Building a Thriving Tech Sector in Perth

Tech Action Plan

JUNE 2023

CITY OF PERTH
City of Light

Acknowledgement of Country

The City of Perth acknowledges the traditional custodians of the land that we are situated on, the Whadjuk people of the Nyoongar nation and Aboriginal people from other lands. We celebrate the continuing traditions, living culture, and the spiritual connection to Boorloo and the Derbarl Yerrigan. We offer our respects to Elders past and present.

Contents

Foreword

As we navigate the rapidly changing world around us, it is crucial that we foster a vibrant, innovative, and economically thriving Perth that embraces opportunities presented by technology and secures our place on the global stage. The City of Perth has been a long-term supporter of the technology and innovation ecosystem and understands the importance of partnerships and collaboration.

The City's Economic Development Strategy identified potential avenues for growth, particularly in relation to technology, the digital economy and innovation. In order to prioritise and leverage the potential for local tech sector growth, it is recognised as vital to establish a Technology Action Plan through collaborative consultations with key stakeholders within the local ecosystem. The resulting Tech Action Plan presents a multi-pronged approach to attracting and growing tech businesses in Perth and establishing our city as a hub for technological innovation.

The Tech Action Plan is a response to a global economy that is evolving, driven by geo-political factors, environmental challenges and emerging new technologies. It is vital we stay ahead of the curve by identifying and attracting companies that specialise in the capabilities and industries of the future. These companies not only generate jobs and new export markets, but also drive the transformation and competitiveness of traditional industries. We must also ensure accessibility of our tech ecosystem to First Nations peoples and minimise the digital divide among all citizens.

The presence of tech-intensive companies and workforces assist in creating a more vibrant and bustling city centre, fuelling demand for commercial space and creating a gravitational pull towards Perth.

This Tech Action Plan signifies a purposeful, targeted approach to creating a more vibrant and prosperous City of Perth, recognising that collective action is crucial to ensuring the City practices technological stewardship and promotes digital innovation within the ecosystem.

The Right Honourable, the Lord Mayor
Basil Zempilas

Executive Summary

Perth's thriving tech sector plays a critical role in the city's economic growth and diversification.

The sector fosters innovation across industries and enhances the delivery of essential services, such as sustainable infrastructure, reliable transportation, advanced communication networks, and data-driven urban planning. These advancements create a dynamic, sustainable urban environment, promoting a strong sense of community for Perth's residents.

$11B
Contribution of the tech sector to Western Australia's GSP

7th
Largest employer in Western Australia

Perth has a range of assets that provide a solid foundation to amplify and grow its tech ecosystem

- High speed connectivity to Australia and Asia
- LoRaWAN Network to support IoT devices
- Stable government and business confidence
- Local data centre capability to deliver data sovereignty
- The presence of tech-intensive multinationals based in Perth
- Secure and scalable public cloud zones to deploy and manage applications and services

Opportunities for Perth:

1. Capitalising on the rapid digitalisation and decarbonisation of key industry sectors
2. Aligning action to availability of City of Perth spaces
3. Aligning to the City of Perth's unique lifestyle

Major themes:

THEME 1
Awareness, Promotion and Celebration
This involves increasing awareness of Perth's resources and programs for tech enterprises and showcasing them to potential customers and investors.

THEME 2
Networking and Events
This includes curating programs and events in Perth to tap into the local ecosystem's collective potential.

THEME 3
Spaces and Infrastructure
This involves expanding co-working spaces, accelerators, innovation hubs, and specialized tech infrastructure like supercomputing, data centres, and data science capabilities.

THEME 4
Tech sector development
This involves utilising Perth's brand to expand its tech sector, attracting major events and organizations to benefit from the city's offerings.

THEME 5
Investment
This involves boosting city's economic activity by connecting with investors and showcasing local success stories and capabilities.

Collaborative action is vital for driving the Tech Action Plan and realising Perth's vision. In this spirit, the City of Perth will regularly engage with key tech and innovation stakeholders in an agile, action-oriented manner to help realise the vision of Perth as thriving centre of tech activity.

Context

The City of Perth's Economic Development Strategy aligns with a vision for Perth to be a thriving city built on technology, knowledge and innovation.

The tech sector is the 7th largest employer in Western Australia and contributes $11 billion to Gross State Product. The City of Perth's aspiration is to grow that figure substantially. But the tech sector contributes even more to the State when you consider its enabling impact. The adoption of technology by Western Australia's most important industry sectors helps to generate new sources of revenue, differentiate them from global competitors and remove cost and risk from their operations.

