

# **INQUIRY INTO INTERGENERATIONAL CHALLENGES AND OPPORTUNITIES FOR THE WESTERN AUSTRALIAN ECONOMY**

Submitted by David Karr [davidkarr@interspacial.com.au](mailto:davidkarr@interspacial.com.au)

Dated: 26<sup>th</sup> August, 2021

## **1. THE CURRENT STRUCTURE OF THE WA ECONOMY**

- 1.1. The WA economy today is overwhelmingly a primary commodities economy dependent on overseas markets and pricing
  - 1.1.1. Unfortunately the dependence is a “all eggs in one basket approach” namely China(West)
  - 1.1.2. The ramifications of this are being felt with the CCP(Chinese Communist Party) imposing trade restrictions on WA at will
- 1.2. There is dire need to diversify the customer base to other parts of Asia such as India and increase the market share of existing customers such as Japan, Korea, Thailand etc
- 1.3. A massive investment needs to take place in value adding in the following areas
  - Metals(feedstock for additive manufacturing)
  - Plastics(feedstock for additive manufacturing)
  - Energy(solar panels, storage(graphene batteries), green energy(Hydrogen)
  - Services(ship maintenance by expanding AMC in Henderson)
- 1.4. By investing in value adding, this will allow future generations the opportunities to be at the forefront of technology

## **2. KEY FACTORS DRIVING CURRENT DEMAND FOR WA EXPORTS**

- 2.1. As per 1.2, a need to constantly change and diversify markets for WA goods
- 2.2. WA needs to diversify its exports from almost exclusively primary commodities to value added products
- 2.3. This will allow vast expanded opportunities for future WA generations requiring advanced skills such as data analytics, production control(Industrial Engineering) etc.

### **3. KEY FACTORS THAT WILL AFFECT DEMAND FOR WA EXPORTS INTO THE FUTURE**

-Actions being undertaken by relevant stakeholders to plan for identified trends in demand for WA exports

- 3.1. WA needs to diversify its markets for its primary as well as value added goods.(Putting eggs in one basket syndrome)
- 3.2. New and expanded markets need to be exploited such as India, the Middle East, Pakistan, Bangladesh, South Africa and South America.
- 3.3. By expanding markets, especially in the value added area, WA will shield itself from market driven commodity pricing.

### **4. KEY FACTORS AFFECTING INBOUND INVESTMENT IN MAJOR SECTORS OF THE WA ECONOMY.**

- 4.1. WA needs to continue and expand investment opportunities, especially in value added manufacturing.
- 4.2. Inbound investment in primary industries such as mining and agriculture needs to be reduced and in some cases controlled.
  - 4.2.1. This will allow WA to be in control of its own destiny and benefit from its vast resources.

Thanks

David Karr(C.P. Eng, FIIEA)

Principal/CEO

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89 Barbera Lane, The Vines, WA 6069

Mob 0419 831 109 Int'l 61-419 831 109

Email [davidkarr@interspatial.com.au](mailto:davidkarr@interspatial.com.au)

Web [www.interspatial.com.au](http://www.interspatial.com.au)