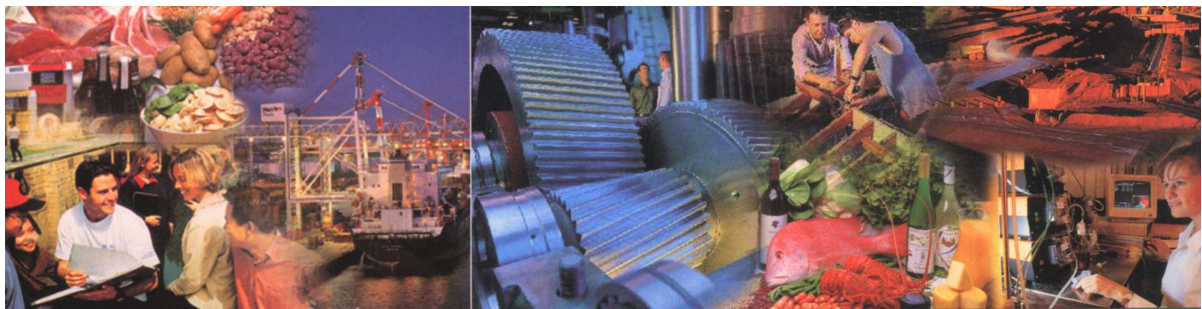# Department of Industry and Technology

Annual Report 2001/2002

Department of Industry and Technology
Government of Western Australia

To the Hon Clive Brown MLA
Minister for State Development; Tourism; Small Business
Parliament House
Perth
Western Australia 6000

I am pleased to submit for your information and presentation to Parliament, the annual report of the Department of Industry and Technology for the financial year ending 30 June 2002.

The annual report has been prepared in accordance with section 62 of the *Financial Administration and Audit Act 1985* and other relevant written laws of the State of Western Australia.

Yours sincerely

Paul Schapper
A/Director General
31 August 2002

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From the Director General

The Department of Industry and Technology was established on 1 July 2001 to provide leadership in industry development and promote new technologies for economic development in Western Australia.

The new Department has brought together the industry and trade development strengths of the former Department of Commerce and Trade and the Government purchasing and technology capabilities of the former Department of Contract and Management Services.

Its first year of operation has been one characterised by many significant challenges, on-going evolution and development, and numerous successes and achievements.

In a climate of world economic and political uncertainty, the Department faced a considerable challenge in its endeavour to fulfil its Mission: "to drive the Western Australian economy to growth and diversity".

With major trading partners such as Japan struggling in recession, the imperative to find and develop new export markets for Western Australian has never been greater.

During this first year of operation, considerable effort across the organisation has been devoted to developing policies and strategies aimed at increasing the volume and breadth of exports from the State, as well as attracting more foreign direct investment into Western Australia. These will be progressively implemented during the coming year.

One such initiative has been the development of the soon to be launched Education Exports Strategy, which recognises not only the enormous potential of the education sector to stimulate exports, investment and employment growth, but also the strategic role of education in economic development. The strategy will see the State adopt a more coordinated approach to the promotion of education services overseas. It has been developed in consultation with industry and relevant stakeholders and has been actively supported by the Minister for State Development as Chair of the recently established Ministerial Education Exports Advisory Committee.

The Department also recognises that innovation is an essential prerequisite to state development. In line with the State Government's Innovate WA policy, the Department hosted a series of innovation seminars, organised the WA events of the inaugural Australian Innovation Festival, and implemented a range of initiatives, including a new web site, aimed at supporting the innovation process. A new program called TrackFast was introduced to give local innovators the opportunity to test their products in Government agencies and establish a 'track record' for marketing purposes.

With the cessation of logging of old growth forests in Western Australia, the Department responded with the development of a South West Industry Assistance program, aimed at establishing alternative industries and providing support and assistance to businesses and individuals in a number of practical ways.

The on-going development of the Government Electronic Market (Gem) suite of services and the continued importance of Common Use Contract business systems, reflect the Department's important role in managing risk and achieving Government savings. An increasing focus is leveraging the Government's market position to strengthen the sustainability and competitiveness of the State's various industry sectors.
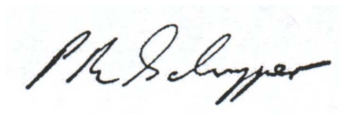
From just the few examples above, it can be seen that the Department of Industry and Technology is a very diverse organisation in terms of its spread of activities and functions, as well as its client base.

The year ahead will see much of the planning, development and consultative work undertaken during 2001/2002 start to pay dividends, as various strategies and initiatives are implemented. Existing programs and services will continue to strive for increased efficiency and effectiveness.

The Department's inaugural year has seen the staff confront many challenges and considerable change. At year's end, many staff are working in a different physical location, in a different part of the organisation, and/or undertaking a new and different role.

I would like to thank and congratulate all staff for their efforts and achievements over the year. The many achievements and successes are highlighted in the following pages.

Finally, I would like to acknowledge our clients and industry partners, including the sponsors of the Business Breakthrough Breakfasts and the Western Australian Industry and Export Awards, for their involvement and support during the year.

Paul Schapper
Acting Director General
31 August 2002

Selected Highlights of 2001/2002

The new Department of Industry and Technology (DoIT) came into effect on 1 July 2001, following a merger of parts of the Department of Commerce and Trade and the Department of Contract and Management Services.

ServiceNet was honoured with two prestigious awards in March 2002. It won the top prize in the Western Australian Technology and Telecommunications Association (WAITTA) Awards – Service category and also the Australian Telecommunication Users Group (ATUG) Awards – Best Communications Solution – Large Organisation category.

Gem received an Honourable Mention in the 2002 Commonwealth Association of Public Administration and Management (CAPAM) Awards and was one of just 30 finalists from an international field of 150.

During 2002/2003 DoIT managed 60 Common Use Contracts, involving over 500 contractors and an annual turnover in excess of $800 million.

In November 2001 DoIT introduced a new initiative called ConferWest to provide economical video conference bridging and support services to Government agencies. By the end of June 2002 it had provided 2300 hours of videoconferencing on behalf of 20 agencies.

The $21 million WirelessWest project was launched in Perth and the regional locations of Calingiri, Merredin and Beaufort River. This project will see dramatic improvements to mobile phone coverage over much of the southern part of the State.

An Education Exports Strategy, known as "The Value of Education for Economic Development" was prepared after wide consultation with industry and stakeholder groups.

The development of a comprehensive strategy aimed at doubling the number of Western Australian exporters over the next five years was initiated.

An expansion of Technology Park by a further 10 hectares was completed during the year. The Park now houses 82 companies, employing more than 2,400 people with a combined turnover of $500 million per annum. Of this income, 60 per cent is derived from exports.

The Department successfully coordinated the Western Australian component of the inaugural Australian Innovation Festival in May 2002.

A series of highly successful Innovation Seminars at Technology Park, featuring prominent Western Australian innovators as guest speakers, were conducted. The seminars were targeted at a wide-cross section of people, from academia through to industry and members of the community.

A review of Government's Intellectual Property Policy was conducted to ensure the policy meets Government's broader economic and industry development objectives. The review gave rise to the development of a draft policy released for public comment in May 2002.

A Local Content Program was established to facilitate greater market access to Government agencies and major State projects for competitive local suppliers.

Construction of the Australian Marine Complex at Cockburn Sound continued to plan and considerable work was undertaken on further business and marketing planning.

The Department successfully coordinated a joint Western Australian submission for funding from the National Communications Fund, to improve the delivery of health, education and training services in regional communities through improved telecommunications.

Profile of the Department of Industry and Technology

Formed as a result of recommendations of the Machinery of Government Taskforce, the Department of Industry and Technology combines the industry and trade expertise of the former Department of Commerce and Trade (DCT) with the purchasing/tendering and e-commerce capabilities of the former Department of Contract and Management Services (CAMS).

Also in line with the recommendations of the Machinery of Government Taskforce, sections of these former agencies have since been amalgamated with other departments. DCT's Regional Development function now resides with the new Department of Local Government and Regional Development. CAMS' Asset Management Services division is now part of the Department of Housing and Works.

The Department of Industry and Technology's activities cover a wide range of industry support and development functions. Key activities include:

- Encouraging and facilitating increased exports, investment and employment growth;

- promoting and facilitating the development of innovative goods and services by local business;

- developing industrial, research and development, and telecommunications infrastructure;

- increasing the level of local content in government buying;

- operating a network of overseas trade offices;

- co-ordinating the formulation and dissemination of development policies; and

- delivering Government services using emerging online and digital technologies.

