

41ST PARLIAMENT



Economics and Industry Standing Committee

Report 2

ANNUAL REPORT 2020–2021

Presented by
Hon P.C. Tinley, MLA
September 2021

Committee Members

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Deputy Chair	Mr V.A. Catania, MLA Member for North West Central
Members	Mr D.A.E. Scaife, MLA Member for Cockburn
	Ms E.L. Hamilton, MLA Member for Joondalup
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Laid on the Table of the Legislative Assembly on 16 September 2021

Chair's Foreword

The 2020-2021 reporting period was split between the 40th and 41st Parliaments, separated by the March 2021 State General Election.

This annual report is the first for the Economics and Industry Standing Committee in the 41st Parliament. It also includes the activities of the previous committee for July to December 2020.

I would like to commend the work of the 40th Parliament's committee members during the 2020-2021 reporting period:

- Chair, Ms Jessica Shaw, MLA, Member for Swan Hills
- Deputy Chair, Hon Terry Redman, MLA, Member for Warren-Blackwood
- Dr David Honey, MLA, Member for Cottesloe
- Mr Yaz Mubarakai, MLA, Member for Jandakot
- Mr Stephen Price, MLA, Member for Forrestfield

I also recognise the dedicated work done by the former secretariat during this reporting period—Ms Suzanne Veletta, Principal Research Officer, and Ms Franchesca Walker, Research Officer.

The current committee's membership was established by motion in the Legislative Assembly on 12 May 2021. Our inaugural meeting was held on 26 May 2021.

It is an honour to have been appointed Chair of this committee and I look forward to working with my committee colleagues in the 41st Parliament. We have a busy year ahead, and anticipate making a significant contribution to the public discussion on the challenges and opportunities facing the Western Australian economy into the future.



HON P.C. TINLEY, MLA
CHAIR

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Chapter 1

Committee Activities

Introduction

This report summarises the activities and expenditure of the Economics and Industry Standing Committee (Committee) between 1 July 2020 and 30 June 2021 (the reporting period).

The Parliament was prorogued on 7 December 2020, and the Legislative Assembly dissolved on 29 January 2021. At that point the 40th Parliament ceased to exist. A State General Election was held on 13 March 2021 to elect the 41st Parliament.

This report therefore reflects the activities of the former committee in the final months of the 40th Parliament and the current committee in first few months of the 41st Parliament.

Summary of activities

During the reporting period, the committee:

- completed one inquiry (in the 40th Parliament):
 - inquiry into Western Australia’s economic relationship with the Republic of India
- tabled three reports (two in the 40th Parliament and one in the 41st Parliament):
 - Report 9—*Annual Report 2019–20* (tabled 24 September 2020)
 - Report 10—*Turning to India: Investing in our future* (India inquiry) (tabled 19 November 2020)
 - Report 1—*Turning to India: Investing in our future* (re-tabling the findings and recommendations of Report 10 in the new Parliament) (tabled 17 June 2021)
- received a government response in relation to one inquiry (in the 40th Parliament):
 - inquiry into the emergence and impact of microgrids and associated technologies in Western Australia (microgrids inquiry)
- conducted 19 public hearings relating to the India inquiry in the 40th Parliament—four hearings with stakeholders (involving 11 witnesses) and 15 depositions from individual stakeholders
- conducted a hearing about the economic impact of COVID-19 on the Western Australian economy (in the 40th Parliament).

The activities of the committee during the reporting period are summarised in Table 1.1 on the following page.

Table 1.1: Summary of the activities of the Committee, 1 July 2020 – 30 June 2021

Description	Activity
Briefings	0
Deliberative meetings	15
Formal evidence hearings (including 15 depositions)	19 ¹
Witnesses appearing	27
Reports tabled	3
Report findings tabled	124 ²
Report recommendations tabled	37 ³

Committee functions and portfolios

The committee's functions are set out in Standing Order 287 of the Legislative Assembly Standing Orders.

A committee function is to review and report to the Legislative Assembly on matters within its portfolio responsibilities. The portfolio responsibilities of this committee in the 41st Parliament were tabled in the Legislative Assembly on 5 May 2021.

The committee is currently responsible for the following 24 areas:

State Development	Regional Development
Jobs and Trade	Tourism
Fisheries	Commerce
Lands	Industrial Relations
Transport	Small Business
Science	Housing
Racing and Gaming	Planning
Energy	Agriculture and Food
Heritage	Innovation and ICT
Forestry	Hydrogen Industry
Water	Ports
Mines and Petroleum	Defence Industry

-
- 1 There were three groups of depositions with five individuals' 'hearings' contained therein.
 - 2 These findings are those contained in Report 10. Although they were re-tabled in the 41st Parliament they have not been counted twice, as they are the same findings.
 - 3 These recommendations are those contained in Report 10. Although they were re-tabled in the 41st Parliament they have not been counted twice, as they are the same recommendations.