There are many benefits of an enhanced tech sector in Perth including improved city vibrancy, strong job multipliers in comparison to traditional industry, enhanced occupation of commercial floor space and the development of industry skills of the future. By clustering and layering user groups within the City, density can be achieved which enables more frequent "collision", in turn enabling shared information and effective networks to be built. These benefits can be amplified when tech-based enterprise is scaled up through specific precincts or larger clusters of new and young technology firms.

The tech sector also contributes to Perth's capacity to deliver services to businesses and residents:

- Smart infrastructure and energy efficient buildings that are more sustainable

- Robust and reliable transport, integrating semi-autonomous vehicles and electrified public transport to improve safety, reduce congestion and minimise emissions

- Advanced communication networks to facilitate real-time data exchange, powering smart city solutions that optimise the allocation of resources; and

- Data-driven urban planning that enables Perth to respond dynamically to the evolving needs of its residents, fostering a sense of community and belonging.

The City of Perth is focused on the growth and development of the technological, innovation and entrepreneurial sector within Perth. A key aspect of support for this area involves the encouragement of clustering, collaboration and coordination across industry sectors. The current level of development occurring within the creative and technology industries will continue in line with new and emerging opportunities within these sectors.

The City recognises that continued growth of this sector is important to the city's economic diversity and will help position Perth as a centre of knowledge and innovation excellence. The development of the knowledge-based economy, globalisation and international competitive pressures have increased the importance of creativity and innovation in local economies.

Principles for development of the Tech Action Plan

The Tech Action Plan represents an elevation of support provided by the City of Perth, but also a new approach. At its core is a belief that progress will be greater, and faster, if it's built on collective action.

Put simply, by leveraging the collective capacity of the wider ecosystem. A number of other principles underpinned the development of the Tech Action Plan:

The need for funding certainty

Investment is allocated and locked in over three years

Identification of measurable outcomes

Impact metrics in place and actively monitored

Clear accountabilities

The plan needed to be underpinned by actions with clear owners.

The process for developing the Tech Action Plan

The process for developing the Tech Action Plan was highly consultative recognising the desire to create a plan that is built on collective action:

Extensive Research	Integration with Local Ecosystem	Validation and Consultation	Refinement and Approval
• Conducted extensive research on data sources and information (local, national, and international) • Identified key challenges for WA, such as underperformance in attracting VC funds, lack of awareness, and underperformance in tech sector jobs and economic outputs.	• Participated in Spacecubed and Lotterywest "Meshpoints" Program • Joined the Boston MIT Regional Entrepreneurship Acceleration Program • Coordinated and collaborated on key issues to avoid duplication of efforts.	• Consulted with over 30 key stakeholders within the tech sector • Sent a draft Tech Action Plan based on identified themes to stakeholders • Organised a hybrid world café style workshop to gather feedback • Validated feedback and documented this in a Book of Proceedings.	• Refined the Tech Action Plan based on inputs received • Presented the refined plan to Elected Members for feedback • Obtained Council approval for the finalised Tech Action Plan.

Strategic opportunities for Perth

There are a number of major opportunities the City of Perth is hoping to capture through this process.

1 **Capitalising on the rapid digitalisation and decarbonisation of key industry sectors**

Professional, scientific and technical services

Public administration and safety

Mining and resources

Medical Technology, healthcare and social assistance

Critical infrastructure

Education

Energy

2 **Aligning action to availability of City of Perth spaces**

- Tap into $1.7B Perth City deal
- Utilise existing institutions (Medical Health, Life Science, SPaaRC, SKA)
- Focus on developing precincts (QEII, UWA, RPH)
- Capitalize on private sector activity in remote operations

- Exploit Perth/WA's unique position for data centres (renewable energy, Asia connections)
- Harness the centralized local ecosystem (co-working spaces, sector hubs, user groups)
- Leverage strong digital infrastructure (low latency cables, data centres).

3 **Aligning to the City of Perth's unique lifestyle**

Leveraging state economic diversity funding and associated strategies

Leverage Perth's unique lifestyle

Location and Time Zone to Asia

Leverage City and State branding and reconnection funding

Perth's technology and innovation ecosystem

The vision for a tech-enabled Perth

In coming decades urbanisation will continue to accelerate, driving the need for sustainable, efficient, and equitable solutions to accommodate the growing population. Together with its partners the City of Perth can leverage cutting-edge technologies and innovations to create an urban environment that enhances the quality of life for all residents, as well as attracting its fair share of companies and individuals that create those solutions.

The City of Perth's strategic assets

Global competition for technology and innovation talent is intense.

