA.

*Read more about our plan at page 75.*

## Brand WA

Regional WA is as diverse as it is unique. But how we sell ourselves to the world is not working as well as it could.

We currently have a government strategy where agencies develop numerous marketing materials, duplicating effort and competing for market share.

Western Australia needs an overarching consistent brand that can be used by both the public and private sector as we seek to promote our regional attributes to the rest of the world. WA Labor is committed to working with industry stakeholders to implement a consistent but flexible approach to marketing WA as a brand.

Brand WA will provide a global toolkit of consistent concepts, packaging and messaging that will promote our wonderful State to the rest of the world.

Echoing the WA Birthmark program, developed in the 1960's, Brand WA will ensure we capitalise on every marketing dollar we spend. Brand WA will create a connection between all of the efforts of the public sector and private sector and ensure our messaging voice is interpreted the same way around the world.

- ***A McGowan Labor Government will consult with industry to fast-track Brand WA enabling a consistent but flexible approach to marketing regional WA as a brand across all industries to secure a greater share of growing markets.***

A McGowan Labor Government is committed to working with industry stakeholders to implement a consistent but flexible approach to marketing WA as a brand. There are many examples of globally successful brands that have built market share through a global toolkit of consistent concepts,

packaging and messaging such as Red Bull, World Wildlife Fund and Coca-Cola.

The economic benefits that come from a Brand WA have a broad contribution to the regional economy in terms of manufacturing, business investment, job creation, agriculture, hospitality and export opportunities.

## Hospitality in the Regions

Tourism WA estimates that about 1.1 million visitors took part in food and wine experiences in 2013, with local specialties a key attraction.<sup>1</sup> Western Australia can do more to capitalise on the boom in food and alcohol tourism, especially in promoting regional specialties.

We need to encourage a more tourism-friendly hospitality culture by allowing such simple measures as making it easier for restaurants to sell alcohol without a meal and letting accredited tour operators offer an alcoholic drink on their tour, like a beer at the end of a tough bushwalk or champagne while watching the famed Western Australian sunset.

- ***A McGowan Labor Government will allow accredited tour operators to sell and supply alcohol under prescribed circumstances, such as a glass of champagne at the start of a tour.***

We need to make it easier for tourists to try our unique local products by freeing up the regulations around regional collectives and farmers markets. Currently, regional collective cellar door facilities can showcase wine and beer from a particular region, but not distilled alcohol products.

<sup>1</sup>Tourism Research Australia, Food and Wine Tourism in Western Australia, 2014, p4

- ***A McGowan Labor Government will allow regional wineries, brewers and distillers to sell their products at regional farmers' markets and cellar door collectives including producers in the Swan Valley.***

*Read more about our plan at page 62.*

## Tourism in the Regions

Regional WA offers tourists a unique experience.

Destination marketing campaigns in the past have promoted events such as the Margaret River Gourmet Escape, Experience Extraordinary Campaign and Channel 7's Sunrise program showcasing a variety of tourism experiences in the regions and will continue to be used to promote the unique tourism opportunities available throughout our regions.

Event tourism has supported projects in regional WA such as the Albany ANZAC Centenary Commemoration, the Ironman WA and the IGA Taste Great Southern event, to name a few, and will continue to support events in the regions.

However, WA competes with the other states in Australia to attract both interstate and overseas visitors. In recent years Victoria, Queensland and NSW have significantly increased their tourism spend. This increase in the funding available for events and marketing will have a positive boost for their economies and drive their share of the tourism market. It is important that WA is not left behind.

Destination marketing includes: business events, domestic marketing and international leisure. This marketing is delivered through the Perth Convention Bureau, Regional Tourism Organisations and Tourism WA directly.

The Liberal National Government allocates much of this funding for tourism through tied grants over short periods of time. The nature of the tied funding makes it difficult for organisations to forward plan and secure the best outcomes for the economy. This includes the capacity of Tourism WA to maximise the return on investment from both public and complementary private sector investment in tourism.

A McGowan Labor Government is committed to ensuring that the model of funding provides certainty and security for the tourism industry by providing a \$425 million injection over four years. This will maximise the return on investment and grow jobs in this important part of the economy including in regional WA.

