

Annual Activity Report

July 2009 - June 2010

Table of Contents

	Page
Statement of Compliance	4
Contact Details	4
Overview	5
Introduction	6
Objectives of the Industry and Technology Development Act 1998	6
Functions of the Western Australian Technology and Industry Advisory Council	6
Responsible Minister	7
TIAC Membership	7
Review of Western Australia's Science, Technology and Innovation	7
Activity Plan:	8
Research Report: Managing Western Australia's Economic Expansion: The Need for People and Skills	8
Research Report: Building on the Western Australian Boom: The Drivers and Shapers of Indonesia's Economic Development in the 21 st Century	9
Biotechnology Sub-committee Workshop	9
Financial Provisions	10
Members Remuneration	10
Executive Staff	10
Financial Statement	11
Outlook for 2010-2011	11
Appendix: A – Indicators of Relevance:	12
Publications of TIAC Linked to Functions	14
Outcomes of TIAC Reports	16

Statement of Compliance

For year ended 30 June 2010

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MINISTER FOR COMMERCE; SCIENCE AND INNOVATION

We hereby submit the Annual Activity Report for the Western Australian Technology and Industry Advisory Council (TIAC) for the year ending 30 June 2010, for your information, and subsequent presentation to Parliament in accordance with Section 26(1) and Section 26 (2) of the Industry and Technology Development Act of 1998.

The Council has also reported through the Department of Commerce Annual Report and Financial Statement in accordance with Section 26(3) of the Industry and Technology Development Act 1998 in compliance with the Financial Management Act 2006 and the Auditor General Act 2006.

Charles W. Morgan

TIAC Chair

Date: 17 September 2010

Chales W. Norgan.

Contact Details

Postal:

Locked Bag 14 CLOISTERS SQUARE WA 6000

Electronic:

Internet: www.commerce.wa.gov.au Email: John.Berry@commerce.wa.gov.au

Telephone: 61 8 9263 8000 Facsimile: 61 8 9263 8100

Street:

Level 7 1 Adelaide Terrace EAST PERTH WA 6004

Overview

During the year TIAC progressed a number of key activities as set out in the TIAC strategic plan 2009/10. Key achievements included.

- The launch of TIAC's report "Managing Western Australia's Economic Expansion: The Need for People and Skills". A breakfast was held at the Hyatt on the 24th November 2009 for 120 guests to launch the report.
- On the 18th November 2009, TIAC's Biotechnology Sub-Committee held a workshop to discuss opportunities for the Western Australian Biotech community. ACIL Tasman facilitated the workshop and it was attended by Council members and leading experts from the Biotech Community.
- Preparatory work was undertaken on
 - TIAC's Hypothetical Debate Series
 - Identifying major issues affecting the ICT industry
 - A report looking in to opportunities for expand Western Australia Indonesia trade.

In April 2009, the Minister for Commerce; Science and Innovation, The Hon Troy Buswell, announced that a Western Australian Science and Innovation Review would be conducted to review the advisory bodies providing policy direction to the State Government. These bodies included the Western Australian Science and Innovation Council (formerly known as the Premier's Science and Innovation Council), the Western Australian Technology and Industry Advisory Council (TIAC) and the Science, Innovation and Business Division of the Department of Commerce

On 2nd December 2009 the Minister for Commerce; Science and Innovation, announced the establishment of a new council to provide a single source of advice to the State Government. This announcement was in line with recommendations from the Western Australian Science and Innovation Review prepared by Centre for International Economics ("CIE") entitled *ITS for WA: Government advisory capabilities to meet WA's Innovation, Technology and Science Needs.* As a result of this announcement, the Minister also directed TIAC to cease activities and return unspent funds to the Department of Commerce.

The Minister appointed an interim Council to provide recommendations about the structure and composition of the new Council and to outline the overall vision for science and innovation in Western Australia. The interim Council was chaired by resources and technology expert Charles Morgan. Other members included Chevron Australia's General Manager Gorgon Gas, Colin Beckett, CSIRO's CEO Dr Megan Clark, Dr Mal Bryce AO, Dr Kristen Nowak and Dr Erica Smyth.

To enable the work of the interim Council, Charles Morgan was appointed Chair of TIAC on 8th February 2010.

