Western Australia is home to approximately 3,500 firms consulting in the built and natural environment.

In the last decade Western Australia has seen a massive population growth, driven predominantly by dramatic growth in demand for the State’s resources. Western Australia is now home to some of Australia’s and the world’s leading consulting firms in the built and natural environment. Many larger national and international firms have established bases in Perth alongside home grown, West Australian firms.

In response to and supporting this growth, the West Australian Government has embarked on an ambitious infrastructure program designed to make Perth a more vibrant and connected city supported by thriving regional centres. This includes Perth City Link, Elizabeth Quay redevelopment and Perth Stadium alongside the planning for increased regional development across Western Australia, in particular, the Pilbara Cities program, the responsible development of the Kimberley region for mining and trade and the land release program in the southern regions.

Continued infrastructure investment, longer-term strategic planning and a supportive business environment will help drive productivity across Western Australia and diversify our economy.

Consult Australia recommends:

- Planning and developing a stronger, longer term and more co-ordinated infrastructure strategy and schedule of projects;
- Raising new funds for infrastructure investment;
- Supporting best practice procurement in Western Australia; and
- Creating a better business environment
The Challenge and Opportunity Ahead

After many years of sustained and growing opportunities for firms, supported by record infrastructure investment, Western Australia now faces some new challenges as the Government seeks to reduce spending and maintain a budget surplus.

In this environment it is critical that we, as a State, capitalise on the investment already made, support local industry and invest in productivity for the medium and long-term.

With targeted policy intervention, there is opportunity for the Western Australian Government to build productivity and moderate the extremes of the boom/bust cycle.

Our Recommendations

Planning and developing a stable infrastructure strategy supported by a long-term schedule of projects

- Establish and resource Infrastructure Western Australia (IWA) as an independent statutory body (modelled on Infrastructure NSW and Infrastructure Australia) to provide expert and transparent advice to governments and industry supporting whole of Government focus on transport, water, energy, urban and social infrastructure.

- As a matter of urgency, task the new IWA with the development of a 10 year fully funded infrastructure priority plan and delivery schedule. This would include short, medium and longer-term deliverables for 2, 5 and 10 years. The proposed 10 year priority plan would be supported by a 30 year plan taking into account the availability of skills, the economic cycle, and climate and demographic change.

- Invest in early feasibility and design studies, outsourced to support local industry, to help ensure a continuous supply of a wide range of ‘shovel ready’ projects that can be implemented as soon as funds are made available.

- In consultation with business, develop policies and guidelines to facilitate unsolicited development proposals from the private sector.

- Support effective stakeholder engagement that delivers value for money outcomes on major projects.

Raising new funds for infrastructure investment

- Develop and implement an integrated funding framework releasing new funds for infrastructure investment that includes:
  - Exploring opportunities and developing criteria to inform timely and effective asset sales with funds recycled into a State Infrastructure Investment Fund.
  - Exploring Value Capture as an opportunity to fund new infrastructure by leveraging the consequential increase in surrounding property values.
  - Supporting a shift to intelligent use of ‘user pay’ principles as a means to fund new infrastructure.
  - Considering alternative funding and financing methodologies, like the UK City Deals approach, in consultation with industry, local and federal government.

State Theatre Centre of Western Australia photo courtesy of Aurecon and Kerry Hill Architects
Supporting best practice procurement

- Deliver More for Less through the implementation of Consult Australia’s seven recommendations to improve public sector procurement outcomes (as identified in our report commissioned from Deloitte Access Economics: Economic Benefits of Better Procurement Practices):
  
1) Set up procurement teams with a mix of practical, legal and procurement experience.

2) Reallocate procurement resources towards better specification of project objectives, including early engagement with industry, identifying end user needs, and re-testing business case objectives.

3) Remove contract clauses that don’t stack up, whether from a cost-benefit perspective, or through the behaviour shaped by the inclusion of those terms.

4) Develop and apply limited liability guidelines to assist agencies with ensuring that liability requirements do not add unnecessarily to project costs.

5) Verification of brief information by government to avoid costly duplication by tenderers.

6) Streamline compliance processes to reduce bid costs.

7) Evaluate and adapt procurement frameworks to encourage innovation, including being open to new delivery models, early market sounding options and continuing to provide opportunities for unsolicited proposals.

- Amend the Civil Liability Act to prohibit contracting out of proportionate liability as part of a move to a nationally uniform position.

- Establish a pool of highly regarded former and current industry experts (‘Grey Panthers’ keen to fulfil a public service during or at the end of a successful career) to provide advice and support for project scoping and bid evaluation teams on complex or major projects. Grey Panthers’ expertise would build procurement capability across government, support innovation in design and delivery, challenge inefficient application of standards, minimise the potential for gold-plating and help ensure and report against value for money outcomes.

Creating a better business environment

- Ensure national consistency in the introduction of any state-based registration or certification of qualified professionals working in the built environment.

- Establish an Office of the Industry Participation Advocate as a mechanism to drive investment, and continue to support the development of an advanced services sector in Western Australia.

- Support continued success and collaboration across Government: securing better returns through greater efficiency, better engagement and good risk management.
Who benefits?

Consult Australia believes that these initiatives will help secure a more productive, prosperous future for Western Australia through the creation and support of more competitive businesses, new jobs and a better built environment:

- Western Australia will be stronger for these initiatives as a consequence of greater efficiencies in project delivery, better value for money for the tax-payer, and increased productivity secured for the long-term through a robust pipeline of strategic economic infrastructure.

- Local industry will generate jobs and be more competitive both internationally and nationally through new export opportunities and a better business operating environment.

- Western Australia will demonstrate it is open for business through ongoing investment in the built environment and infrastructure that supports the productivity, liveability and sustainability of Western Australia’s urban and regional centres.

Realising Western Australia’s potential

Consult Australia’s recommendations provide the basis for a new conversation with all spheres of government; supporting a better future for Consult Australia’s member firms, wider industry, government and the broader community alike.

More collaborative relationships between business and government will realise wide-spread benefits. With these reforms, government will build on our strengths, boost productivity and keep businesses, jobs and skills in Western Australia.

We welcome your feedback on these ideas, removing barriers to their implementation and promoting continued business success, sustainability and prosperity for Western Australia.

Our industry

Consult Australia is the industry association that represents the business interests of consulting firms operating in the built and natural environment across Australia. Our member firms’ services include, but are not limited to: design; architecture; technology; engineering; surveying; and project management.

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