Mission:

To facilitate the development of the State's industry for the benefit of all Western Australians.

Outcome:

Meeting our client's needs to achieve increased economic development and efficiencies across Western Australia.

Outputs:

Output 1: Industry Development Services

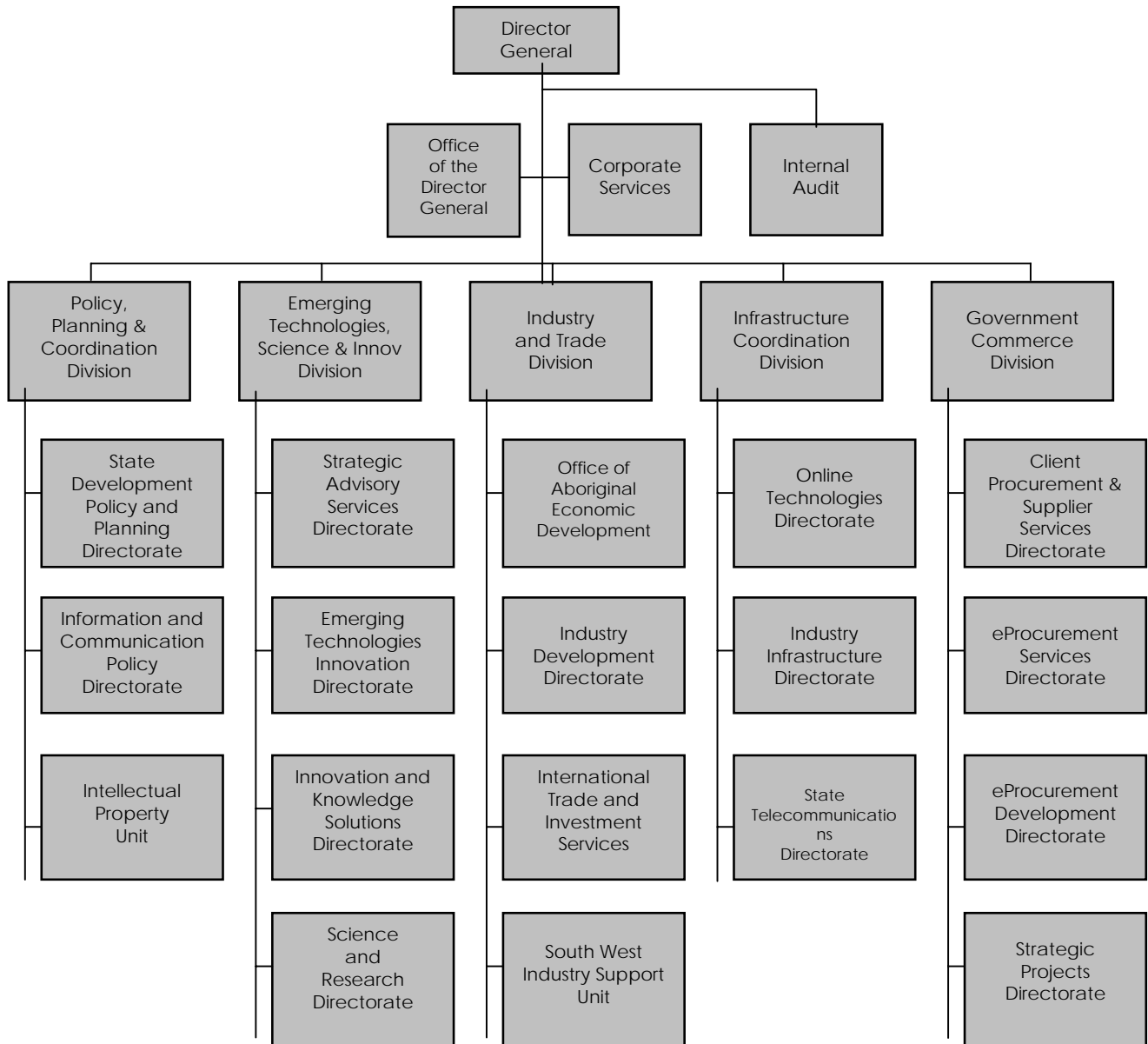Output 2: Public Sector Systems and Supply Services

Output 3: Innovation and Technology Services

Responsible Minister:

DoIT reports to the Hon Clive Brown MLA, Minister for State Development; Tourism; Small Business.

Corporate Structure

Department of Industry and Technology

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     │    General       │
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Policy, Planning & Coordination Division	Emerging Technologies, Science & Innov Division	Industry and Trade Division	Infrastructure Coordination Division	Government Commerce Division
State Development Policy and Planning Directorate	Strategic Advisory Services Directorate	Office of Aboriginal Economic Development	Online Technologies Directorate	Client Procurement & Supplier Services Directorate
Information and Communication Policy Directorate	Emerging Technologies Innovation Directorate	Industry Development Directorate	Industry Infrastructure Directorate	eProcurement Services Directorate
Intellectual Property Unit	Innovation and Knowledge Solutions Directorate	International Trade and Investment Services	State Telecommunications Directorate	eProcurement Development Directorate
	Science and Research Directorate	South West Industry Support Unit		Strategic Projects Directorate

The above chart reflects the corporate structure of DoIT as at 30 June 2002.

Integration Project

The process of integrating parts of the Department of Commerce and Trade with parts of the Department of Contract and Management Services was a complex one that placed exceptional demands on all areas of the organisation, but most particularly the Corporate Services area.

By the end of the year, the more significant and visible outcomes of the Machinery of Government process as they related to DoIT had been reflected in the operational arrangements across the Department, as illustrated in the Corporate Structure chart.

The consolidation of all DoIT's Perth-based staff into Dumas House during the year facilitated more effective and efficient organisational management. Most of the pre-existing, and often disparate administrative arrangements were rationalised. A new departmental organisation structure is now in place and placement of staff into this structure is proceeding.

In 2001/2002 the focus was on enabling continuity of services whilst also making progress toward complete integration. In some cases it was not possible to address the necessary longer-term changes. Some matters will take longer to resolve and will be addressed during 2002/2003.

For instance, the parts of CAMS that merged with Housing to form the Department of Housing and Works continue to share with DoIT a number of business information systems and supplier contracting arrangements. It is intended that the ongoing shared arrangements that relate to IS and IT services will all be replaced during 2002/2003. This process will require the decommissioning of some of the existing IT systems and the re-negotiation of existing software licence agreements.

It was not possible to foresee the full extent of these changes at the start of the year and where additional financial outlays have proved necessary, some of these have had to be deferred.

The shift of Regional Development from the Department of Commerce and Trade into the new Department of Local Government and Regional Development has necessitated legislative amendments that are still to be finalised and proclaimed. In the meantime, certain expenditures relating to Regional Development functions have to be authorised and incurred via DoIT under authority of the Industry and Technology Development Act (1998) and recouped from the Department of Local Government and Regional Development.

Review of Operations

Industry and Trade Division

The Industry and Trade Division is responsible for helping to build Western Australia's sustainable economic development through a range of strategic initiatives and programs. There are three Directorates within the Division:

International Trade and Investment Services

This Directorate assists industry to expand existing markets, develop new ones and enhance market competitiveness in Australia and overseas. It also co-ordinates the activities of the Department's network of overseas offices.

Office of Aboriginal Economic Development

The Office supports and encourages the development of enterprises which are owned and operated by Aboriginal people.

Industry Development

The Industry Development Directorate provides advice and services to facilitate investment and business attraction to the State.

South West Industry Support Unit

In 2001/2002 a special unit was formed within the Industry Development Directorate: the South West Industry Support Unit. This unit is responsible for the delivery of the Industry Assistance Program and Business Exist Assistance Program, as well as the local coordination of elements of the 'Protecting Our Old Growth Forests Policy'.

Key Achievements for 2001/2002

Industry and Trade Development

Considerable progress on the development, in collaboration with Austrade and other partners, of a comprehensive strategy aimed at doubling the number of Western Australian exporters over the next five years; partly through establishing a more cohesive approach to the provision of support services and export promotions.

In October 2001 the Department released, through the Minister, a consultation paper called "*Investment and Industry Attraction Strategy*".

The Department prepared an Education Exports Strategy known as "The Value of Education for Economic Development", in consultation with industry and stakeholders. Executive support was provided to a newly established Ministerial Education Exports Advisory Committee and associated working parties.

In June 2002 the International Operations Branch (IOB) conducted export clinics in Perth, Bunbury and Geraldton to assist small and medium enterprises to access the Japanese market. The clinics were held jointly with the Japan External Trade Organisation.