- ***A McGowan Labor Government will:***

***Restructure the Tourism WA budget by consolidating the multiple tied budget lines into three budget lines, these being: Destination Marketing, Events Tourism and Tourism Infrastructure and Investment.***

***Invest \$45 million per annum for five years for Destination Marketing including business events, domestic marketing and international marketing, delivering \$225 million in secure funding to grow this industry.***

***Invest \$40 million per annum for five years including Event Tourism, delivering \$200 million in secure funding to grow this industry.***

*Read more about our plan at page 59.*

## Cruising Regional Ports

Passenger Cruise Ships visiting the many ports of Western Australia are a rapidly growing tourism sector, contributing \$275.3 million towards the WA economy in 2014-15.<sup>1</sup>

In 2015, Busselton welcomed six ships, the first cruise ships to visit the regional city with most other regional ports reporting an increase in the number of visiting ships. Esperance, Albany, Bunbury, Augusta, Geraldton, Exmouth, Port Hedland, Broome and now Busselton make up the nine cruise destinations enjoying the dividends of this industry.

The cruise ship sector provides regional WA with an opportunity to value add to this significant growth industry by developing more landside destination options that can be presented to visitors before, during or after their cruise experience.

- ***A McGowan Labor Government will work with industry to develop more landside destination options to the cruise ship sector thus generating additional visitor spend and more local jobs in regional WA.***

As passenger cruise ships visit our regional ports more regularly, it provides regional WA the opportunity to sell the many and varied shore excursion options for cruise ship visitors. For example; the Ferguson Valley or the many wineries and breweries of the South West. Generating additional visitor nights has positive economic benefits for our regional communities.

Western Australia has some of the most unique and oldest Aboriginal art, culture and heritage in the world. A McGowan Labor Government will work with the WA Aboriginal Tourism Operators Council (WAITOC)

and relevant stakeholders to expand opportunities for Aboriginal tourism to be packaged for the cruise shipping sector.

- ***A McGowan Labor Government will work with WAITOC and communities to strengthen and diversify the range and quality of Aboriginal tourism offerings to meet the demand of the cruise shipping sector.***

With more coordination between WA's cruise sector, tourism operators, communities, local government and the private sector, a wider range of experiences can be packaged for the consumption of the cruise ship industry.

## Role of Regional Development Commissions

There are currently nine Regional Development Commissions (RDCs) covering the Kimberley, Pilbara, Gascoyne, Goldfields-Esperance, South West, Great Southern, Peel, Mid West and Wheatbelt. The RDCs are established as statutory authorities of the State Government and have a mandate to lead and support sustainable development in regional WA.

The role of the RDCs should be enhanced by requiring them to take a more proactive role in ensuring that the value of the local content on RFR programs and other state government contracts is increased.

- ***A McGowan Labor Government will ensure that Regional Development Commissions take a more proactive role in maximising the value of local content delivered on RFR programs.***

<sup>1</sup>Cruise Down Under; Economic Impact Assessment of the Cruise Shipping Industry in Australia, 2014-15

A McGowan Labor Government will require all departments and head contractors carrying out government funded projects in regional areas to advertise all tenders and job openings on the respective Regional Development Commission's website. This will allow local businesses and job seekers to have a single portal to access opportunities in their region.

- ***A McGowan Labor Government will ensure that all tenders, contracts and job vacancies on government funded projects in regional areas are advertised on the Regional Development Commission's websites.***

## Regional TAFEs supporting Regional Job Growth

Regional TAFEs have felt the brunt of the cuts by the Liberal Government to the training sector. In the last four years enrolment numbers at regional TAFEs have dropped by 8,000 students. In 2015 there were 128 less people employed on regional campuses compared to 2014. 40 courses offered at regional TAFEs in 2014 have been cancelled in 2015. This has an impact on the training opportunities for people living in the regions and their capacity to access skilled jobs.

A McGowan Labor Government is committed to ensuring that there are expanded course options at regional TAFEs, linked to regional jobs. An independent review of the training sector commissioned by the Liberal Government has identified the need to be more responsive to the needs of regional WA when developing the State Priority Occupation List (SPOL). The creation of the list is used to determine which courses are delivered and the level of government funding different courses will attract. The Liberal Government rejected this recommendation to better align the SPOL to the needs of regional WA.