The interim Council delivered its recommendations to the Minister for Commerce; Science and Innovation in a submission called *From Strength to Strength: An Innovation Plan for Driving Western Australia's Future Prosperity* by the deadline of 30 June 2010.

Introduction

The Western Australian Technology and Industry Advisory Council (TIAC) was created by legislation in 1987 (Technology Development Amendment Act – No. 32 of 1987) and was continued under Section 20 of the Industry and Technology Development Act 1998.

TIAC was preceded by the Technology Review Group 1978-1983, and the Science, Industry and Technology Council (SITCO) 1983-1987.

Council comprises of representatives from various sectors of the State's economy who, in terms of the relevant Act, use their varied background and experience, to provide independent policy advice to the Minister so as to make a significant contribution to the development of strategies relating to the State's economic development.

Members of the Council are appointed, by the Minister, under Section 22 of the Industry and Technology Development Act 1998 so as to be representative of the interests of the people of the State.

TIAC reports through the Minister to Parliament under Section 26(1) and Section 26(2) of the Industry and Technology Act 1998.

TIAC reports under the Financial Management Act 2006 and the Auditor General Act 2006 through the Department of Commerce under Section 26(3) of the Industry and Technology Development Act 1998.

Objectives of the Industry and Technology Development Act 1998

The objectives of the Industry and Technology Development Act 1998 (Section 3) are to:

- (a) Promote and foster the growth and development of industry, trade, science, technology and research in the State;
- (b) Improve the efficiency of State industry and its ability to compete internationally;
- (c) Encourage the establishment of new industry in the State;
- (d) Encourage the broadening of the industrial base of the State; and
- (e) Promote an environment which supports the development of industry, science and technology and the emergence of internationally competitive industries in the State.

Functions of the Western Australian Technology and Industry Advisory Council

The Council, under Section 21 of the Act is required to:

- (a) Provide advice to the Minister, at the initiative of the Council or at the request of the Minister, on any matter relating to the objects of the Industry and Technology Development Act 1998; and
- (b) Carry out, collaborate in or procure research, studies or investigations on any matter relating to the objects of the Act, including matters relating to the:
 - (i.) Role of industry, science and technology in the policies of Government;
 - (ii.) Social and economic impact of industrial and technological change;
 - (iii.) Employment and training needs and opportunities relating to industrial, scientific and technological activities in the State;
 - (iv.) Adequacy of, priorities among and co-ordination of, scientific, industrial and technological activities in the State;

- (v.) Methods of stimulating desirable industrial and technological advances in the State;
- (vi.) Application of industrial, scientific and technological advances to the services of the Government; and
- (vii.) Promotion of public awareness and understanding of development in industry, science and technology.

Responsible Minister

The Hon. Bill Marmion MLA, Minister for Commerce; Science and Innovation

TIAC Membership

Council Member	Contract Expiry
Professor Michael Henderson	30 June 2010
(Chairperson – 1/07/2009 – 8/02/2010)	
Mr Charles Morgan - Chairperson	30 June 2010
(Chairperson - 8/02/2010 - 30/06/2010)	
Professor Lyn Beazley	30 June 2010
Mr Todd Gogol	30 June 2010
Mr Brett Mattes	30 June 2010
Dr Fiona Pixley	30 June 2010
Professor Linda Kristjanson	30 June 2010
Ms Lynda Dorrington	30 June 2010
Mr David Singleton	31 January 2008
Mr Rob Meecham	31 December 2009
Ms Sharon Brown	31 December 2009
Mr David Lee	30 June 2010
Mr Max Noble	30 June 2010
Mr Brian Bradley	Permanent appointed under the Act

As per section 22(1)(a) of the Industry and Technology Development Act 1998, the Director General of the Department of Commerce – Mr Brian Bradley was retained as a Council member.

Review of Western Australia's Science, Technology and Innovation.

In early 2009 the Minister for Commerce; Science and Innovation announced a review into Western Australia's Science, Technology and Innovation. The final report *ITS for WA: Government Advisory Capabilities to meet WA's Innovation Technology and Science Needs* was publicly released on 2nd December 2009.