In March 2002 the Minister launched the Central/East Strategy to assist WA industry access business opportunities in Russia, Poland, the Czech Republic, Ukraine, Hungary, Slovenia and Romania. Later in the year, the Premier launched 'A Short Guide to Doing Business in the Middle East' at a workshop focusing on unlocking the economic potential of that region.

The IOB co-ordinated and managed all inbound and outbound missions and visits on behalf of the Department and Minister. Highlights included the visit to Perth by the President of Mozambique, and Ministerial missions to Europe, the U.A.E., Singapore and the USA.

DoIT, through the IOB, led the formation of the Government's Middle East Taskforce. Taskforce representatives came from all leading State and Federal Government agencies and industry. It was established to coordinate all government activities relating to the commencement of Emirates Airline direct flights, the establishment of the Government's Dubai office, and a mission that the Premier will lead in October 2002.

The Perth Royal Show Guest Nation initiative was established to promote bi-lateral trade and investment, and bring an international flavour to the Show's program. During the year China was confirmed as the inaugural partner. The exhibition will be held at the Claremont Showgrounds during the Royal Show in September/October 2002.

In May 2002, the Minister led a delegation of WA companies (including members of the American Chamber of Commerce (AMCHAM)) to the Offshore Technology Conference in Houston. Other highlights included meetings with US companies/venture capitalists to promote the State as a leading inward investment destination.

The World Congress on Information Technology 2002 was held in Adelaide in February 2002. DoIT played a key role in supporting the Congress as a sponsor and, in conjunction with other Commonwealth, State and Territory government agencies, organising the associated IT Business Forum at the Congress.

In June 2002 the Department became a signatory to the Western Australian Cleaner Production Statement, thereby committing to adopt cleaner production practices and technologies in its own operations and promoting the same to WA industry.

The Department assisted the Department of Transport in successfully negotiating an Industry Participation Plan agreed to by the Downer EDI Rail/Bombardier Transportation Joint Venture, the successful tenderer of the $437 million railcar contract for the South-West Metropolitan Railway. The Plan is the first such plan instituted in Western Australia under the Australian Industry Participation Framework that Commonwealth, State and Territory Ministers instituted on 27 April 2001 to maximise local content in major investment projects.

Singapore and South-East Asia's lucrative food and beverage markets were addressed by an integrated program of trade initiatives for premium Western Australian products.

DoIT worked with the Wine Industry Association of WA, the WA Tourism Commission and the Food and Beverage Export Association to develop and implement a fine wine and food festival in Singapore on 4-10 September 2001. Over 40 Western Australian companies were involved.
The Department, in collaboration with the Department of Agriculture, developed a project for the promotion of products from the Margaret River Region in a major Singaporean retail outlet. A dedicated section has been established for six months in a prestige store, which is part of the Cold Storage chain. The products are currently trading at $0.5 million per year and the concept will now be rolled out into four other stores in the region.

More than 20 WA companies exhibited their goods at Food and Hotel Asia 2002, the major food and beverage exhibition for the South-East Asia region held in Singapore 9-12 April. The Department worked in collaboration with the Department of Agriculture and the local industry associations. Initial orders valued at $1.5 million were received with ongoing orders being negotiated.

A bio industries development team was formed to create a greater focus on the strategic development of the local industry in WA, to capitalise on global growth opportunities.

The Department, in conjunction with Austrade and Invest Australia and the Australian Biotechnology Industry Association, coordinated and sponsored the WA Industry and Government presence at Bio 2002, the Americas' premier biotechnology conference and exhibition held on June 12- 15 at Toronto, Canada. The WA contingent considered it had gained excellent value from participating in such global bio events.

International Projects

The International Projects Unit (IPU) hosted a Study Tour Mission on Public Sector Reform as part of an AusAID Capacity Building Program, with a visit by five officials from the Mozambique Government during July 2001.

During the year staff from the IPU responded to numerous invitations from a range of international jurisdictions and organisations to provide advice and information about the Department's technology expertise and systems. Visits were made to Leeds, United Kingdom; Pretoria, South Africa; Maputo, Mozambique; Buenos Aries, Argentina; Mexico City, Mexico; Washington DC, USA; Ottawa, Canada; and Geneva, Switzerland.

In August 2001 an agreement with the United Nations Conference on Trade and Development (UNCTAD) was signed. Under the agreement, DoIT will provide technical support in the development of a mechanism for interconnecting Global Trade Points and United Nations and international organisation business systems.

The Leeds City Council contracted with the IPU and undertook an ASP pilot of Gem Tendering, badged as the Leeds Electronic Tendering System (LETS). The system is hosted on the Internet from DoIT's infrastructure servers.

The Department accepted invitations to speak at international conferences on e-procurement and
e-government, with personnel making presentations in Portugal, South Africa, United Kingdom, USA, Spain and Malaysia.

In 2001, DoIT jointly won the Premier's Award (Economic Development Category) with the Department of Agriculture for the success of the Targeting Taiwan Project. The value of Western Australian exports to Taiwan have increased dramatically as a result of the program – the success of which was greatly influenced by the Department's trade and investment office in Taiwan.

Research and Development

Subsequent to completing and signing an Agreement with the Department, IBM Australia commenced expanding its Perth-based Australian Programming Centre (APC), employing 12 new programming staff to complement the world-leading development activities undertaken at the APC for other IBM research centres around the world.

As a result of its Agreement with the Department, Motorola has already employed 25 new staff in its Research and Development Centre. Currently housed in temporary accommodation, the staff will move to its new facilities at UWA when they are completed in November. Focusing on the development of software for the latest communications technologies, the Centre will ultimately grow to accommodate up to 400 scientists and technologists.

Marine and Defence

As part of the joint WA Government/Industry Replacement Fremantle Class Patrol Boat Facilitation Strategy, DoIT assisted two Western Australian companies to be shortlisted for the Royal Australian Navy's Replacement Patrol Boat Contract, worth an estimated $400 million. A decision on the winner of the contract should be announced by the end of December 2002.

DoIT developed a business and marketing plan for the Australian Marine Complex, Cockburn Sound, in conjunction with the preferred facility management company, JBFM-Babcock.

DoIT successfully coordinated the WA industry and government presence at Europe's premier oil and gas industry conference and exhibition, "Offshore Europe 2001" in Aberdeen, Scotland, in September 2001. Ten oil and gas equipment and service companies participated in this venture.

South West Industry Support

Feedback from a consultation paper, together with continuing dialogue with business and community groups, has resulted in a comprehensive *Action Agenda for Sustainable Growth* in the south west.

Implementation of the Timber Industry Assistance Program (TIAP) commenced to underpin the restructure of the native hardwood timber industry, in support of the Government's Forests Policy. TIAP includes a number of initiatives and assistance programs:

- Business Exit Assistance totalling $16 million was allocated for businesses directly affected by the forests policy. A total of 125 applications were received and were in various stages of assessment as at 30 June 2002.

- The Timber Industry Restructure Assistance Centre (TIRAC) was established in Manjimup, staffed by all departments involved in implementating the 'Protecting Our Old Growth Forests Policy'.

- In November 2001 the Minister announced the South West Industry Assistance Scheme (SWIAS) with an allocation of $5 million. Subsequently, three further schemes funded under the SWIAS umbrella were announced for the Manjimpup community: a Horticultural Processing Scheme; a Main Street Interest Subsidy Scheme; and a Main Street Wage Subsidy Scheme.

Aboriginal Economic Development

Increased Departmental funding was allocated for the Regional Development Commissions' Aboriginal Economic Development Officer Scheme. The purpose of the scheme was to

support increased contributions by Regional Development Commissions to Indigenous economic development in non-metropolitan regions.

The Western Australian Indigenous Tourism Operations Committee (WAITOC) continued to grow in strength and membership, with 10 indigenous operators represented. Selected members attended the Australian Tourism Exchange in Brisbane, the Forum Advocating Cultural Eco Tourism, and the Indigenous Tourism Operators' Workshop. WAITOC is now seen by many as the benchmark of indigenous tourism operations in Australia.

OAED had a key role in the development of a multi-species hatchery project in the Broome Aquaculture Park. The Office provided project management support to the Kimberley Aquaculture Aboriginal Corporation through the concept and design phases of the development. The hatchery employs five Aboriginal trainees who are undertaking aquaculture studies through TAFE.

Planned Initiatives for 2002/2003

The Export Western Australia Strategy, to be endorsed and then implemented, as a comprehensive package of activities and initiatives aimed at increasing the numbers of businesses exporting.