This decision affects the annual funding allocations by the Department of Training including the allocations to regional TAFEs on training priorities. The report found that this has significance not only for workforce development in the regions but also for the sustainability of the TAFEs (State Training Providers) themselves.<sup>1</sup>

- ***A McGowan Labor Government will ensure that the State Priority Occupation List will be more responsive to the employment needs of the regions and ensure regional TAFEs are delivering training that aligns with future job growth in the regions.***

The Independent Review also recommended that consideration be given to a five-year project under the heading VET Regional Partnerships Program for regional State Training Providers that are looking to embark on new, innovative and long-term partnerships for the benefit of their institutions and their communities.

- ***A McGowan Labor Government will implement a VET Regional Partnerships Program to provide an opportunity for regional TAFEs to invest in new and innovative long term partnerships to create training and job opportunities in the community.***

A McGowan Labor Government is also committed to the ongoing role of TAFE, will reinstate its brand and transform TAFE Colleges into Industry Skill centres.

*Read more about our plan at page 92.*

<sup>1</sup>Independent Review of the Vocational Education and Training Sector in Western Australia 2013-14, Final Report (Extract) Emeritus Professor Margaret Seares

## Valuing the Agriculture Sector

With the growth in the world's population and the demand for high quality food and products, WA has an opportunity to grow and export our agricultural sectors into the Asian region.

Agriculture is WA's second major export industry. Wheat, wool, beef and lamb are but some of the products Western Australia exports as one of the most disease and pest free agricultural production areas in the world. In 2013-14 financial year, agriculture, forestry and fishing contributed a 59 per cent increase to gross state product growth.

Agricultural production in WA has a gross value of \$11 billion (2013-14) and is the State's second largest employer providing employment for more than 30,000 Western Australians.<sup>1</sup>

The grains industry is the largest agricultural sector in the State and the fourth largest export industry after iron ore, oil and gas, and gold.<sup>2</sup> The value of wheat production rose 41 per cent with volumes of grain up 36 per cent in 2013-14 and it is estimated that the 2014-15 season will again see significant growth in the production and export of WA grains.<sup>3</sup>

Agrifood production includes agriculture, forestry and fishing industry products, pearls and food and beverage manufacturing. Exports in the 2013-14 financial year rose ten per cent to \$7.6 billion.<sup>4</sup>

- ***A McGowan Labor Government will consult with the agricultural industry on future growth and employment opportunities including making this a priority as part of our Asian Business Strategy.***

<sup>1</sup>Western Australian Economic Profile September 2015; p6

<sup>2</sup>www.agric.wa.gov.au

<sup>3</sup>Western Australian Economic Profile September 2015; p6

<sup>4</sup>Western Australian Economic Profile September 2015; p6

The growing trend in agricultural niche markets has positioned WA well for a burgeoning Asian middle class where premium products are most desirable.

Organic, genetically modified (GM) free, gluten free and free-range are great examples of niche markets that consumers are becoming more familiar with and demanding more of.

The work being done by the Department of Agriculture and Food's Food Industry Innovation Project assisting regional agriculture and food businesses to capture premium domestic and export market opportunities is acknowledged. However, more can be done.

- ***A McGowan Labor Government recognises the value adding potential of niche markets in Western Australia and will work with the agricultural industry to identify opportunities to grow these markets including export opportunities.***

Australia accounts for less than 3 per cent of global food trade. Western Australia exports almost 80 per cent of its agricultural production to countries such as China, Indonesia and Vietnam. In 2014-15, WA exported an estimated \$7.22 billion in agricultural products.<sup>5</sup>

The challenge of feeding the world's population which is expected to reach nine billion by 2050 ensures the industry will continue to present opportunities for growth in food production, food security and areas of technology, research and development, sustainability and human resources.

But population growth isn't the only reason we will need more food. The spread of prosperity across the world, particularly in India and China is driving an increased demand for wheat, rice, meat, eggs, dairy and feed for cattle, pigs and chicken.

<sup>5</sup>www.agric.wa.gov.au

If current trends continue, the increased demand for our agricultural goods will also mean an increase in the growth of agricultural service industries in the areas of agronomists, agribusiness professionals (finance) and grain marketing.

Our agricultural industry offers the State an enviable opportunity to further diversify the economy, create more employment and contribute to domestic and international demand.

