

2022-2023

Business Plan



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Disclaimer

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Executive Summary

Our Plan – 2022–2023

The Business Plan 2021–2022 (and Budget) builds on Regional Development Australia’s (RDAP) work in the last financial year and the strategic directions outlined in RDAP’s *Strategic Plan 2021–2024*, endorsed by the RDAP Committee and the Commonwealth.

What is notable about RDAP’s performance in the last financial year is the shift from planning to brokering and negotiating high-value regional outcomes. While this has always been evident in RDAP’s delivery of the West Pilbara for Children’s initiative, significant economic outcomes have been achieved on the back of evidenced-based submissions, collaborative partnerships, and effective leveraging of Government programs.



This will have positive impacts on both the resources sector and local economies in the Pilbara, and more broadly on economic output relative to the State and National economies.

Key projects such as a \$140 million Hydrogen Hub in Karratha and a Designated Area Migration Agreement for the Pilbara give traction to the negotiating power of RDAP and its partners in the context of Governments’ current legislative and policy environment for industry, trade, and regional development. What has been clear is the strength inherent in genuine collaboration and harnessing regional expertise, data, insights, and resources.

This collaborative and targeted approach will continue to underpin RDAP’s work in 2022–23. This includes leveraging the Department of Foreign Affairs and Trade’s commercial expertise and networks to achieve high value investment in the Pilbara, and a renewed Federal and State Government policy and investment focus on improved telecommunications in regional areas, aligned to economic outcomes. Alignment of the DAMA skills listing to skills shortages will also be evaluated and RDAP will continue its involvement in the Northern Western Australian, Northern Territory Innovation Hub, and the investment project with RDA partners, led by RDA Perth.

With data-centred practice key to investment and operational decision making in business and industry, RDAP will continue to network and deliver monthly economic publications.

RDAP Committee

The performance of RDAP in economic (and social) development of the Pilbara is in strong part, reflected in:

- the strength of the Committee, including its capacity to bring to the table varied and relevant strategic and technical expertise from across the Pilbara and oversee effective governance and accountability;
- the governance and operational capability of the Director Regional Development; and
- the Committee and Director's depth of understanding of the region and its relationship to the broader legislative and policy environment; influence of macroeconomic trends; evidenced-based practice; and ability to establish and maintain strong networks and productive working relationships.

The Pilbara is an extremely dynamic economic (and social) environment and a key focus of State and Federal policy initiatives given its contribution to State and Federal revenue and Covid-19 recovery. The complexity of economic performance commands diverse skills and leadership in governance and strategy.

Nerida Kickett was appointed Chair in December 2020 and five Committee Members in March 2021, with Frank Ye and Rod Evans completing service as at 20 June 2022 and Chantelle King, Nancy Milligan and Robby Chibawe appointed. Appointments were compliant with the RDA Appointments Guide.

RDAP would like to take this opportunity to thank Frank Ye and Rod Evans for their valuable support of RDAP activities and participation on the RDAP Committee.

Nerida Kickett has extensive resource sector, education, finance, marine services and non-profit organisational experience, including holding a number of management positions. She is also a long-term Pilbara resident.

The Committee are representative of the four local government areas in the Pilbara and collectively bring strong cross-sectoral experience in business, local government, education, accounting, advisory, Aboriginal culture and land ownership, and innovation, which are invaluable skills in supporting RDAPs 2022-23 strategic directions.



As at 1 July 2022, the RDAP Committee comprised:

Position	Name	Term of Office
Chair	Nerida Kickett	30/06/2025
Deputy Chair	John Lally OAM	30/06/2025
Member	Mark Bradley	30/06/2024
Member	Anthony Middleton	30/06/2024
Member	Lorraine Injie	30/06/2024
Member	Nancy Milligan	30/06/2024
Member	Robby Chibawe	30/06/2024
Member	Chantelle King	30/06/2024

The Chair is tasked with providing strategic leadership to the Committee to deliver high value regional outcomes, ensuring effective corporate governance and networking, and advocating to address regional challenges and opportunities and facilitate investment.