The launch and implementation of the Education Exports Strategy.

Launch of the Hyogo/Kansai Market Access initiative. The initiative is to embrace the newly signed WA-Hyogo Memorandum of Understanding which encourages Western Australian SMEs to access business opportunities in Japan through the sister state agreement with Hyogo. The launch of the Zhejiang/China market access initiative will assist companies access trade and investment opportunities in China by making use of the sister state agreement with Zhejiang.

The 18th Australia/Taiwan joint business council conference will be hosted in Perth in September 2002. This is the first time Perth has hosted this conference since 1990.

A five-year $30.6 million Countertrade Deed will be signed between the Downer EDI Rail/Bombardier Transportation Joint Venture and the State Government to provide export, investment and technology transfer benefits for the Western Australian economy.

The International Projects Unit (IPU) will extend the technology pilot with Leeds to a Leeds-Humberside arrangement for a wider range of English counties.

The IPU will deliver a short course in "eBusiness for Public Sector Organisations" as part of an AusAID Capacity Building Programme for The Philippines. It will also manage the delivery of the training for a visiting contingent of 18 Philippine Government officials during July and August 2002.

Further expansion of the Australian Programming Centre's activities in Western Australia will occur as the Agreement continues.

DoIT will participate in Offshore Northern Seas 2002 (a major oil and gas industry expo) from 27-30 August 2002 at Stavanger, Norway. This is a joint industry/government activity involving exhibition participation and the conduct of an investment attraction business seminar.

Implementation of the Forest Policy will continue, with DoIT, the WA Department of Training (WADT) and the Forest Products Commission (FPC) as the lead agencies. The Business Exit Assistance Program will be finalised.

In 2002/2003, partnering agreements will be finalised between the Department and individual Regional Development Commissions. These agreements will define how both agencies will work cooperatively to increase economic outcomes for Indigenous people.

Continued growth of WAITOC will take place, including accreditation development. Assistance to the Beagle Bay Plantation hardwood joint venture project will continue.

The Noongar Arts Strategy will be finalised and launched.

Infrastructure Coordination Division

The Infrastructure Coordination Division works to identify, facilitate and manage the provision of strategic economic infrastructure for Government, industry and the community. It has three Directorates:

State Telecommunications

This Directorate manages a range of programs which aim to improve the reach, quality and cost-effectiveness of telecommunications services to Government and the community of Western Australia. The Directorate currently has two branches, the Planning Branch and the Products Branch.

Industry Infrastructure

This Directorate facilitates the development and management of infrastructure precincts, such as the Australian Marine Complex - Cockburn Sound, Fabrication Precinct, Technology Precinct and Technology Park (Bentley), to attract investment and support industrial and technology development in Western Australia.

Online Technologies

This Directorate plays a key role in the delivery of online services and solutions for Government, industry and the community.

Key Achievements for 2001/2002

State Telecommunications

In November 2001 DoIT introduced a new initiative called ConferWest to provide economical video conference bridging and support services to Government agencies. By the end of June 2002 it had provided 2300 hours of videoconferencing on behalf of 20 agencies.

The $21 million WirelessWest project was launched in Perth and the regional locations of Calingiri, Merredin and Beaufort River in June 2002.

Industry Infrastructure

Construction work on the $204 million Fabrication Precinct, at the Australian Marine Complex – Cockburn Sound continued to proceed on time and within budget.

Construction work on the new $16 million Island Breakwater was completed in late December 2001. Dredging of the Channel and new Southern Harbour Basin, costing $12 million, was also completed that month.

As the lead agency responsible for the overall strategic, financial and marketing direction of the Marine Industry Technology Park at Henderson, 15km south of Perth, DoIT, through LandCorp, completed the Metropolitan Region Scheme amendment to rezone the area.

DoIT is responsible for implementation of the Coogee Master Plan. In 2001/2002 there was a steady uptake of land in the Robb Jetty Industrial Estate by seafood processors.

On-going assistance to the Mid West Development Commission, the Central West College of TAFE and the Department of Training in the development of a Marine Education, Training and Industry Research Centre (METIRC) in Geraldton.

At Technology Park in Bentley, the Management Board completed its strategic and action plans for the establishment of the Technology Precinct. The Board initiated six major projects: -

- a business plan for a technology portal which contributed significantly to the establishment of the Department's Innovation portal, launched by the Minister for State Development in May 2002;

- a land use study to bring together all organisations within the Precinct to ensure a cohesive approach;

- a business plan to promote the care industry within the Precinct as model of international practice and as a potential export industry for Western Australia;

- an audit of the capabilities of organisations, teams and individuals in the Precinct;

- coordination of the inaugural Australian Innovation Festival; and

- development and advertisement of an expression of interest with the Department for the establishment of a Precinct Hotel.

An expansion of Technology Park by a further 10 hectares was completed during the year. The Park now houses 82 companies, employing more than 2,400 people with a combined turnover of $500 million per annum. Of this income, 60 per cent of is derived from exports.

Construction of the CSIRO Australian Resources Research Centre (ARRC) building was completed. The building was officially opened in November 2001 by the Premier, culminating in the creation of 120 new technology jobs and the establishment of three nodes of the Interactive Virtual Environments Centre (IVEC).

Four R&D projects proposed by CSIRO to the State have been approved. These are:

- the development of seismic applications for Western Australian conditions for the mineral and petroleum industries;
- simulation systems for predictive exploration and resource extraction;
- radically new mineral mapping technologies for enhanced exploration and mining applications in Western Australia; and
- development of Horadiam mining equipment.

DoIT coordinated an investment mission of 17 Dutch technology companies which are members of the Amsterdam and Groningen Technology Parks. This mission resulted in three WA companies forming joint venture arrangements for the sale of local products/services into the Netherlands and other selected markets in Europe.

In June 2002 the Western Australian Technology and Industry Advisory Council (TIAC) launched the report, 'Directions for Industry Policy in Western Australia within the Global Knowledge Economy', for public comment.

In November 2001 the Department assumed responsibility, on behalf of the State, for the management of the proposed State Agreement for the Wittenoom Mine Site Clean Up.
Online Technologies

OnlineWA, the WA Government Internet portal site, expanded significantly during the year with the addition of 71 Local Government web sites – collectively totalling an additional 3000 new web pages. OnlineWA now links to over 500 government websites totalling over 15,000 web pages.

In 2001/2002 DoIT completed a full redundancy program for its ServiceNet systems which now have a backup in the event of fail-over. ServiceNet's security levels were further enhanced during the year, with superior intrusion detection and virus scanning programs installed.

ServiceNet won the top prize in the Western Australian Technology and Telecommunications Association (WAITTA) Awards – Service category and also the Australian Telecommunication Users Group (ATUG) Awards – Best Communications Solution – Large Organisation category.

Planned Initiatives for 2002/2003

On-going construction of a total of 45 CDMA mobile phone base stations to provide continuous CDMA mobile phone coverage over much of the south western part of the State.

Overall completion of works for the Australian Marine Complex at Cockburn Sound is scheduled for late March 2003.

The Civil and Marine Works (Bulk Earthworks and Reclamation Works for the site) costing $55million, are progressing according to schedule and will be completed in late December 2002.

The On-site Facilities Works (main Fabrication Hall / Sheds and Services) costing $20million are also progressing to schedule and will be completed in late March 2003.

A priority for 2002/2003 will be the development, with the Facility Manager for the marine engineering and fabrication facility at the Australian Marine Complex, of a business plan and marketing plan to promote opportunities for local business and employment.

As a result of the success of the Dutch mission to Technology Park, another is planned for November 2002. This mission will focus on business-to-business meetings, ensuring that trade opportunities arise for local enterprises, with a focus on the general technology sector.

DoIT will investigate with CSIRO the expansion of ARRC and the establishment of an CSIRO-State Relationship Manager.

In 2002/2003 the Technology Park Precinct Management Board will implement an Action Plan that will cover:

- an innovation strategy that will initially review some 20 enterprises in Technology Park. The information will be compared with international data and a strategy will be developed to enhance innovation within the Park, the Precinct, and WA in general.
- the further development of the Department's innovation portal that will act as the 'virtual' gateway to the Precinct.
- coordination of the InnoVisions 2002 conference/exhibition which will attract international/national leading speakers and delegates in innovation/entrepreneurship to the State.

A comprehensive redevelopment of OnlineWA will commence, with the aim of providing a greater degree of personalisation of the site to meet individual user interests and needs. The new portal will employ Australian Government Locator Service (AGLS) protocols for cataloguing.