## Kemerton Food Hub Growing Jobs

Food hubs or Co-ops work directly with farmers to assist in the marketing and distribution of their projects making it easier for local businesses and communities to access fresh local food.

Many farmers are challenged by the lack of distribution and processing infrastructure of appropriate scale that would give them wider access to retail, institutional and commercial food service markets where demand for local and regional foods continues to rise. A regional food hub allows them to gain entry into new and additional markets that would be difficult or access on their own.

A food manufacturing hub located in Kemerton could bring together the packaging, distribution and transport of food products for the South West and Great Southern Region.

- ***A McGowan Labor Government will engage with stakeholders on the proposal for a food hub in Kemerton.***

## Livestock Precinct at Boyanup

Global demand for high quality safe animal protein and products is why Western Australia is a world leader in live exports, dairy and pork products. WA has high animal welfare standards which will continue to be reassessed in conjunction with industry.

Livestock saleyards are important social and economic infrastructure for regional Western Australia. Sale days attract local and regional visitors to the area providing an economic boost to local economies. They are also important for monitoring animal welfare and provide the social opportunities for growers to connect.

In 2008, the WA Labor Government committed to progress a saleyards assistance package to develop regional saleyards at Katanning, Mt Barker and the South West following the sale of the Midland Saleyards.

In 2010, the Liberal Government committed to progress the WA Saleyard Strategy to update key regional saleyard infrastructure. Both Katanning and Mt Barker facilities were upgraded, but unfortunately, the \$2.2 million set aside to kick start a replacement for the Boyanup cattle facilities were 'expended elsewhere' after the Liberal National Government decided it should be funded by private investment.

The Boyanup Saleyards are located in the centre of town on prime residential land. They are owned and operated by the WA Livestock Salesman's Association on land leased from the Shire of Capel. This lease will expire in 2022 and the Shire wish to develop this land to cope with the continuing expansion of the Boyanup town site.

- ***A McGowan Labor Government will work with the Shire of Capel on a suitable location for a Livestock Precinct to replace the current Boyanup Saleyards.***

To date, livestock farmers in the South West are counting down the time when they will face hefty transport costs to Muchea or Mt Barker Saleyards and are concerned for the welfare of their animals.

A Livestock Precinct in the South West will replace the aging facility in Boyanup . It will benefit producers, buyers, livestock agents and the community. A Livestock Precinct will generate jobs and ensure the industry will grow.

- ***A McGowan Labor Government will fast-track a proposal for a Livestock Precinct in the South West to replace the current Boyanup Saleyards.***

## Fishing is COOL

Australian consumers are becoming increasingly aware of the sustainability challenges facing world fish stocks. Consumers want to know that the seafood they purchase is of high quality and originate from well-managed sustainable fisheries. This increasing community awareness is an opportunity for WA's local seafood industry to further promote its credentials as a world leader in fishery management.

Currently, seafood sold in supermarkets and markets must have country of origin labelling. However this rule does not apply to the restaurant and café industry.

In October 2014, a Commonwealth parliamentary report on the inquiry into country of origin labelling for food was released with recommendations to 'provide clear information to consumers who wish to make an independent choice to support either Australian farmers or food manufacturers'. However, neither the Federal nor State Liberal Governments have moved to address this issue.

Western Australian consumers are saying that when they sit down to a meal, they have a right of choice to decide whether they order seafood grown locally or from another country or region. Given that choice, we believe that many Western Australians would choose to eat locally sourced and sustainably farmed seafood. The flow on effect is higher demand for locally sourced and/or sustainably farmed seafood that will grow local jobs and the local industry.

- ***A McGowan Labor Government will introduce Country of Origin Labelling (COOL) requirements for seafood sold in restaurants.***

In a survey by Australian Made, Australian Grown, 89 per cent of consumers said that it is 'important' or 'very

important' that the fresh food they buy is Australian.<sup>1</sup> The Australian Made Campaign Limited also stated the Australian consumers are "becoming increasingly concerned about the origins of the food they eat, and that those concerns are driven by economic, health and safety, ethical and environmental factors."<sup>2</sup>

The WA fishing industry already generates thousands of jobs across the State both within the industry and through food service and support industries. That will grow if consumers are able to exercise an informed choice to buy local.