Activity Plan

Due to the pending release of Western Australian Science and Innovation Review, TIAC's Strategic Plan for 2009/2010 had to consider possible new directions and focussed on completing current approved projects.

- Research Report: Managing Western Australia's Economic Expansion: The need for People and Skills
- Research Report: Building on the Western Australian Boom: The Drivers and Shapers of Indonesia's Economic Development in the 21st Century.
- Biotechnology Sub-Committee workshop

Research Report: Managing Western Australia's Economic Expansion: The Need for People and Skills

The objective of the report was to provide a perspective on the Western Australian and global economy (post 2015) and its workforce needs, based on an analysis of current global economic trends and developments. The report considers the implications for labour demand, both current and predicted, and the capacity of the State to be able to provide a workforce which ensures local industry is regionally and globally competitive.

In September 2008 the steering committee for the Managing Western Australia's Economic Expansion: The Need for People and Skills project was established and included:

Professor Michael Henderson Executive Chairman,

Sandover Pinder Pty Ltd

TIAC Chairman

Ms Sharon Brown Sales Director

Change Corporation

TIAC Member

Mr Rob Meecham Director Business Development Support

Services, Challenger TAFE

TIAC Member

Mr Todd Gogol Sales Manager

Staging Connections Pty Ltd

TIAC Member

Mr Rob Player Deputy Director General – Training

Department of Education and Training

Mr Gary Fitzgerald Director ICP

Department of Education and Training

Mr Keith Spence Chairman

State Training Board

Mr Richard Strickland Chief Executive Officer

Department of Education Services

Mr David Lloyd Manager Business Development

Department of Education Services

Mr Chris Fitzhardinge Director

South West Group

Mr David Parker Government and Public Affairs Manager

Apache Energy

The report was released on 24th November 2009. Public comment was invited but none were received before the deadline on 1st January 2010.

Research Report: Building on the Western Australian Boom: The Drivers and Shapers of Indonesia's Economic Development in the 21st Century.

The objective of this report is to obtain an understanding of the strategic drivers of Indonesia's economic development in order to identify barriers to, and opportunities for, increased trade between Western Australia and Indonesia. The research will endeavour to build a closer understanding of the factors underpinning economic growth in Indonesia, and areas of potential synergy with Western Australia in order to maximise the State's sustainable economic prosperity through interaction with its nearest neighbour.

The Steering Committee established for this project include:

Professor Michael Henderson Executive Chairman,

Sandover Pinder Pty Ltd

TIAC Chairman

Mr Brett Mattes CEO

Star Energy TIAC Member

Mr David Edwards WA Chair

Australia - Indonesia Business Council

Mr Ross Taylor National Vice President

Australia - Indonesia Business Council

Chairman

Western Potatoes Limited

Mr John McCarthey High Commissioner to India

Ex High Commissioner to Indonesia

Mr Rod Morehouse Senior Trade Commissioner – Indonesia

Austrade

In developing this report ACIL Tasman were contracted to provide specialist advice, based on their extensive experience in international trade, especially with Indonesia. This report is yet to be completed.

Biotechnology Sub-committee Workshop

On the 18th November 2009, TIAC's Biotechnology Sub-Committee held a workshop to discuss opportunities for the Western Australian Biotech community. ACIL Tasman facilitated the workshop and it was attended by Council members and leading experts from the Biotech Community

The purpose of the workshop was to create a vision and pathway for the biotechnology industry over the next twenty years.

Biotechnology Subcommittee Members:

Dr Fiona PixleyAssociate Professor, Pharmacology &
(Sub Committee Chair)
Anaesthesiology, University of Western

Australia TIAC Member

Dr Janet Preuss Managing Director

QRC Solutions

Dr Richard Lipscombe Managing Director

Proteomics International

Dr Simon Carroll Chairman

CustomVis

Mr Bart Houwen Industry Development Officer WA

AusBiotech

Professor Mike Jones Director

WA State Agricultural Biotechnology Centre

Dr Greg Pullen Vice President Corporate Development

Phylogica

Financial Provisions

The expenses of the Council are provided under Section 15 of the Industry and Technology Development Act 1998 via the Western Australian Industry and Technology Development Account.