Perth's capacity to compete with the world's best comes down to two critical factors:

1 Capitalising on Perth's technology infrastructure; and

2 Harnessing the collective capability of the technology and innovation ecosystem.

The City of Perth has a number of strategic assets and pieces of technology infrastructure that will be critical to attracting and retaining tech-intensive industries.

High speed connectivity to Australia and Asia

Local data centre capability to deliver data sovereignty

Stable government and business confidence
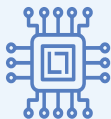
The presence of tech-intensive multinationals based in Perth

Public cloud zones

LoRaWAN Network to support IoT devices

The Tech Action Plan recognises that a broad range of ecosystem members will play a role:

- Entrepreneurs
- Startups
- Co-working spaces

- Universities
- Community
- Venture capital

- State Government; and
- Local Government
- Corporates

The City of Perth has a track record of achievement in the tech sector

The City of Perth has been a strategic investor into the tech and innovation sector. It has been a long-term supporter of the tech and start-up sector including seed funding for Spacecubed, recognising that one third of WA startups are located in Perth.

Until now the City's role has been focused on:

- Improving access to information for tech companies
- Branding, events and marketing
- Seed support (funding, access to staff, access to space)
- Brokering strategic partnerships with government and industry
- Facilitation and mobilisation of the tech and innovation ecosystem; and
- Strong advocacy.

The City's role in delivering on the Tech Action Plan

An important consideration within the development of the Tech Action Plan is the role the capital city's local government can play in addressing these challenges.

It is acknowledged there are limitations on what the City can achieve alone in the context of local government legislation and regulations, and the City's financial constraints. For this reason, the Tech Action Plan has been developed in a format that highlights the optimal role the City can play in achieving outcomes for the sector, including:

Deliver and drive action:

- The City of Perth needs to take a leadership position, facilitate and execute tasks with a high energy
- It involves setting clear goals, planning strategically, and committing to the necessary actions to achieve those objectives.

Partner for mutual success:

- A successful ecosystem is built on collaboration, trust and shared vision
- By leveraging its partners, the City of Perth can tap into a wealth of resources, knowledge, and expertise, which can significantly contribute to achieving their goals
- A collaborative approach creates scale, enhances offerings and expands reach
- By actively engaging with partners and nurturing these relationships, the City of Perth can work together to drive innovation, share risks, and ultimately achieve mutual success.

Advocate to move from talk to action:

- As an advocate, the City of Perth raises awareness about important causes and issues, ultimately working towards creating positive change
- This involves leveraging various communication channels, such as social media platforms, public speaking engagements, or content creation, to share impactful messages and stories with a wider audience
- The City can inspire, influence, mobilise and drive meaningful change.

Section 3
Elements of the Tech Action Plan and priorities

Five key themes emerged from consultation with Perth's tech and innovation ecosystem. These themes reflect the diverse needs of the ecosystem and the nature of opportunities presented to the City.

THEME 1 Awareness, Promotion and Celebration	**THEME 2** Networking and Events	**THEME 3** Spaces and Infrastructure	**THEME 4** Tech Sector Development	**THEME 5** Investment

For each theme, this action plan details the outcomes the City is seeking to achieve and the focus of new activity to be help achieve these outcomes.

THEME 1

Awareness, Promotion and Celebration

There are two focus areas for this theme:

1. Raising awareness of Perth's capability, assets and programs to emerging and established tech enterprises
2. Promoting and celebrating those enterprises to potential customers and investors.

Outcomes:

- The City of Perth is recognised nationally and internationally as an emerging tech and innovation hub

- Tech enterprises better understand Perth's capabilities and how to leverage them

- Perth businesses understand the critical role tech firms play in the City and for their own enterprises

- Perth's tech enterprises attract investment and grow.

Focus of new activity:

- Development and dissemination of collateral case studies that celebrate Perth's local ecosystem

- Promotion of Perth's tech and innovation credentials in targeted overseas markets

- Advocacy of the ecosystem's importance to the fabric of the City.

Existing activities that will continue:

- Provide support to peak bodies for the local start-up community, as well as aligned media organisations

- Facilitate and participate in forums that focus on the growth of the tech and innovation ecosystem

- Advocacy for local organisations focused on catalysing collaboration within local innovation ecosystem

- Embrace existing vehicles such as the MIT REAP Team WA program in recognition of the important role they play in helping to connect Perth's technology and innovation ecosystem to global partners.

Networking and Events

The focus of this theme is careful curation of programs and events within the City of Perth to harness the collective potential of the local ecosystem.