Country of origin labelling for all seafood was introduced in the Northern Territory in 2008. It has proved a great success for both the fishing industry and restaurateurs who have reported increased sales of premium local products.

WA's fisheries are some of the best managed in the world. We pride ourselves on high quality and high levels of sustainability. COOL will allow WA fisheries to reach their full potential while at the same time giving consumers the information they want about the food they eat.

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<sup>1</sup><https://australianmade.com.au/media/54037/COMPLETE-RESEARCH-SUMMARY-2002-10.pdf> , p.3

<sup>2</sup>Quoted in the report on the inquiry into country of origin labelling for food, from the AMCL submission p1

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# BUSINESS GROWTH INTO ASIA



# BUSINESS GROWTH INTO ASIA

## Asian Business Strategy

A McGowan Labor Government is committed to developing a comprehensive strategy that will guide opportunities across government and foster the growth of the business sector into Asia.

The strategy will focus on three crucial areas; jobs, government relations and education and cultural networks.

Western Australia is ideally situated to capitalise on the rapid population and economic growth of Asia as we diversify our economy and identify new areas for jobs growth. Governments can play an important role in promoting and fostering partnerships between business, educational institutions and government agencies to create economic opportunities.

Not only is Western Australia geographically close and within the same time zone as many key Asian nations, we already have strong trade relationships with China, Japan, Singapore and South Korea.

Asian markets exist within a diverse range of countries, sub-national regions and cultures. Western Australia is a small jurisdiction so effective engagement will require a targeted and methodical approach.

Our economic relationship with Asia has delivered more than 20 years of sustained growth and improved the standard of living of most Western Australians. The Asian economic growth story has led to the resources sector receiving unprecedented investment for the expansion of iron ore production and liquefied natural gas (LNG) development.

As the resource sector transitions to an operational phase and growth slows, the challenge for Western Australia is to diversify our economy beyond the resources sector.

An Asian Business Strategy will provide Western Australian businesses with the knowledge and flexibility to adjust and respond to shifts in demand and policy in the Asian region.

- ***A McGowan Labor Government will establish a whole of government Asian Business Strategy to foster growth in small business and job creation opportunities.***

An Asian Business Strategy would be an important part of a McGowan Labor Government's medium and long term economic strategy, and be implemented across all relevant agencies.

A dedicated Minister will be appointed to ensure there is a focus on strengthening our relationships in Asia to drive the implementation of the Asian Business Strategy.

- ***A McGowan Labor Government will appoint a Minister for Asian Business.***

The Minister for Asian Business would focus on promoting Western Australian trade and investment opportunities and identify opportunities to create jobs for Western Australians in a prioritised list of countries.

## Asia Readiness: Trade, Investment and Jobs

The geopolitical relevance of Asia, a region encompassing the Association of Southeast Asian Nations (ASEAN) countries of Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam, as well as China, India, Japan and South Korea, is well established in Australia.

ASEAN has sought greater integration among member nations and in 2015, the ASEAN Economic Community (AEC) was established. The AEC aims to form a borderless trading community and, although years away from emerging, the ASEAN nations are in an economic reform mode that Western Australia must be aware of.

The OECD forecasts an average Gross Domestic Product (GDP) of 5.6 per cent for the collective ASEAN community from 2015 to 2019. Nielsen estimates that in 2012 there were more than 190 million people in the South-East Asia middle class. These people have between \$20-\$130 spending power per day. Nielsen predicts that strong economic growth will see the South-East Asian middle class more than double to 400 million by 2020.<sup>1</sup>

The combined economy of the ASEAN countries in 2050 is projected to be the fourth largest in the world. And in ten years, Indonesia's economy will be bigger than all the other members of the ASEAN combined.<sup>2</sup>

Such strong growth will pull hundreds of millions of people out of poverty and create a burgeoning middle class demanding a wide variety of goods and services. Western Australia has the potential to respond to this demand through agribusiness, infrastructure, financial, health and education services.

- ***A McGowan Labor Government will promote Western Australian's competitive advantage and unique knowledge base around established industries such as education and training, and the mining and resources sectors to create opportunities for job growth into the Asian region.***

If Indonesia is important to Australia's long-term future, then it is essential to Western Australia's future prosperity. The Liberal Government recently demonstrated their limited thinking on Asian market opportunities for the State by announcing the closure of its trade and investment office in Jakarta. This decision was reversed only after significant lobbying by stakeholders.