Member's Remuneration

Council members' remuneration and allowances were determined under Section 24 of the Technology and Industry Development Act 1998 resulting in:

Chairperson's Salary \$40,000.00 (per annum)

Member's Salary - Non Public Sector

Council Meetings \$13,400.00 (per annum)

Other Meetings Nil

Member's Sitting Fee - Public Sector

Council Meetings Nil Other Meetings Nil

TIAC sat for five Council meetings and held sub-committee and operations meetings for the planning and development of projects.

Executive Staff

Three full time positions are provided to the Council to manage the Council's activities and projects. These positions are filled by three officers seconded from the Department of Commerce and include:

Executive Manager x1
Senior Policy Officer x 1
Administrative Officer x 1

The position of Senior Policy Officer was made redundant as of 2nd October 2009 and the Administrative Officer went on parental leave on 7th September 2009. This position was filled by a contractor on a part time basis (0.4). The Executive Officer/Manager was filled by a Temporary Officer seconded from the Department of Commerce.

Financial Statement

TIAC reports under the Financial Management Act 2006 and the Auditor General Act 2006 through the Department of Commerce's Annual Report and Financial Statements.

Outlook for 2010-2011

On 2nd December 2009 the final *report ITS for WA: Government Advisory Capabilities to meet WA's Innovation Technology and Science Needs* was publicly released. The interim Council for Science and Innovation also provided a report to the Minister for Commerce that will form the basis of future strategic directions and guide the objectives for the Council in 2010-11.

Ministerial Directions

Under the Industry and Technology Development Act 1998, section 25, the Minister may give directions to the Council, the text of which must be included in the annual report.

As of 2nd December 2009, The Hon. Troy Buswell, BEc MLA, Treasurer; Minister for Commerce; Science and Innovation; Housing and Works provided the following direction to the Council.

"Given the nature of the proposed changes to TIAC it is important that we begin to wind back the activities of the current Advisory Committee. Accordingly, under the provisions of the Industry and Technology Development Act 1998 I have directed the Council to cease all activities."

"In addition, I have asked the Council to work with the Department of Commerce to transition staff, budgets and resources into the Department of Commerce by Friday 4 December 2009."

APPENDIX: A

INDICATORS OF RELEVANCE

Publications of TIAC Linked to Function

The table below links TIAC's report to its Primary and Secondary Functions:

- Primary Functions are those set out as the "Objects" of the Industry & Technology Development Act 1998, Part 1, (3). (See Page 6 of this document).
- Secondary Functions are those as set out at part (b) of the "Functions of Council", Industry & Technology Development Act 1998, Part 6, (21) (1). (See page 6 of this document).

Publication Title	Linkage to Function	Date
Support for West Australian Software Industry	PF5, SF5	July 1988
New Challenges & Opportunities	PF5, SF7	July 1988
Technology Parks	PF1, PF5	July 1988
Intelligent Buildings: What role for the WA Government?	SF6	Sept 1988
US State Government Policies Designed to Encourage the Commercialisation of New Ideas: Some Recommendations for WA	PF1, PF3, SF5	Sept 1988
WA Software Industry (Second Report)	PF5, SF5	Oct 1988
An Industrial Science Policy for Western Australia: Some Seed Ideas	PF5, SF1	Oct 1988
Towards a West Australian Science Policy for the 1990's	PF5, SF1	Nov 1988
Inquiry into Venture Capital in Western Australia	PF1, PF3, SF5	March 1989
The Case for a New Branch of Manufacturing to Provide Smart Equipment for the Mining Industry	PF2	March 1990
The Export Debate	PF5	May 1990
Tomorrow's People in Science and Technology	SF1	March 1991
Bentley Technology Precinct: An Exploratory Study	PF1	Sept 1992
The Western Australian Technology School of the Future: A Feasibility Study	SF3, SF5	Oct 1992
Capturing Opportunities in Asia with Western Australian Science and Technology	PF5	Nov 1992
Telecommuting 2000: Making the Future Work for Western Australia	PF2, SF5	Dec 1992
Telework 2000: Making the Future Work for Western Australia	PF2, SF5	July 1993
R&D and the State's Economic Development: What is the best fit?	PF1, SF4	April 1994
Medical Research Infrastructure Funding in Western Australia	PF1, SF4	April 1995
Towards an Information Infrastructure Policy for Western Australia – the Business Aspect	PF2, SF1	Feb 1996
Financing Options for Regional Infrastructure in Western Australia	PF1, PF4	Nov 1996
Telecommunications Deregulation – Is Western Australia Prepared?	SF7	Dec 1996