Outcomes:

- A more interconnected tech and innovation ecosystem
- Connections between founders, investors, advisors, mentors and customers that create the potential for new collaborations, projects and growth.

Focus of new activity:

- Provide advice on event planning, curation and promotion to maximise impact and help the ecosystem engage with new audiences and cross-pollinate with targeted industry sectors
- A targeted marketing and promotional program within the tech, innovation and start-up ecosystem.

Existing activities that will continue:

- Support the local start-up industry's annual marquee event, as well as events that align the creative industry with tech and innovation
- Financial support for showcase events that promote Perth's tech sector strengths.

Spaces and Infrastructure

This theme focuses on the continued development and growth of co-working spaces, accelerators and innovation hubs as well as specialist technology infrastructure such as supercomputing, data centres, underlaying networks and capabilities in data science and space.

Outcomes:

- Better understanding of what spaces and infrastructure exist by those that can benefit from them
- Increased utilisation of co-working spaces, accelerators and incubators
- Meeting demand for spaces in emerging areas such as eSports and Gaming
- Improved access to specialist infrastructure.

Focus of new activity:

- Creation of new spaces and user groups that are sector-specific and tech-enabled
- Advocate for a multi-purpose competitive eSports / Gaming Zone in the City of Perth.

Existing activities that will continue:

- Work with relevant institutions including innovation hubs, universities and government agencies to plan for and promote the City's developing innovation clusters
- Focus on collecting and disseminating data related to local STEM skills and innovation clusters.

Tech Sector Development
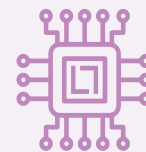
This theme focuses on leveraging Perth's brand to grow its tech and innovation sector and attract major events and organisations.

Outcomes:

- City of Perth is recognised nationally as a "City of Tech"
- Influential tech events are hosted in the City of Perth, creating opportunities for the local ecosystem
- Large, influential and globally-networked tech companies are attracted to Perth to retain talent.

Focus of new activity:

- Targeted campaign to attract local, regional, interstate and international tech firms / start-ups to Perth
- Using the City of Perth's brand and City of Light platform to raise awareness of Perth's credentials as a lifestyle destination and source of tech sector skills
- A pitch event and incentives for local start-ups to solve the City's challenges.

Existing activities that will continue:

- Cultivate international relationships and link individual start-ups with potential international partners and potential customers
- Fund medical accelerator and entrepreneurial programs — leveraging significant medical health and life sciences infrastructure (QEII, RPH, Unis) and talent in the city.

Investment

This theme focuses on increasing economic activity in the city by engaging with the investment community and educating them on local success stories and capability.

Outcomes:

- Increased investment deal flow in the city
- Increased local capability around tech investment attraction (including creating compelling investment cases)
- A more connected investment community within the City of Perth.

Focus of new activity:

- Provision of investment advice, mentoring, education and professional services development at early stages of the start-up lifecycle (including pre-seed)
- Promotion of investment opportunities and connecting to potential partners and delegations
- Partner with the investor community to stimulate the investment environment.

Existing activities that will continue:

- Support for tech investment events such as pitch nights and investor breakfasts
- Playing a role in sourcing/ surfacing market research data relevant to venture capital and investment activity.

What success looks like

The Tech Action Plan will achieve three major outcomes for Perth:

1 More investment into the state leading to growth of individual companies and the ecosystem

2 Activation and audience development which creates energy in the City and leads to greater space utilisation and creation of new spaces

3 Increased capacity within the tech and innovation ecosystem including skills, knowledge, networks and partnerships.

What success will look like, over three years:

- Three strategic pillars achieved: Liveable, Sustainable, Prosperous
- A more connected ecosystem with better coordination, awareness, and promotion
- A cluster development approach fostered for cooperative competition
- Improved branding and identity including national and international recognition
- Strengthened risk capital and investment environment
- More successful tech start-ups that reinvest in the local ecosystem
- A City of Perth that supports tech sector and innovation with enhanced infrastructure.

Investment Attraction

Targeting growth sectors, deal flow, eSports, and innovative tech

Activation and Audience Development

Strategic marketing, case studies, branding, and social media engagement

Building capacity

Sector-specific info, targeted grants, and skills development

Taking it forward

In the spirit of collective action, the City of Perth will convene regularly with major stakeholders in the tech and innovation ecosystem.

The model for engagement needs to be agile and dynamic with a focus on action, not talk.

We will take up advice from the tech and innovation ecosystem and resist forming formal committees and working groups.

It's an exciting phase for the City of Perth and the Tech Action Plan is a crucial element to achieving our broader vision.

CITY OF
PERTH
City of Light