Emerging Technologies and Innovation

The prime objective of the Emerging Technologies and Innovation Division is to develop the innovative capacity of the Western Australian economy. The Division supports the development and application of technology in Government, business and the community; promotes investment in knowledge-intensive goods and services; supports innovation within the business community and in the delivery of Government services.

There are four directorates within the Division:

Emerging Technologies and e-Government

This Directorate develops innovative solutions involving the application of emerging digital and non-digital technologies for a variety of applications across communities, industry and the public sector, which will have significant positive impact with the emergence of the Knowledge Economy.

Knowledge Technologies

This Directorate promotes and facilitates education and awareness of knowledge economy impacts and opportunities; develops and enhances knowledge technologies; and facilitates the application of knowledge technologies across the public sector.

Innovation

This Directorate supports the enhancement of Western Australia's innovation capabilities, promotes awareness of local innovation, and coordinates innovation related activities across jurisdictional boundaries.

Strategic Advisory Services

This Directorate identifies and develops strategies for enhancing the link between innovation, technology and economic/social development strategies; including Government service delivery, such as strategic partnering and whole-of-Government models to achieve efficiencies and better management.

Key Achievements for 2001/2002

Emerging Technologies and e-government

The GovSecure Operations Centre was established in response to the growing threats from sources such as hackers, viruses and denial of service attacks on agency networks.

The Department developed an innovative information security management system (ISMS) methodology, which is now being piloted. This methodology will be available to the Western Australian public sector through the GovSecure website.

The WA Computer Security Incident Response Team (CSIRT) was established. CSIRT has signed an agreement with AusCERT(Australian Computer Emergency Response Team) to provide information security services to the whole of government in Western Australia.

In collaboration with other government departments, several trials using Short Messaging Service (SMS) to send timely messages to customers were initiated.
Recognising the potential for smart card technology in government, DoIT worked with government agencies to identify specific applications for future development, ranging from mass transit fare collection to payment of registrations and fines and many areas of service delivery, such as health.

Numerous agencies in state and local government are engaged in processing and issuing licences. However, to date there has been little coordination of the functions to achieve greater efficiency or reduce the amount of "red tape" for the customer. *LicenceWA* is a proposal to develop a whole-of-government online registration and licensing system. A feasibility study was commenced during this period.

To encourage innovation and give local innovators a chance to test their products, the Department developed a new program called TrackFast, facilitating the application and piloting of emerging technologies across government.

Innovation

Staff throughout the Department participated in the Western Australian component of the inaugural Australian Innovation Festival in May 2002.

DoIT presented a series of three Innovation Seminars at Technology Park, featuring prominent Western Australian innovators as guest speakers. The seminars were targeted at a wide-cross section of people, from academia through to industry and members of the community.

Launch of the Western Australian Innovation Centre at www.innovation.wa.gov.au, to act as an online gateway for innovation in West Australia, integrating innovation resources and services from across the State. It provides easy access to information for all members of the innovation community, from small businesses to scientists, academics and inventors.

Knowledge Technologies

A new project - Networked Neighbourhoods - that will explore community based technology, was commenced. The pilot project will be sited in the Bunbury suburb of Picton.

The Department is also developing Getting Online, an online resource and learning centre, to assist Western Australians get online and/or expand their use of online services.

An opportunity has been identified to increase the value-add of the timber industry through the development of an online, knowledge-leverage strategy. This strategy will use emerging technologies to improve the design of WA products, make more effective use of native timbers and increase international competitiveness. See www.designingfutures.com.au.

A prototype project with the Department of Transport for a new management system was undertaken. The system brings together multiple points of view on complex programs of work - in this case infrastructure project management and planning using Transport's Intelligent Infrastructure Relational Information System.

The Department also had involvement in the attraction and coordination of research and development funding in a number of key areas:
- Approximately $8M of Federal funding was awarded to three Major National Research Facilities Program applicants;
- About $9M of Federal funds was awarded to two Systemic Infrastructure Initiative applicants;
- Approximately $4M of other ARC grants was received by State funded Centres of Excellence;
- $1.8M of funds over five years from the United Nations Environment Program (UNEP) was allocated to establish the International Environmental Technology Centre at Murdoch University;

- State funding of $1.6M was allocated for a Mine Lakes rehabilitation COE; and

- In total 35 Centres of Excellence were under management or agreements were being negotiated.

Planned Initiatives for 2002/2003

Several SMS trials will continue to be evaluated.

Depending on funding availability, pilots of smart card applications in government will be initiated.

The LicenseWA project will proceed to the next stage of its trial depending on the results of the feasibility study outcomes.

The Department will continue to investigate potential alternatives so that small to medium enterprises can capitalise further on the investment in Government technolgy.

The Department will provide advice and guidance to agencies wanting to make use of the GovSecure and CSIRT security environments.

Develop a prototype for an across government personalised portal as an extension to the OnlineWA single doorway initiative.

Develop agency specific or cross-agency projects to contribute to better online service delivery by Government to all sectors of the State.

The Networked Neighbourhoods pilot project will be implemented and launched in Picton Waters, Bunbury.

The Internet Community Hour initiative will be extended so that its services will be available to new communities of interest.

TrackFast will continue with promising emerging technologies being taken up across government agencies.

Another series of Innovation seminars will be organised during the year, along with participation in the 2003 Australian Innovation Festival.

Further develop and maintain the Innovation Centre web site.

Manage programs to encourage a structured and planned approach to innovation.

Encourage the development and commercialisation of innovation products and services through facilitation of access to development and funding mechanisms.

Government Commerce

This Division provides services and strategies for leveraging the Western Australian Government's market position to strengthen the sustainability and competitiveness of the State's industry sectors. It has four Directorates:

Strategic Projects

The Strategic Projects Directorate undertakes a number of specific projects to improve the efficiency and outcomes of Government, primarily through the common use contract arrangements in support of its policy objectives.

Client Procurement and Supplier Services

This Directorate works with Government clients to provide sound procurement business solutions and manage contracting risks. It also provides a range of advisory, educational and support services to industry and suppliers.

e-Procurement Services

This Directorate manages a range of electronic procurement systems that comprise the Government Electronic Market (Gem) and are significant to streamlining the way industry does business with Government.

e-Procurement System Development

This Directorate develops and delivers enterprise and integration projects to support major electronic marketplace initiatives across Government.

Key Achievements for 2001/2002

Common Use Contracts

During the year DoIT managed 60 Common Use Contracts, representing over 500 contractors, an annual turnover in excess of $800 million, and generating savings to the Government of approximately $100 million per annum.

The new Road Transport Common Use Contract commenced in March 2002, replacing the expired Express and General Road Freight Services contracts. It provides an opportunity for hundreds of local suppliers across 265 Western Australian towns to access government business.

The new Waste Management Common Use Contract commenced in May 2002. It allows WA Government agencies to actively contribute towards the Government's waste reduction and recycling commitments and Waste 2002 objectives.

DoIT jointly participated with the Department of the Premier and Cabinet in a series of metropolitan and regional seminars introducing the new advertising guidelines for Government.

A review of the 2001 Government Fleet and LPG Conversion program was completed. Cabinet endorsed the strategy to extend the conversion program to 25% of the six cylinder vehicles replaced in 2002 and 2003.

The Motor Vehicle Disposal Contract was varied to allow a new participant to undertake vehicle fleet auctions in a new evening timeslot, which greatly improved the pass-in rate.

The Motor Vehicle Rental Contract was improved by connecting the supplier reservation system to Gem.

The new IT Hardware Contract has been established. It covers servers, thin clients, network hardware and computer aided audiovisual devices.

SPIRIT, a new mandatory common use contract for the procurement of Information and Communications Technology (ICT) goods and services, was developed. Key milestones were:

- The SPIRIT Procurement Framework and buying rules were formulated and the inaugural SPIRIT Tender for services was issued and evaluated.

- A new Government ICT Contractual Framework (GITC4W4) was developed and the first stage of a SPIRIT information system to allow the entry of supplier data was also developed and implemented.

- Comprehensive buyer and supplier support materials, including a User Guide and Procurement Templates, were prepared.

- On 20 June 2002 the State Tenders Committee granted approval for the inaugural SPIRIT qualified suppliers, allowing SPIRIT to become operational on 1 July 2002. Head agreements have been offered to 235 companies.

Client Procurement and Supplier Services

DoIT undertook a series of monthly 'Common Use Common Sense' seminars to help buyers understand how to use the full suite of common use contracts and to "meet the suppliers".

Contributed to strategic procurement policy development through the Australian Procurement and Construction Council (APCC) and liaison with the State Supply Commission (SSC).

