



# Inquiry Microeconomic reform

AIIA response to Draft Report

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## About AIIA

The Australian Information Industry Association (AIIA) is the peak national body representing Australia's information technology and communications (ICT) industry. Since establishing 35 years ago, the AIIA has pursued activities aimed to stimulate and grow the ICT industry, to create a favourable business environment for our members and to contribute to the economic imperatives of our nation. *Our goal is to "create a world class information, communications and technology industry delivering productivity, innovation and leadership for Australia".*

We represent over 400 member organisations nationally including hardware, software, telecommunications, ICT service and professional services companies. Our membership includes global brands such as Apple, EMC, Google, HP, IBM, Intel, Microsoft, PwC, Deloitte, and Oracle; international companies including Telstra; national companies including Data#3, SMS Management and Technology, Technology One and Oakton Limited; and a large number of ICT SME's.

All of our members, large and small are committed to developing Australia's digital capability and presence nationally and on the global stage.

## Overview comments

The AIIA appreciates this opportunity to provide these comments on the Draft Report for the Inquiry into Microeconomic reform in Western Australia.

Our original submission to the inquiry emphasised the importance of microeconomic reform to drive productivity growth, and the contribution that ICT can make. Further, we provided three detailed examples - Cloud, Open Data and Big data analytics - where new technology provides significant opportunities for governments to make efficiency gains, and improve the quality of service delivery. In our submission we emphasised that greater uptake of these technologies has the potential to deliver:

- direct benefits to government, in terms of resource savings and efficiencies,
- broader benefits across the State economy, where government is able to influence the broader business environment and encourage take-up of new technology which will drive productivity growth.

We are pleased that several of the key themes from our submissions are reflected in the Draft Report.

We have reviewed the Draft Report, and support the principles behind the need for microeconomic reform, in particular the focus on:

- reducing the cost of regulation, and increasing the requirements for government agencies to implement new regulations; and
- improving the efficiency of government service delivery.

On this second point, we are strongly supportive of the statements made in the report about the importance of technology in improving the quality and efficiency of government service delivery. This particular issue is where we have focused our comments on the Draft Report.



## Specific comments

We would like to take this opportunity to make some specific comments on the discussion and recommendations in the report which focus on the role of ICT in future microeconomic reform in Western Australia. In particular, we support the assertions in the Draft Report for the Western Australian government to accelerate the use of technology to both improve services and their delivery.

We strongly support the suggestions made within the Draft Report that ICT needs to be used to leverage greater efficiencies across the Western Australian economy. We note that the Draft Report recommends the establishment of an Information and Communications Technology (ICT) Office, and the development of a Western Australian government ICT Strategy (recommendation 5.3, as set out in full below).

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*Establish an Information and Communications Technology (ICT) office within Government (the Department of Premier and Cabinet, or alternatively the Department of Finance) to:*

- a. identify technology-based strategies to reduce regulatory burden in Western Australia;*
  - b. develop and implement a policy and implementation plan for ICT reform in the State; and*
  - c. provide ongoing support to the Western Australian public sector, in the areas of service delivery, strategic ICT policy and planning, public sector innovation, and information management, focusing on reducing the level of regulatory burden.*
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We are pleased that the Draft Report has made this recommendation, which elevates the profile and recognises the importance of ICT as a critical element of the government's microeconomic reform strategy. In support of the successful implementation of this recommendation we have set out a number of suggestions below. *First*, it is imperative that there is strong industry engagement in both the establishment of the ICT office, and the on-going work plan. As we emphasised in our original submission, there are many opportunities for government to achieve savings and improve service delivery, where it is open to the adoption of new technology. This requires government be closely engaged with industry to take full advantage of industry expertise and in doing so reducing the need for government to have this expertise in-house.

In our original submission we listed the key technologies, such as cloud, open data and data analytics that have the potential to provide significant opportunities for government to deliver services and engage with the community efficiently and effectively (and at lower cost than is currently achieved). While these currently emerging technologies can be identified now, the list of emerging technologies in 2015 and 2016 is will be different. With this rate of change, it is imperative that governments leverage industry expertise. Further, this openness to industry can be applied to the transformation of how government procures ICT services - flexibility and openness allows business to use their capabilities and expertise to develop the best solutions for government.

By way of example AIIA has:

- worked closely with the NSW, Victorian, Queensland and South Australian governments to improve ICT procurement processes and develop standard contracts - this has resulted in more efficient and better quality procurement outcomes for both industry and government;
- co-designed with the South Australian, Victorian and NSW governments, ICT strategic plans and contributed to state wide Digital Economy strategies;



- facilitated forums aimed to help educate government agencies on latest technology trends - such as in NSW where we delivered a joint industry/government forum on open data;
- provided expert advice to government on the development of whole of government technology standards; and
- participated in ongoing procurement and ICT strategy review processes via steering committees, working groups etc.

*Second*, the newly established office needs to show leadership across agencies and have ownership of the ICT strategy. This leadership is needed because of the transformational change this task requires. This is not easy reform, and there will be a number of challenges for government in changing the way it delivers services, and being more open and adaptive to new ideas. If the Office does not take on this leadership role effectively, the reform is unlikely to succeed.

In NSW for example, the government has taken a lead role in execution by driving deep reform in citizen service delivery. [Service NSW](#) specifically aims to provide services to citizens in ways that match customer needs and expectations. It includes roll out of government wide one-stop-shops, one phone number and call centre for a whole of government information service, a single website for online transactions, and various customer service process improvements.

Finally, it is important that the Western Australian government learn from what other jurisdictions have already implemented, and their methods for engaging with industry. New South Wales, South Australia and Victoria have all undertaken similar processes, and provide useful examples of industry engagement by government. We would recommend that, during the implementation phase, the Western Australian government consult with other jurisdictions to learn from these experiences.

We trust that these comments prove to be useful input for the inquiry. Our members are keen to continue to work with the Western Australian government on these issues, and to be involved in any implementation of any recommendations from this inquiry.