The Deputy Chair assumes the role and duties of Chair in the Chair's absence; supports the Chair in the delivery of day-to-day matters; and chairs sub-committees, as established.

Committee members assume an active role in supporting the Chair and Deputy Chair by:

- working collaboratively as a committee to ensure the Committee's work accords with RDA's Charter, governance policies and practices, and regulatory and performance compliance requirements;
- actively contributing to informed discussion and decision-making to facilitate high value regional development outcomes, including through leveraging local networks; and
- acting in accordance with the Code of Ethics, demonstrating integrity, maintaining confidentiality, and avoiding conflicts of interest.

The Committee may also undertake priority activities for the Australian Government as directed.

The Director Regional Development is responsible for managing the operations of the organisation, implementing the strategic directions of the RDAP Committee, the RDA Charter, and RDAP's *Strategic Plan 2021-2024* and *Business Plan 2022-2023*.

Key achievements and learnings (2020–2021)



RDAP Strategic Plan 2021–2024

The Strategic Plan provides key regional insights including comparative strengths, challenges, enabling factors and strategic priorities to achieve a better connected, better resourced and more diversified, liveable and prosperous Pilbara economy. RDAP's *Annual Business Plan 2022–23*, incorporates an outcome-based work plan, including timeframes, targeting RDAP's strategic objectives.



Our Program 2020–21

The 2021–22 RDAP Business Plan focused on four strategic objectives detailed below.

Strategy one – Business development and economic diversification

RDAP committed to collaboratively supporting the delivery of a clean energy hydrogen hub for the Pilbara to reduce emissions and support the Pilbara as a clean energy hub, grow the hydrogen economy, decrease energy costs, and improve resource sector safety.

Karratha was identified by stakeholders as a critical location given the capacity to leverage production and transport infrastructure and clustering of demand for hydrogen. RDA Pilbara allocated resources to frame planning for the hub application and partnered with the State Government to submit a bid to the Commonwealth Government's Clean Hydrogen Industrial Hubs program. The application was lodged November 2021 along with a State Government commitment of \$70 million for the development of a hub in the Pilbara. The Commonwealth awarded the Pilbara Hydrogen Hub \$70 million in April 2022. The Hub will involve the 'development of a hydrogen or ammonia pipeline connecting the Maitland and Burrup strategic industrial areas, creation of a Clean Energy Training and Research Institute based out of both Karratha and Port Hedland, port upgrades to facilitate export opportunities¹ and a planned pathway to industry expansion.² The hub will support positioning the Pilbara as a world leader in hydrogen and create jobs in the region.



1 Government of Western Australia, *\$117.5 million to progress two renewable energy hubs*, article, 25 November 2022. Available at: <https://www.mediastatements.wa.gov.au/Pages/McGowan/2021/11/117-point-5-million-dollars-to-progress-two-renewable-hydrogen-hubs.aspx>

2 Regional Development Australia Pilbara, *Pilbara December 2021 Yearly Economic Report*, p13. Available at https://www.rdapilbara.org.au/_files/ugd/cl4dc8_37e895014916428a92688719ab2a95f6.pdf

RDA committed to lodging a collaborative submission to the Federal Government to establish a Northern Western Australian and Northern Territory Innovation Hub (NWANT) comprising eight nodes, four in each jurisdiction. The submission was approved, and a head agreement signed between the Australian Government and Charles Darwin University, with the hub grant administered at the direction of an independently chaired governing board, representing consortium partners.

NWANT 'operates as a network to connect industries and communities, and source and communicate relevant knowledge.'³ At inception, RDAP was particularly interested in projects that supported drought resilience for pastoralists. Still in its formative stages, the NWANT Innovation Hub is currently focused on the following five projects, knowledge bank development, learn the lessons, planning for drought, enhancing forage production, and building water security. Scoping documents have been prepared and are currently being reviewed by the NWANT Board.⁴

RDAP partnered with other WA based RDAs in a project led by RDA Perth to identify market investment opportunities and potential barriers to investment in WA regions. RDAP has provided investment data and the project remains in the development phase.