Western Australia's Minerals and Energy Expertise: How can it be optimised? – Defining the Issues – A Background Paper	PF5, SF3	Sept 1997
Research and Development: Role of the State Government in attracting External Funding	PF1, SF1	May 1998
From Mines to Minds: Western Australia in the Global Information Economy	PF1, PF2, PF5, SF1, SF5	Feb 1999
Western Australia's Minerals and Energy Expertise: How can it be optimised? – Growing the R&D Sector	PF1, PF5, SF3	June 1999
Technology, Skills and the Changing Nature of Work	PF5, SF1, SF3	April 2000
Drivers and Shapers of Economic Development in Western Australia in the 21 st Century	ALL PF, ALL SF	Sept 2000
Export of Western Australian Education and Training: Constraints and Opportunities	PF2	Oct 2000
Biotechnology West: Strengths, Weaknesses and Opportunities	PF4, PF5, SF5	Dec 2000
Directions for Industry Policy in Western Australia within the Global Knowledge Economy	SF1	March 2002
The Organisation of Knowledge: Optimising the Role of Universities in a Western Australian Knowledge Hub	PF1, PF2, PF5	June 2002
Creating Western Australia's Knowledge Infrastructure: Towards Global Competitiveness and High Value Employment	PF2	June 2003
Enabling a Connected Community: Developing Broadband Infrastructure and Services in Metropolitan Western Australia (ICT Industry Development Forum)	PF2, PF5	Sept 2003
Initiating and Supporting Major Economic Infrastructure for State Development: Defining the Issues	PF1, PF2, PF3, PF5	May 2004
Initiating and Supporting Major Economic Infrastructure for State Development: Opportunities for Government	PF2, PF3, PF5, SF1	Sept 2004
Trade in Western Australian Health Industry Services: Directions for Development	PF1, PF2, PF5, SF1	Nov 2004
Enabling Growth: The Contribution of ICT to the Western Australian Economy (ICT Industry Development Forum)	PF1, PF2, PF3, SF1, SF2, SF4, SF5, SF10	Feb 2006
Big Pipes: Connecting Western Australia to the Global Knowledge Economy (ICT Industry Development Forum)	PF1, PF2, PF3, SF1, SF2, SF4, SF5, SF7, SF10	April 2006
A Snapshot of Export Activity in Western Australia's SME Sector	PF1, PF2, SF2	July 2006
Building on the Western Australian Boom: Drivers and Shapers of India's Economic Development in the 21 st Century	ALL PF, ALL SF	Feb 2007
Building on the Western Australian Boom: Drivers and Shapers of China's Economic Development in the 21 st Century	ALL PF, ALL SF	Feb 2007
Managing Western Australia's Economic Expansion: The Need for People and Skills	PF2, PF5, SF2, SF3, SF5	Sept 2009
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Outcomes of TIAC Reports