Establishment of the Curtin University Chair of Leadership in Strategic Procurement was progressed with the arrival of its Professor. This strategy is designed to facilitate the development and delivery of procurement education, and to stimulate research, innovation and best practice in both the private and public sectors.

Developed publications, workshops and seminars for buyers and suppliers to promote industry development and the implementation of Government procurement policies.

The Department held two highly successful Business Breakthrough Breakfasts for industry, focusing on key Government – Industry issues and the Government's industry development strategies.

Contracting Risk Management

DoIT commenced a total of 257 procurement projects during 2001/2002, representing an estimated $342 million in contract value.

During the year 177 tenders were advertised via Gem Tendering, and 243 contracts were awarded on behalf of Government agencies. Over 65% of all tenders were issued electronically in 2001/02. Winning tenderers included 140 small businesses, 191 companies in the Perth metropolitan area and 31 in regional areas of WA.

Government Electronic Market (Gem™)

In 2001/2002 Gem received an Honourable Mention in the Commonwealth Association for Public Administration and Management (CAPAM) Government Innovation Awards. It was one of 30 finalists from an international field of 150 entrants.

The Department of Justice (DOJ) was the first government agency to use the full functionality of Gem Purchasing – which was implemented at Casuarina Prison on 2 July 2002 and was subsequently employed at all WA prisons throughout the year.

Other Government agencies that began using Gem Purchasing during the year include the Metropolitan Cemeteries Board, Challenger TAFE, and Healthway. DoIT staff trained over 200 officers across several agencies to use Gem Purchasing.

The total number of Gem-registered buyers increased from 564 to approximately 2000 by June 30 2002. The number of Gem-registered suppliers grew from 4000 to 8000. By the end of the year, Gem Purchasing was recording a monthly turnover of 3,500 purchase orders, for a total value of $1.5 million.

Gem Tendering received a major revamp in 2001/2002. Previously known as the Government Contracting Information Bulletin Board, this online tendering service was enhanced by new features and combined with the Gem Purchasing website, in accordance with the DoIT strategy to create a complete integrated electronic marketplace under the Gem banner.

Gem Contracting is the newest addition to the Gem suite of services. It is an online contract management system that was developed and tested during the year and expected to go 'live' in July 2002 for all agency-specific contracts managed by DoIT.

Planned Initiatives for 2002/2003

A number of existing common use contract arrangements will be reviewed and redeveloped, including Advertising, Air Travel, Fuel, Corporate Credit Cards, Furniture and Carpet.

DoIT will provide support and training to agencies as they make the transition to the new SPIRIT arrangements. Agencies participating in the existing BDMW and BIPAC ICT purchasing arrangements will receive assistance and guidance with their initial procurements under the new SPIRIT procurement framework.

The SPIRIT framework will be reviewed, and planning commenced to incorporate other ICT related purchases, such as IT hardware, software, cabling and other accessories.

The development of Gem Purchasing will continue. The number of Government agencies participating in Gem Purchasing is expected to expand significantly. Suppliers will be encouraged to create online catalogues that can be linked to Gem to provide a more informative and useful service to buyers. Gem Purchasing hardware and software will be upgraded to ensure its continued capacity to support growing numbers of users.

Gem Tendering will be further enhanced:
- The existing tender categories will be converted to the national e-procurement standard for commodity classification, bringing Gem Tendering into alignment with Gem Purchasing, which also uses UNSPSC.

- Tender summary information will be automatically exported to the Australian Procurement and Construction Council's national web site.

- The internationalisation of Gem Tendering will continue, with a new section added for overseas aid projects offering potential work for Western Australian businesses.

The wider use of the Gem Tendering system by other local buyers – particularly Local Government – will be promoted.

The Leeds City Council Gem Tendering pilot was so successful that it is expected to grow into a wider Yorkshire/Humberside portal and include 22 other UK councils.

During the first half of 2002/2003, DoIT contract managers will receive Gem Contracting training and the system will be fine-tuned.

DoIT aims to have approximately five other Government agencies using the Gem Contracting system by the end of 2002/2003.

Policy, Planning and Coordination Division

This Division is primarily responsible for coordinating the planning and development of Western Australia's industry-related policies. It is comprised of two directorates:

Information and Communications Policy

To meet the Government's objectives for Information and Communications the Directorate develops policies, standards and guidelines, represents the State on inter-government councils, influences federal policy direction and identifies and accesses key federal funding initiatives.

State Development Policy and Planning

A coordinated approach to State Development is essential for the Government to effectively meet its development objectives. This Directorate plays a key role in the coordination of policy at both the portfolio and Departmental level through its work in research, analysis, consultation, policy development and planning activities, and through its provision of executive support to the State Development Forum and the portfolio Chief Executive Officers' Forum.

In addition, the Division has two units:

Intellectual Property Support Unit

The Unit coordinates the Division's work in Intellectual Property (IP) aimed at communicating, promoting and facilitating the implementation of the Government IP Policy and the use and commercialisation of public sector intellectual property for the benefit of the State.

Local Content Unit

In 2001/2002 DoIT established a Local Content Program to facilitate greater market access to Government agencies for competitive local suppliers. A Local Content Unit was established to support the work of the Ministerial Council on Local Content, chaired by the Minister for State Development. The Council comprises senior representatives from a range of industry sectors.

The local content work program will focus on three major areas:

- develop and implement a Local Content Policy, expected to be released in early 2002/2003;
- increase local participation in major project developments in Western Australia, including the development of a local content product register; and
- review DoIT procurement processes and contract documentation to ensure that local content issues receive high priority.

The Local Content Unit will work to ensure consistency with local content principles in relation to a range of products/contracts across Government, including the review of the Buy Local Policy.

Key Achievements for 2001/2002

Information and Communications Technology

DoIT developed a joint submission with the Departments of Industry and Technology, Education, Health, and Training, as well as representatives from Western Australian universities, to the National Communication Fund (NCF). The submission sought to improve telecommunications services in regional communities. This submission met with considerable success, achieving an allocation of $8 million – the largest single amount ever received by the State for a telecommunications project. The money will be used to complement a substantial contribution of State Government funding for telecommunications network services to significantly improve the delivery of services to schools, hospitals, clinical centres, TAFE colleges and university sites in regional areas around the State.

The Department made representation to the Federal Government to allow local communities to re-transmit programming from Perth's Community TV Station, Access 31.

Submissions to Commonwealth enquiries concerning Datacasting, Digital Television, Community Television and Broadband Wireless were prepared in order to gain greater access to these technologies and services throughout the State.

The Department organised and supported a review of the Communications Advisory Committee and coordinated the State Government's input to the WA Municipal Associations "Linking Councils and Communities" project.

Initiatives were undertaken to ensure that Western Australia had, and will continue to have, significant input into the deliberations of the newly-established Broadband Advisory Group, the Australian Broadcasting Authority and the Department of Communications, Information Technology and the Arts.

An environmental analysis of electronic commerce in primary industry sectors in Western Australia was conducted and a report released entitled, "E-Commerce: a Primary Objective".

After extensive consultation and refinement, an extensive document - "Guidelines for State Government Web Sites" - was developed for use by State Government agencies to assist in the delivery of improved online services to the community.

DoIT created an improved and more focused Electronic Commerce Centre site at www.ecc.online.wa.gov.au to assist users in WA make informed decisions about e-commerce. The improved site has received a continuous increase in user numbers, up 107 per cent from 2000 to 2002.

"Funding Your Future", a one-stop web-based source of information detailing funds and grants available for ICT projects, was created. This is the first time customers can access this type of information from one user-friendly place.

State Development Policy and Planning

DoIT commenced development of an industry policy for the Cabinet Sub-Committee on Economic Policy, completing the scoping of the policy framework, development of high level principles and initial consultation.

The Department coordinated advice to the National Trade Consultation process, focusing on issues relating to the World Trade Organisation and the Singapore Free Trade Agreement.

A thorough review of Department programs was undertaken to ensure they align with Government priorities.

Preparation of the Department's strategic directions document commenced.

The Department participated in a range of across Government and portfolio consultation and review groups. For example, DoIT took a lead role in coordinating Outcome Based Management reporting requirements.

Contributions were made to a number of key Government policies, including: Greenhouse gas emissions; State Strategic Plan, and review of the State's planning legislation.

Following the Premier's announcement in February 2002, of the Government's commitment to a stronger whole-of-Government approach to Trade and Investment Co-ordination, the Department has taken responsibility for establishment of the whole of Government Trade and Investment Co-ordination Group, which will be supported by the Policy and Planning Coordination Division.