Skilled workforce attraction and development

Critical workforce shortages and the constraining impact on economic development is discussed under 'employment' below. RDAP, City of Karratha and Town of Port Hedland collaboratively prepared a submission to the Commonwealth for a Designated Area Migration Agreement (DAMA) to facilitate access to skilled worker categories not otherwise available

through the existing skilled migrant visa programs. The City of Kalgoorlie-Boulder is the only other location in the State with a DAMA.

The DAMA was approved by the Commonwealth Government on 30 March 2022 and while not the panacea for critical skills shortages, will support industry and small business, health and social services' sectors in accessing skilled workforce. The City of Karratha and Town of Port Hedland are subsidising application costs for small business and the application fee has been waived for childcare services. Between opening of applications on 9 May 2022 and 30 June 2022, RDAP as the Designated Area Representative for the DAMA program, received applications from nine businesses for a total of 41 positions, with significant demand for hospitality staff. A substantial number of applications were also received in July 2022 but will be reported in the 2023-24 Business Plan.

Infrastructure and Services

RDAP committed to preparation of an investigative research report on evidence-based and innovative responses to meet the current housing affordability crisis in the Pilbara and deliver long-term sustainable approaches to temper the housing market.

It also committed to supporting implementation of the recommendations of the Northern Australia Insurance Inquiry, aligned to housing affordability.

RDAP has not progressed the report given the volume of work associated with other strategic directions, and work undertaken by the Regional Capitals Alliance, Western Australian Council of Social Services, Pilbara Development Commission, *More than Mining Campaign* and local government authorities,

3 Regional Development Australia Pilbara, *NWANT Innovation Hub*. Available at: <https://www.rdapilbara.org.au/about-nwant-innovation-hub>

4 Ibid.

on affordable housing. RDAP actively supported the *More than Mining* campaign which seeks to expand fringe benefit tax concessions for improved housing affordability and other cost of living expenses and participated in the Town of Port Hedland's Housing Summit. The Commonwealth Government announced on 7 February 2022 that it had finalised the design of the Reinsurance Pool for Cyclone and Flood related damage which is expected to reduce insurance premiums for residential, strata and small business properties.⁵

RDAP continues to deliver the West Pilbara for Children Initiative as a facilitating partner under a five-year agreement with the Commonwealth. The program delivers tailored local approaches to support family and child wellbeing, with a focus on families experiencing vulnerability and multiple complex needs. In 2021, RDAP made significant governance changes to the program, including:

- appointment of a new Committee by the RDAP Committee reflecting its own cross-regional representative structure, with the Committee granted a more significant role in program selection, funding and monitoring; and
- development of a scoring matrix by the Committee aligned to the Commonwealth objectives of the program, and application to program selection.

The Roebourne 'Kids Safe Space' operating arrangements extended to five days given the success of the program. Rio Tinto has recently agreed to fund the program across weekends.

Leadership and collaboration

Activities centred on implementing the RDA Pilbara Strategic Plan 2021-2024; supporting priority projects in the Pilbara through funding submissions and business cases and other initiatives; and delivering or contributing to business growth strategies and integration of new technologies. Actions included RDAP:

- ensuring continual alignment between RDAP's Business Plan and Strategic Plan.
- delivering or supporting the above funding submissions to the Commonwealth.
- presenting at three monthly Pilbara Zone meetings on RDA activities, which is a conglomeration of Pilbara local governments.
- meeting with Commonwealth Ministers in Canberra on three occasions in conjunction with Pilbara local government authorities to advocate on the More than Mining campaign (meetings were also conducted with State RDAs), DAMA, Hydrogen Hub, and local government priorities.
- attended and built networks at the Developing Northern Australia Conference.
- meeting with the four local government authorities, Pilbara Chambers of Commerce and Industry, and industry and Pilbara small business, to understand regional development priorities for these sectors.
- launched a new website incorporating information on key projects, an information portal for the DAMA, and improved information distribution on RDAP's Facebook page.
- Delivered bi-monthly economic updates and alternate bi-monthly economic snapshots in partnership with the Pilbara Universities Centre.