It is crucial that Western Australia can develop and foster formal networks within the Asian region to enable access to regional markets.

Asian business associations would benefit from a supported location in Perth. A McGowan Labor Government will establish the Asian House, a shared facility managed by the Department of State Development to foster the Asian Business Strategy.

- ***A McGowan Labor Government will develop formal networks that link businesses with the people and resources to enable and support success in regional markets, including establishing the Asian Business House.***

To further develop the formal networks, Perth would host an annual ASEAN Dialogue, initially at the Asia Research Centre at Murdoch University as a means of identifying opportunities for business investment and job creation.

<sup>1</sup>The Nielsen Company, ASEAN 2015: Are You Ready? Key Implications for Australian Businesses, 2014

<sup>2</sup>Vinayak HV, Fraser Thompson and Oliver Tonby; McKinsey Global Institute; May 2014

- ***A McGowan Labor Government will host an annual ASEAN Dialogue concurrently with a trade and investment show and Asian Arts Festival.***

This dialogue should work within the accepted framework and programs sponsored by the Department of Foreign Affairs and Trade (DFAT) and supplement the economic agenda agreed at Asia Pacific Economic Cooperation (APEC), with specific emphasis on sector-level industry opportunities.

The ASEAN Dialogue should be run in complement to the University of Western Australia's *In the Zone* conference and concurrently with a trade and investment show to emphasise the direct local economic intent of the dialogue.

There are also on-the-ground opportunities for small to medium-sized enterprises in the areas of infrastructure, construction and logistical skills.

A regional business portal will be developed to provide small and medium businesses (SMEs) the support required to become export ready.

- ***A McGowan Labor Government will develop a regional business portal to assist SMEs to become export ready.***

Western Australia has a sophisticated design sector, ranging from architecture to furniture design. To assist this sector a design sector panel will be created to foster opportunities into the Asian region.

- ***A McGowan Labor Government will establish a design sector panel with the State Architect as the chair to foster opportunities for designers in Asia.***

Our commitment to a business strategy will capture important trade and investment opportunities that will create Western Australian jobs. Examples of these are agricultural and merchandise exports which will increase in line with the rapid urbanisation and rise of living standards in Asia.

## Asia Relationships: Government-to-Government

The importance of Asian engagement to a McGowan Labor Government will be signalled by a deepening of government-to-government relations, between Western Australia and Asian nations.

In accordance with target priorities of the Asian Business Strategy, the Premier and relevant ministers will make regular visits to Asian countries of significance to their portfolio. Presiding officers of the Parliament will incorporate their annual visit programs to align and support the objectives of the strategy.

- ***A McGowan Labor Government will commit to the Premier, Ministers and presiding officers of the Parliament making regular visits to the Asian Region.***

The Asian Business Strategy will be applied across government. There are very few areas of government activity that are not in some way applicable to Asia or attractive to our target countries. Health, transport, industry, education, agriculture and science, for example all have innovative functional approaches to public policy objectives that could contribute to deepening our economic and cultural engagement with Asia.

- ***A McGowan Labor Government will require every relevant government department to develop a plan to support the implementation of the Asian Business Strategy.***

This policy approach requires every government department, with the support of the Minister for Asian Business, to identify the objectives of the strategy that are applicable to them and develop a “Supporting Asian Business Plan” around these. These plans will help shape departmental strategy and activity, with the aim of diversifying the economy and creating jobs

for Western Australians.

Government-to-government relationships will develop and promote policies to build and enhance the capacity of Western Australia’s industry and workforce to take advantage of opportunities in Asia.

## Asia Literacy: Education and Cultural Networks

There can be no economic diplomacy without cross-cultural understanding. Economic decisions are influenced by a range of political and cultural factors, ranging from media reporting of political events to the experiences of tourists, migrants and business travellers.

Australia is a popular destination for students from across Asia, and the Western Australian education market has huge growth potential. A world-wide demand for international education is growing and forecasts an extra three million students globally by 2020. This highlights an opportunity for WA to diversify the economy and create job opportunities for Western Australians.