Public Hearings

Pursuant to Assembly Standing Order 264, the committee has power to send for persons, papers and records. During the period 1 July 2020 – 30 June 2021, the committee conducted 19 public hearings (15 of these were public depositions, grouped into three separate sessions), taking evidence from 27 witnesses to assist with its investigations (see Table 1.2 on the following page).

Hearings into the economic impact of COVID-19 on the Western Australian economy

During the 2019–20 reporting period, in accordance with the committee’s functions (see appendix 1), the former committee resolved to conduct hearings into the impact of the COVID-19 pandemic on the Western Australian economy.

As reported in the *Annual Report 2019–20*, the former committee conducted a public hearing with Chief Economist Alan Langford and Head of External Communications Robert Cory from Bankwest on 17 June 2020. On 12 August 2020, during the reporting period, the former committee held a hearing with Professor Ross Garnaut AC, Professorial Research Fellow in Economics at The University of Melbourne.

The former committee commented on its hearings into the economic impact of COVID–19 on Western Australia in Report 9, *Annual Report 2019–20*.

Inquiry into Western Australia’s economic relationship with the Republic of India

During the reporting period, the committee in the 40th Parliament conducted 19 public hearings relating to the India inquiry; being four hearings with stakeholders (involving 12 witnesses) and 15 depositions. Depositions involved members of the Indian diaspora presenting five-minute oral statements to the committee.

These hearings and depositions were reported to the Legislative Assembly in the India inquiry report, Report 10, *Turning to India: Investing in our future*, tabled on 19 November 2020 (see Appendix 4 of that report).

Table 1.2: Public Hearings of the committee, 1 July 2020 – 30 June 2021

Date	Witness	Position	Organisation
12 August 2020	Professor Ross Garnaut	Professorial Research Fellow in Economics	University of Melbourne
17 August 2020	Ambassador Anil Wadhwa	Lead author of the Government of India's <i>Australia Economic Strategy</i>	
9 September 2020	Supriya Guha	President	Indian Society of Western Australia (ISWA)
	Dr Papori Barua	Secretary	
	Deepak Sharma	Management Committee Member	
9 September 2020 (depositions)	Prashant Singh	Secretary	Federation of Indian Associations of WA
	Bimal Kaul	IT professional	
	Firoz Pestonji	Managing Director	Aussie Perth Tours
	Eipe Chundamannil	Vice Chair (and immediate past president, Malayali Association of Perth)	Federation of Indian Associations of WA
	Atul Garg	Chairperson	IETE Australia
		Chairperson	Federation of Indian Associations of WA
	Dr Om Dubey	Director	Arnowa Pty Ltd
	Harsh Grover	Director	Grover Projects
	Jay Vora	Director	Aviva Energy Solutions
	Melvyn Gilbert	Associate Director	Fortuna Advisory Group
	Raveesh John	Community spokesperson	Elisha Tours
	Karthik Pasumarthy	Engineer and business owner	
	Manoj Kasare	President	Ambedkarite Buddhist Community (ABC)
	Anurag Saxena	Business analyst	
	Jagpreet Walia		
Sarvesh Mali	Community service partner	Ambedkarite Buddhist Community (ABC)	
11 September 2020	Richard Sellers	Director General	Department of Jobs, Tourism, Science and Innovation
	Brodie Carr	Managing Director, Tourism Western Australia	
	Simone Spencer	A/Deputy Director General, Strategy and International Engagement	
	Peter Baldwin	Commissioner of India	
	Edmund O'Halloran	Principal Policy Officer	
	Kevin Brown	Chief Executive Officer	Perth Airport Pty. Ltd.
	Stephanie Juskiewicz	Vice President, Aviation Business Development	

Reports and government responses

Report 10—Turning to India: Investing in our future

The former committee commenced the India inquiry in August 2019, tabled its report on 19 November 2020, and therefore the COVID–19 pandemic affected the content and management of this inquiry. The COVID–19 pandemic crystallised the importance of the Western Australia–India economic relationship, and the need to diversify the industries and markets that contribute to the State’s economy.