Outcomes of TIAO Reports	T	
Report Title	Date	Possible Indicator of Relevance - Date
Towards a West Australian Science Policy for the 1990s	1988	Launch of a State Science and Technology Policy (1997).
Inquiry into Venture Capital in Western Australia	1989	Part of Industry Policy (2004).
Bentley Technology Precinct: An Exploratory Study	1989	Precinct Plan implemented (2004).
The Western Australian Technology School of the Future: A Feasibility Study	1992	Part of ALP election promise (2001). Part of Perth Modern Development (2004).
Tomorrow's People in Science and Technology	1991	Issues and elements contributed to the formation
R&D and the State's Economic Development: What is the best fit?	1994	of the Science Council and contained in OSI projects (2001).
Research and Development: Role of the State Government in attracting External Funding	1998	
Medical Research Infrastructure Funding in Western Australia	1995	Funding implementation (1997).
Towards an Information Infrastructure Policy for Western Australia – the Business Aspect	1996	Issues relating to ICT and Telecommunications Policy included as part of Industry Policy (2004).
Telecommunications Deregulation – Is Western Australia Prepared?	1996	Proposed development of ICT Strategy and Telecommunications Strategy (2004).
From Mines to Minds: Western Australia in the Global Information Economy	1999	
Western Australia's Minerals and Energy Expertise: How can it be Optimised? – Defining the Issues – A Background Paper	1997	One of the proposed Research Institutes under the OSI plan (2003-2004).
Western Australia's Minerals and Energy Expertise: how can it be optimised? – Growing the R&D Sector	1999	
Drivers and Shapers of Economic Development in	2000	Quoted in Innovative WA Policy – ALP (2001).
Western Australia in the 21 st Century		Climate Change and Sustainable Development now acknowledge as a mainstream issue of significance (2006-2007).
Export of Western Australian Education and Training: Constraints and Opportunities	2000	Part of Industry Policy (2004).
Biotechnology West: Strengths, Weaknesses and	2000	Part of Coalition election promise (2001).
Opportunities		Part of DoIR work programme – development of Biotechnology Strategy (2004).
		WA Biotechnology Industry Development Strategy launched (2006).
		WA Biotechnology Industry Directory launched (2007).
Directions for Industry Policy in Western Australia within the Global Knowledge Economy	2002	Industry Policy Statement launched 2004.
The Organisation of Knowledge: Optimising the Role of Universities in a Western Australian Knowledge Hub	2002	Elements and issues contributed to OSI Research Institutes plan (2004).
Creating Western Australia's Knowledge	2003	Issues and elements to contribute to the

Infrastructure: Towards Global Competitiveness and High – Value Employment		Government's Knowledge Economy Strategy (2004).
Enabling a Connected Community: Developing Broadband Infrastructure and Services in Metropolitan Western Australia (ICT Industry Development Forum)	2003	Federal Government budget provides \$50m for metro broadband subsidy to disadvantaged (2005). State Infrastructure refers to Telecommunications as part of infrastructure. Chair of ICT Forum appointed as member of Taskforce (2005).
		State Government announces the State-wide Broadband Network Strategy intended to provide reliable, high-speed and affordable broadband access to all Western Australians (2006).
Initiating and Supporting Major Economic Infrastructure for State Development: Defining the Issues	2004	Business Council takes up issue of Federal Government involvement in infrastructure development (2004).
Initiating and Supporting Major Economic Infrastructure for State Development: Opportunities for Government	2004	State Government creates Cabinet Taskforce to oversee major infrastructure projects (2005). State Government established Commonwealth-State Relationship Taskforce.
		The State Treasurer established Infrastructure Taskforce (2004). Terms of Reference and timeframe for development of State Infrastructure Strategy released (2005). Strategy Green Paper released (2006).
TIAC's Towards a Knowledge Economy theme of reports	1999- 2004	State Cabinet endorses coordinated development of a Western Australian Knowledge Economy (2004).
Trade in Western Australian Health Industry Services: Directions for Development	2004	State Government (via DoIR) begins to progress a number of the report's recommendations including (i) Establishing a Western Australian Health Services Industry Association (ii) Release of a Western Australian Health Industry Capability Directory, database and website (2007).
Enabling Growth: The Contribution of ICT to the Western Australian Economy (ICT Industry Development Forum)	2006	Tasmanian Government's Economic Development Department seeks support of the ICT Forum to develop a similar report for Tasmania (2006).
Big Pipes: Connecting Western Australian to the Global Knowledge Economy (ICT Industry Development Forum)	2006	State Government announces the State-wide Broadband Network Strategy. Under the strategy, this money will be pooled together and offered as a 10 year, \$1 billion contract to facilitate the installation of the State-wide broadband network by the private sector (2006).
Building on the Western Australian Boom: Drivers and Shapers of India's Economic Development in the 21 st Century	2007	Australia and India agree to conduct a joint study into the merits of a free trade agreement (FTA) between the two countries, with the study expected to be completed by early 2009.
Building on the Western Australian Boom: Drivers and Shapers of China's Economic Development in the 21 st Century	2007	The State Government (via DoIR) increases its human resources focusing on facilitating trade with China.