The State Development Forum met four times during the year and provided the Minister with advice and guidance on a range of important economic and industry matters affecting Western Australia's economic performance.

The Portfolio Policy Team, formed following the Machinery of Government Review of public service department structures, developed or commenced developing portfolio positions on: sustainability;
coordinated infrastructure provision; education, training and skills to support economic development; and the potential merits of a Western Australian trade, business and investment centre.

Intellectual Property

A key activity during the year was the review of the Government's Intellectual Property Policy to ensure it meets Government's broader economic and industry development objectives. The review gave rise to the development of a revised draft policy released for public comment in May 2002.

Local Content

The Local Content Unit updated the Buy Local Policy for Government purchasing.

Planned Initiatives for 2002/2003

The industry policy for the Cabinet Sub-Committee on Economic Policy is expected to be considered by Cabinet in late 2002.

A decision on the structure and operations of the whole of Government Trade and Investment Co-ordination Group is anticipated early in the 2002/2003 year.

An architecture for the governance of information and communications in State Government agencies will be submitted to Cabinet.

Expansion of regional telecommunication services for health, education and training using $8 million from the National Communication Fund will be undertaken.

In 2002/2003 the Local Content Unit will develop and release a number of industry participation plans, specific to major infrastructure and resource development projects.

The Local Content Unit will provide information and advice to the Department, State Supply Commission, Industrial Suppliers Office of Western Australia and other Government agencies

regarding the inclusion of local content principles in Government contracts, major projects and Agreement Acts.

The draft IP Policy document will be considered in July 2002 and is expected to be submitted to Cabinet early in the 2002/2003 year.

Compliance Reporting and Corporate Information

Staffing

The number of employees at 30 June 2002 was 323.

Employment type by gender:

Employment Type	Female	Male	Total
Permanent Full Time	98	138	236
Permanent Part Time	18	1	19
Fixed-term Full Time	29	33	62
Fixed-term Part Time	5	1	6
TOTAL	150	173	323

Equal Employment Opportunity

An employee demographic profile, developed as at 30 June 2002, will be used to identify and implement appropriate objectives and strategies to contribute to the Government's Equity and Diversity Plan for the Public Sector Workforce.

Code of Conduct

During 2001/2002 the new Department has operated under the Codes of Conduct developed by the former Departments of Contract and Management Services and Commerce and Trade. These adhere to the same principles underlying the Western Australian Public Sector Code of Ethics – Justice, Respect for Persons and Responsible Care.

A revised Code of Conduct will be developed and issued to all staff during the course of 2002/2003.

Disability Services Plan

In the calendar year 2002, all of the Perth-based staff of DoIT were consolidated into one location, being Dumas House in West Perth. As a result, the section of the former Department of Contract and Management Services Disability Services Plan relating to Dumas House is serving as an interim Plan. DoIT will now work towards producing a Plan specifically related to the requirements of the new agency.

Freedom of Information

During 2001/2002, the Department received three complex applications for non-personal information under the Western Australian *Freedom of Information Act 1992*. Two of these applications were finalised, while the third was still being processed as at 30 June 2002.

With regard to the two finalised applications, access was granted to both complete and edited documents. Exemption clauses cited were: Cabinet and Executive Council; Commercial or business information; Deliberative processes; Legal professional privilege; and State's financial or property affairs. One of these applications was partially transferred to another agency.

The Department's Information Statement can be used by members of the public to clarify their information needs and to gain access to particular information held by the Department.

It includes:

The structure and function of the Department.
The Department's decision-making process.
The impact of the Department's services on the public.
The processes of public participation in the formulation of Departmental policy.
The forms of access to Departmental documents provided to the public; and
The type of information held by the Department.

The Information Statement is available electronically or upon request in hard copy.

Industrial Activity

No industrial cases occurred during 2001/2002.

Public Service General Agreement

The Public Service General Agreement was registered on 22 March 2002 and covers all employees who elected not to enter into, or who have subsequently elected to withdraw from, the Department of Contract and Management Services Workplace Agreement or the Department of Commerce and Trade Workplace Agreement.

Compensation

Six worker's compensation cases were managed during 2001/2002. Of these, three were lodged during the year, and all are on-going.

Internal Audit and Evaluation

DoIT's Internal Audit and Evaluation Service is primarily operated as an out-sourced arrangement. Generally, internal audits are carried out on a wide range of activities that cover various management, operational, financial and information technology systems.

In addition, a number of specific purpose audits were carried out. For example, a series of previews in relation to the Gem Purchasing information system, Gem Tendering system and Gem Contracting system were undertaken.

Waste Paper Recycling

DoIT has a strong commitment towards the recycling of waste paper generated through internal usage. Recycling bins are strategically located throughout the agency with prominent notices advertising the availability and requirement to utilise the collection service. Recyclable material includes photocopy paper, white office paper, magazines, old brochures, computer print-outs, newspapers, redundant office stationery and telephone books.

In 2001/2002 a total of 12.3 tonnes of paper goods were collected for recycling.

Publications

Corporate publications

DoIT general corporate brochure
DoIT departmental directory

Product/service publications

Emerging Technologies divisional brochure
Gem: e-procurement for a responsible world
Gem: transforming purchasing around the globe
Gem: where you can virtually buy anything
OnlineWA brochure
OnlineWA Glossary of Telecommunications Terms
OnlineWA Telecommunications Information Kits

Industry and export publications

A Shining Light for ICT in Australia
An Environmental Analysis of Electronic Commerce in the Primary Industry Sectors in WA
Australian Marine Complex (in conjunction with LandCorp)
Centre for Marine Science and Technology
Contract News (PDF only)
e-News (PDF only)
Guide to Tendering (PDF only)
In the World of High-Tech Ship-Building, WA is Creating Waves
It's Your Call (PDF only)
Jervoise Bay Marine Infrastructure Project
Managing Risks in the Internet Economy: An Executive's Guide
Marine Industry Technology Park
Marine Support Facility brochure
Marine Science and Technolgy brochure
Middle East Business and Cultural Handbook
SPIRIT project newsletter
Supplier Scene
Stores Operational Manual for Aboriginal Communities
Trade Alert (PDF only)
WA Indigenous Business News
WA Indigenous Tourism
WA Maritime Training Centre – Fremantle
WA Maritime Training Centre – Henderson
WA Petroleum Services Index
Wealth of Patrol Boat Experience in WA Bidders
Western Australia's Marine Industry
Winning Tender Submissions: the Inside Story (PDF only)
Winning Work Under $50,000: the Inside Story (PDF only)
Winning Consortium Bids: The Inside Story (PDF only)

Publications for other government agencies

A security Management Framework for Online Services (PDF only)
How to Buy with Common Use Contracts (PDF only)
Various Internal Reports and Procedure Manuals (PDF only)
Managing Risks in Contracting (PDF only)
WA VoiceNet Update (PDF only)

Special events publications

International Aid Market Seminar promotional flyer
World Congress on Information Technology (WCIT) 2002 brochure.

2001/2002 Compliance Reporting Statement

Public Sector Standards Compliance

DoIT has adopted guidelines and policies supporting the Public Sector Standards in Human Resource Management and the Code of Ethics.

Human resource policies, guidelines and other relevant information are available online to all staff via the Department's intranet. Procedures are in place to ensure compliance and appropriate internal checks are conducted by the Department's Human Resources Branch.

Breach of Standard Applications 2001/2002:

Number lodged: Nil

Principal Officers as at 30 June 2002

Paul Schapper
A/Director General

Bob Hay
A/Executive Director, Industry and Trade Division

Nigel Chartres
A/Executive Director, Infrastructure Coordination Division

Paul Tzaikos
A/Executive Director, Emerging Technologies and Innovation Division

John Tondut
A/Executive Director, Government Commerce Division

Scott Hollingsworth
A/Executive Director, Policy, Planning and Coordination Division

Interests of Senior Officers

In accordance with the requirements of Treasurer's Instruction 903 on disclosure of interests of senior officers:

No senior officer has had any shareholding in the Department of Industry and Technology; and

To the best of our knowledge, no senior officer has an interest in contracts made or proposed with the Department of Industry and Technology

Compliance with Relevant Written Laws

The Department of Industry and Technology is a State Government Department established under the *Public Sector Management Act 1994.*

It operates under the *Industry and Technology Development Act 1998* and is responsible for administering the following legislation:

Morley Shopping Centre Redevelopment Agreement Act; and
Western Australian Products Symbol Act 1972

In the performance of its functions, the Department of Industry and Technology has exercised controls that provide reasonable assurance that it has complied with all relevant written laws, including:

Equal Opportunity Act 1984
Financial Administration and Audit Act 1985
Public Sector Management Act 1984
State Supply Commission Act 1991

Advertising and Marketing

No major advertising campaigns involving a range of print and electronic media were conducted during the year. Various projects or service areas utilised the print media for information and promotional advertising, in addition to the placement of human resources and tenders advertising.
Market research was undertaken in the form of client surveys to assess performance against output measures.