There is great potential for India to play a key role in diversifying Western Australia’s economy. India is one of the fastest growing economies in the world and is predicted to become the 3rd largest economy in the world by 2035.⁴ There are many trade and investment synergies between Western Australia and India. India demands many of the goods and services Western Australia can provide.

The report noted that while Western Australia was an early mover in recognising the potential of the Indian market, establishing a trade office in India in 1996, over time, other Australian States—particularly Victoria and New South Wales—have achieved far greater trade and investment engagement with India.

The report highlighted the common misunderstanding that this trade relationship will follow the same development pathway as relationships with partners such as China, Japan, and Korea. It will not. The India trade dynamic is different, and the State Government must pursue India with a bespoke, proactive, and long term engagement strategy in order to grow this economic relationship.

The report covered complementary sectors in this relationship—including international education, tourism, minerals (including lithium), energy, renewable energy, mining and energy equipment, technology and services (METS and PETS), and agribusiness and agriservices—and each sector’s challenges, potential and opportunities in India.

The report contained 124 findings and 37 recommendations for the Government’s consideration. The report included recommendations aimed at:

- the contents of the (then) anticipated India Market Plan
- developing an Indian diaspora engagement strategy or plan, which could be part of the India Market Plan, to leverage the underused potential of the sizable Indian diaspora in Western Australia to grow the economic relationship
- initiatives to grow the economic relationship relating to each of the above noted sectors, and all sectors.

The Legislative Assembly prorogued before the Government provided a response to the report’s recommendations.

⁴ Commonwealth of Australia, *An India economic strategy to 2035: Navigating from potential to delivery*, report prepared by Peter Varghese, Barton, 2018, p6.

Report 8—Government response—Taking charge: Western Australia’s transition to a distributed energy future

The microgrids inquiry was the longest running and most challenging inquiry the former committee undertook during the 40th Parliament. It required members to become familiar with intricate scientific and engineering concepts and interrogate an extremely complex regulatory and policy environment.

The former committee’s final report in the microgrids inquiry, Report 8, *Taking charge: Western Australia’s transition to a distributed energy future*, tabled on 20 February 2020, made recommendations aimed at:

- enhancing the technical integration of distributed energy resources within the broader electricity network
- delivering the most efficient energy supply solutions throughout Western Australia
- reforming the legislative/regulatory environment to encourage industry participation
- protecting consumers, placing downward pressure on energy costs and ensuring benefits are shared across the community
- leveraging and commercialising the considerable skills and capabilities in the Western Australian energy industry.

Microgrids and associated technologies represent a significant opportunity to place downward pressure on energy costs, deliver value to Western Australian taxpayers through the businesses they own, generate new employment and commercial opportunities and take meaningful action to address the carbon intensity of our energy economy. During the course of the microgrids inquiry, the State Government introduced many initiatives relevant to the issues highlighted by the inquiry.

The State Government’s response to the committee’s final report, delivered on 12 August 2020, supported the former committee’s recommendations in full or in principle.

Report 1—Turning to India: Investing in our future—The findings and recommendations of Report No. 10 of the Economics and Industry Standing Committee in the 40th Parliament

Due to the prorogation of the Parliament on 7 December 2020, the previous government did not have the opportunity to respond to the recommendations of Report 10 of the former committee. Given the importance of these recommendations, the current committee resolved to bring them to the new government’s attention by tabling them in the 41st Parliament. The committee expects to receive a government response by 17 September 2021.

Other activities of the new committee in the 41st Parliament

The new committee held its inaugural meeting on 26 May 2021, at which the Chair and Deputy Chair were elected. Members were instructed in the procedural aspects of committee work.

Over the remaining three meetings in the reporting period, the current committee took time to familiarise itself with the work of previous committees in the past several parliaments. Committee members also discussed a range of topics with a view to finalising terms of reference for its first inquiry. The committee's first inquiry will be reported on in its 2021—22 annual report.

Chapter 2

Financial Statement

The committee does not have its own formal budget and is funded out of the budget of the Legislative Assembly.

Approval for major expenditures is required on a case-by-case basis and is entirely at the discretion of the Speaker. In accordance with Standing Order 276, the committee's expenditure during the reporting period is set out in table 2.

Table 2: Expenditure of the committee during the reporting period

Expenditure item	Amount (\$)
Advertising	0
Conference and seminar fees	0
Travel	0
Couriers	0
Meals	0
Printing	1,232
Staff/member amenities	211
TOTAL	1,443

Notes: (1) Figures are rounded to the nearest dollar (2) The table excludes the salaries of committee staff and costs of shared administrative expenses, including lease costs for committee accommodation.



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CHAIR



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