



Knowledge Inference Support

CHAMBER OF COMMERCE AND INDUSTRY
WESTERN AUSTRALIA

WA Government Scorecard 2011

Policy Issues	Comments	Score		
		2011	2010	2009
Labour Shortages	Since releasing its workforce development plan 'Skilling WA', the Government started to implement some of its recommendations, such as advocating to the Federal Government the need to remove unnecessary barriers to migration, launching a migration portal, and organise an industry-led delegation to the UK promoting WA as a place to live and work. It has also opened a number of Aboriginal Workforce Development Centres across WA. The Government needs to set performance targets to measure the success of these initiatives.	8½	7½	6
Energy	Recent comments by the Premier suggesting a re-merger of Verve and Synergy are a major concern. It will set back the energy reform agenda by 15 years, stifle competition and deter private sector investment. It is now uncertain what the Government's energy policy direction is. Therefore CCI cannot assess its performance in this area. While the cost of electricity has risen, much more needs to be done to reach the point of cost reflective pricing. The need to charge the true cost for energy is central to develop a competitive market. Business awaits the release of the Strategic Energy Initiative. Important advances have been made to improve energy security, and deliver a more transparent wholesale gas market.	?	8	7
Tax Competitive-ness	The Government has failed to provide meaningful and permanent tax relief, despite the improvement in the State's budget position. WA continues to be the highest taxing state in the nation on a per capita basis. Any further slide in the state's tax competitiveness will have a major impact on some businesses, particularly amongst small and medium enterprises and those not directly linked to the resources industry. Payroll tax relief remains a priority. It is recognised that the projected decline in the state's share of GST revenue is a constraint.	3	4	7
Public Sector Reform	Another year has passed without the Government undertaking any significant reform to the public sector. The majority of the findings of the Economic Audit Committee remain untouched, and additional departments have been created. While efforts have been made to rein in spending growth, such as the efficiency dividend on Government Trading Enterprises (GTEs), 400 voluntary redundancies, the targeted review of low priority spending programs, and the decision to scrap the Office of Shared Services, the Government has still failed to meet its self-imposed expenditure target. The Government's voluntary process for local government reform has failed and now requires stronger action.	3½	3½	6½
Infrastructure Development	\$26.5 billion was allocated in the 2011-12 State Budget for infrastructure, but the majority of this was for existing projects. While there is some work underway to plan for the state's future infrastructure needs, there is no commitment to undertake a state wide infrastructure plan. The Government should look to implement the findings of the Economic Audit Committee on infrastructure provision.	6½	6½	6
Retail Trading Hours	All retailers should be allowed to open when they want. The Liberal Party's efforts to introduce seven day trading are currently being thwarted by the National and Labor Parties. The Government's promise to allow Sunday trading across Perth if successful at the next election is a further step in the right direction. Incremental changes such as the creation of Special Trading Precincts at Joondalup, Midland & Armadale are having unintended consequences for the many retailers that are unable to trade on Sundays.	4	6	5
Regulatory Reform and Approvals	There have been much needed improvements to approvals processes, particularly with the establishment of the lead agency framework for major projects, Development Assessment Panels, online tracking within the Department of Mines and Petroleum, and splitting the Environmental Protection Authority from the Department of Environment and Conservation. The second phase of approvals reform needs to be implemented – particularly the establishment of a single decision-making authority on approvals, and expanding the online tracking system to other agencies. The majority of the findings of the Red Tape Reduction Group have not been acted upon.	7½	6½	7½
Education & Training	The Independent Public Schools (IPS) initiative is gaining momentum with an additional 109 public schools being inducted into the program in its third round intake. This brings the total number of IPS to 207. While providing autonomy to schools is an important step to improve the education system, WA students remain behind other states in the NAPLAN testing. The creation of 12,000 training places is also a positive step. Given the national focus on vocation education and training, the Government will need to work with the Commonwealth to ensure WA's training needs are met.	7	7	6½
Health & Community Services	The Budget delivered a welcome \$1 billion Social Services Package, including \$604 million over five years, to support sustainable service delivery by the not-for-profit sector. The greater use of the private sector in the construction and operation of a number of hospitals across the state is supported. Funding has been increased to meet greater hospital activity, including the '4 hour rule', and the introduction of the Southern Inland Health Initiative, to improve healthcare in regional areas. However, health spending continues to be mainly on infrastructure rather than on preventative health. WA has agreed to the national hospital plan paving the way for an injection of \$352 million to 2014 for hospitals, improved patient services, primary care (Medicare Locals) and aged care. The Government has also supported the Commonwealth Disability Insurance Scheme.	8	6	5
Climate Change	By opposing the proposed carbon tax, the State Government has strongly advocated the interests of WA employers, and highlighted the potential risks this policy brings to the WA economy. With the imminent introduction of a national carbon tax, the State must push for the removal of any Federal non-complimentary carbon reduction measures such as the mandated renewable energy target (MRET).	7	5½	6
Industrial Relations	The Government continues to oppose the creation of a single national industrial relations system. In rejecting the thrust of the Amendola Report, the Government has lost an opportunity to ensure the state IR system is relevant, effective and cost efficient. The Government is also refusing to actively consider and address emerging issues affecting WA employers. CCI is encouraged that the Government has indicated it plans to change the system early next year.	1	3	6
Overall Comment	The tough reform agenda promised by the WA Government has stalled and it is also considering winding back recent reforms to the energy market. Progress has been made on some of the policy priorities identified by business, while others have fallen by the wayside. However, the Government deserves recognition for representing the state's interests on a number of Commonwealth policy areas, including the expected decline in GST funding, the Mineral Resources Rent Tax, health reform, the introduction of a carbon tax, and the banning of live cattle exports.			

The scorecard is developed using a scale where 1 = highly unsatisfactory, 5 = neutral and 10 = highly satisfactory.