In accordance with TI 903 relating to Section 175Z of the *Electoral Act 1907*, relevant expenditure on advertising and relevant marketing activities, is listed below:
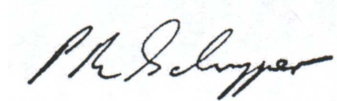
Advertising Agencies (Adcorp Australia, Assert Marketing, Core Marketing, Marketforce Productions, Price Advertising)	$50,740
Market Research organisations (Research Solutions, Right Marketing)	$47,293
Polling Organisations	-
Direct Mail Organisations	-
Media Advertising Organisations (Asia Pacific Defence Reporter, Business News, Chamber of Commerce & Industry, Marketforce Productions, Media Decisions, Rural Press Regional Media, Southwest Printing & Publishing, WA Newspapers, Yaffa Publishing Group)	$135,046
Total	$233,072

In the financial administration of the Department of Industry and Technology, controls have been exercised which provide reasonable assurance that the receipt and expenditure of monies, the acquisition and disposal of public property and the incurring of liabilities have been in accordance with legislative provisions.

At the date of signing we are not aware of any circumstances which would render the particulars included in this statement misleading or inaccurate.

Peter Della Mora   Dr. Paul Schapper
Principal Accounting Officer   Accountable Officerl
31 August 2002   31 August 2002

Output Measures

Output 1 Industry Development Services

Measure type	Measure	Division	Target 2001-02	Actual 2001-02	Comments
Quality	Client satisfaction with quality of service delivered by the Department	Corporate client survey (ex DCT)	80%	66%	While the survey results did not provide any explanation for this variation to previous satisfaction levels, more recent figures would indicate a re-adjustment towards previous levels.
Timeliness	Client satisfaction with timeliness of service delivered by the Department	Corporate client survey (ex DCT)	75%	70.9%	While the survey results did not provide any explanation for this variation to previous satisfaction levels, more recent figures would indicate a re-adjustment towards previous levels

Output 2 Public Sector Systems and Supply Services

Measure type	Measure	Directorate	Target 2001-02	Actual 2001-02	Comments
Quality	Client satisfaction with agency specific contract development	Client Procurement and Supplier Services	75%	84%	Extracted from Independent Corporate Client Survey July/August 2002
	Client satisfaction with common use contracts	e-Procurement Services	80%	89%	
	Registered buyers' satisfaction with the Government Electronic Market	e-Procurement Services	75%	47%	2001/02 was the first year of operation for the Gem Purchasing system. There were a number of system-related issues with the initial implementation that have been addressed. Change management issues have also proven to be significant.
	Client satisfaction with procurement education seminars	Client Procurement and Supplier Services	75%	86%	Extracted from KPI surveys of Buyer and Supplier Development 2001/02.
	Advisory Board's assessment of the degree to which targets established for the Chair of Strategic Procurement have been achieved	Client Procurement and Supplier Services	75%	100%	
	Supplier satisfaction with the information supplied regarding DoIT's initiatives in government contracting and procurement	Client Procurement and Supplier Services	80%	83%	Extracted from KPI surveys of Buyer and Supplier Development 2001/02.

	Supplier satisfaction with tendering processes	e-Procurement Services	75%	68%	The causes of dissatisfaction relate to issues outside of the tendering process.

Output 2 Public Sector Systems and Supply Services (continued)

Quality (Continued)	Client satisfaction with strategic procurement consultancy services provided	Strategic Projects e-Procurement System Development	85%	69% AVERAGE	Combined result from three directorates, including State Telecommunications from Infrastructure Coordination Division.
		State Telecommunications (part)			

Output 2 Public Sector Systems and Supply Services (continued)

Measure type	Measure	Directorate	Target 2001-02	Actual 2001-02	Comments
Timeliness	Client satisfaction with the timeliness of delivery of the agency specific contracting service	Client Procurement and Supplier Services	75%	79%	Extracted from Independent Corporate Client Survey July/August 2002
	Client satisfaction with the timeliness of procurement education seminars	Client Procurement and Supplier Services	75%	83%	Extracted from KPI surveys of Buyer and Supplier Development 2001/02.
	DoIT's annual review of the Chair's performance completed within the agreed timeframe	Client Procurement and Supplier Services	Completed	100%	
	Supplier satisfaction with the timeliness of contacts made	Client Procurement and Supplier Services	80%	80%	Extracted from KPI surveys of Buyer and Supplier Development 2001/02.
	Tender enquiries responded to within 1 working day	e-Procurement Services	95%	99%	
	Client satisfaction with the timeliness of strategic procurement consultancy services	Strategic Projects e-Procurement System Development / State Telecommunications (part)	85%	87% AVERAGE	Combined result from three directorates, including State Telecommunications from Infrastructure Coordination
Effectiveness	Savings to government through the use by agencies of common use contracts developed and managed	e-Procurement Services / State Telecommunications	No target published	$103m	Includes State Telecommunications common use contracts
Efficiency	Cost as a percentage of the value of contracts developed and managed	Value includes all of Government Commerce contracts / State Telecommunications contracts	No target published	2.6%	

Output 3 Innovation and Technology Services

Measure type	Measure	Division	Target 2001-02	Actual 2001-02	Comments
Quality	Client satisfaction with quality of service delivered by the Department	Corporate client survey (ex DCT)	80%	61.7%	While the survey results did not provide any explanation for this variation to previous satisfaction levels, more recent figures would indicate a re-adjustment towards previous levels.
	Client satisfaction with the online services provided	Infrastructure Coordination (Online Technologies)	75%	71%	
Timeliness	Client satisfaction with timeliness of service delivered by the Department	Corporate client survey (ex DCT)	76%	59.2%	While the survey results did not provide any explanation for this variation to previous satisfaction levels, more recent figures would indicate a re-adjustment towards previous levels.
	Actual hours availability of services as a percentage of advertised hours availability	Infrastructure Coordination (Online Technologies)	99%	99.98%	
Efficiency	Average cost per hour availability of online services	Infrastructure Coordination (Online Technologies)	No target published	8759.9 hours uptime / 01-02 costs (not yet available)	

Quantity measure	Actual		
	Quantity	Unit cost	Total Cost

OUTPUT 1 $31,193,000

Advice and information transfers to clients	308,729	$32	$9,754,588
Overseas locations where the department has a presence	9	$262,412	$2,361,711
Major promotional and trade events undertaken in the year in question	43	$64,331	$2,766,240
Payments of development incentives or grants and subsidies	170	$39,841	$6,772,969
Successful or unsuccessful financial support appplications processed and monitored	306	$5,984	$1,831,173
Projects undertaken/initiatives implemented	83	$52,430	$4,351,659
Representations made by the agency to external parties	392	$2,894	$1,134,368
International consultancy projects	9	$246,699	$2,220,292

OUTPUT 2 $23,527,000

Value of agency contracts developed	$73,018,842	6.30%	$4,597,269
Value of common use contracts managed	$843,000,000	0.66%	$5,548,667
Registered buyers using the Government Electronic Market	1,882	$3,383	$6,366,403
Attendees at procurement education seminars	1,507	$307	$462,290
Establishment and maintenance of the Chair in Leadership in Strategic Procurement	1	$182,233	$182,233
Consultative and developmental supplier contacts	3,745	$243	$910,133
Tender documents issued	6,856	$66	$449,974
Strategic procurement consultancy projects	46	$108,914	$5,010,032

OUTPUT 3 $23,905,000

Advice and information transfers to clients	365,301	$8	$2,880,169
Major promotional and trade events undertaken in the year in question	8	$12,062	$96,496
Payments of development incentives or grants and subsidies	806	$7,530	$6,069,571
Successful and unsuccessful financial support applications processed and monitored	65	$7,958	$517,255
Projects undertaken/initiatives implemented	51	$37,985	$1,937,257
Representations made by the agency to external parties	68	$2,989	$203,228
Technology parks/precincts for which the Department provides strategic planning and financial support	1	$2,551,402	$2,551,402
Total agencies accessing each of DoIT's online services	496	$19,455	$9,649,622