International students are worth \$17 billion to the Australian economy. However, Western Australia attracts only 7.8 per cent of the Australian student visa market, a net worth of \$1.3 billion to the WA economy.<sup>1</sup>

International education is a new emerging economy that brings net benefits to the State in terms of jobs, local tourism, hospitality, retail and research and development.

- ***A McGowan Labor Government will establish the mechanisms through which Western Australia becomes a leading provider of international education in the Asian region, creating more jobs for Western Australians.***

Language is also fundamental to both understanding target markets and developing confidence in seeking Asian opportunities. Unfortunately, the depth of Asian languages within Western Australian society is currently lacking.

A McGowan Labor Government will introduce a program to provide assistance for students who complete an ATAR course in selected Asian Languages to undertake a one month “in country” placement. This will create networking opportunities for our youth

- ***A McGowan Labor Government will introduce a program to provide assistance to students who complete an ATAR course to undertake a one month “in country” placement.***

We need to foster a deep understanding of our Asian neighbours, so that our political and business leaders can draw upon a broad range of Asian experience and skills. Cultural activities will support the objectives of the Asian Business Strategy by providing opportunities for cross-cultural awareness, business investment and job creation.

- ***A McGowan Labor Government will investigate hosting an annual Asian Arts Festival to run concurrently with the ASEAN Dialogue.***

As part of WA Labor’s Plan for Jobs, we will work with industry to develop a media exchange program, to promote a deeper understanding of the different cultures of Asia and the diverse economic opportunities in Western Australia beyond the mining industry. Similar exchange programs could be explored for leading arts and music companies.

**Note:**

*This strategy will complement and not duplicate the objectives of federal agencies. Cooperation between the state and federal agencies is encouraged through the Charter of Economic Diplomacy, which seeks to integrate the State objectives with the significant resources deployed globally through standing international diplomatic representation.*

<sup>1</sup>studyperth.com.au, Fact Sheets, August 2015

# INVESTMENT IN OUR FUTURE



**WA Labor** | Plan for Jobs

## INVESTMENT IN OUR FUTURE

WA Labor's Plan for Jobs will deliver a \$182 million investment in the WA economy over the next five years. This investment across a range of industries will diversify our economy and create thousands of new jobs.

WA Labor's plan is carefully targeted and affordable.

Investment in jobs by the McGowan Labor Government will make current and future small businesses a priority.

There is a significant injection of new money into tourism, hospitality and businesses events and the promotion of WA as a study destination. All are high return industries.

There will be a focus on innovation and renewable technologies as future drivers of our economy. New and emerging businesses will be fostered and accelerated through a New Industries Fund.

Local content and local jobs will be prioritised on all major government projects and an investment made to revamp the Industry Capability Network (ICN) WA to provide businesses with the knowledge and capacity to compete for government contracts.

METRONET and similar projects will be declared projects of strategic significance with increased requirements for local jobs.

Priority will be placed on educating our young people to be ready to access the jobs of the future. There will be an increased focus on apprenticeships and traineeships and on teaching science in schools.

The Industrial Lands Authority will be created to cut through the red tape and provide more opportunities for the manufacturing sector to flourish. This will create jobs at existing and new industrial parks in Perth and in the regions.

A focus will also be placed on securing defence work resulting from the Federal Government's White Paper.

A greater priority will be placed on growing the agricultural sector and developing potential niche markets.

Our Asian Business Strategy will support businesses across a range of industries to explore export opportunities into Asia, creating jobs in a range of industries.

Small businesses will be a priority and will be supported to grow and prosper through all of these initiatives.

We will sell our great State to the rest of the world with pride under a newly launched Brand WA.

A successful global brand for WA will benefit all local industries and create jobs in manufacturing, agriculture, new technology and service industries such as education, tourism and hospitality.

*“WA Labor’s Plan for Jobs will reinvigorate the economy and create thousands of new jobs.*

*With smarter choices and the right priorities, we will deliver long term structural change and diversify our economy.”*

*Mark*



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# WA Labor | Plan for Jobs

The Innovation Economy

Brand WA

Building a Stronger WA

Local Jobs - Local Content

Training for the Future

Supporting Small Business

Jobs for the Regions

Business Growth into Asia

Investment in our Future



**A Government for You.**

[markmcgowan.com.au/jobs](http://markmcgowan.com.au/jobs) |  **Mark McGowan MP**