⁵ Regional Development Australia Pilbara, *Pilbara February 2022 Bimonthly Economic Report*, p13. Available at: https://www.rdapilbara.org.au/files/ugd/c14dc8_d8ac3304edf94161b337938c928c5707.pdf

- Co-hosted DAMA information sessions with the City of Karratha and Town of Port Hedland.
- Sponsored the Federal Budget Briefing Breakfast on 20 April 2022.
- Supported a significant number of applications through the Building Better Regions Fund.



Learnings

The value that can be leveraged from cross-sectoral collaboration is perhaps the greatest learning of 2021-22. The process adopted for the Clean Energy Hydrogen Hub scoping, and funding application, involving partnerships between Pilbara Development Commission, City of Karratha and industry sets the standard for, and foreshadows, future multi-party collaborations for high value infrastructure and programs.

The DAMA was another successful collaborative project with partners, the City of Karratha, Town of Port Hedland and the Federal Government, with support from Chambers of Commerce and Industry and multicultural groups in Karratha and Port Hedland, who provide wraparound support for new arrivals. The level of applications to date are a testament to the value of the program, particularly to local businesses and holds strong potential for extension of the program to other Pilbara local government areas and transition of migrant workforce to permanent settlement in the Pilbara. A take home lesson is that a wider reach needed to be achieved in surveying businesses to establish DAMA occupations, given recent requests for additional workforce outside of those parameters.

Strategic context and regional priorities

In line with the RDA Charter, the focus for 2022–23 continues to be on leveraging collective expertise, resources, and funding through partnership arrangements for significant initiatives that realise high value economic outcomes in the Pilbara.

RDA regional stakeholders will be key to the identification and realisation of strategic initiatives under the Annual Business Plan.

Stakeholders

RDAP's major stakeholders are:

- Representative members of Parliament
- Pilbara communities
- Regional infrastructure planning bodies
- Regional economic (and other) development bodies
- Pilbara Regional Development Commission
- Pilbara local government authorities
- Pilbara Chambers of Commerce and Industry
- Non-government and community organisations
- Industry and regional industry peak bodies
- Education and employment providers
- Aboriginal corporations

Collectively, RDA works collaborative and informatively with these stakeholders through applying its Communications Plan. How it achieves this effectively is outlined in RDAP's 2021–22 Business Plan.



Regional profile

The following information expands on the regional profile included within RDAP's *Strategic Plan 2021-2024*, providing updated socioeconomic and environmental data.

Location

The Pilbara region located approximately 1200km north of Perth is one of the largest regions in Western Australia, comprising 507,896 km or 20 percent of Western Australia's land mass.⁶

The region extends from the Indian Ocean to the Northern Territory border and hosts the City of Karratha, Town of Port Hedland, and the Shires of Ashburton and East Pilbara local government areas.

Population and people

The population of Pilbara in 2021 was 63,164 and approximately 8,028 or 15.49% Aboriginal and Torres Strait Islander peoples.⁷ Aboriginal people are concentrated predominantly in the coastal towns of Karratha, Port and South Hedland, and Onslow as well as inland towns of Tom Price, Newman and Paraburdoo and in remote Aboriginal communities. For usual place of residence in the 2021 Census, the City of Karratha population comprised 21,002; the Town of Port Hedland 14,671; the Shire of Ashburton 6,859 and the East Pilbara 9,286.⁸ The median age ranges from 32 years in Karratha and Port Hedland to 34 in Ashburton and the East Pilbara.



63,164 total population



15.49% Aboriginal & Torres Strait Islander peoples

⁶ Remplan Community, Pilbara, *Our Region*. Available at: <https://www.pdc.wa.gov.au/our-region/region-pilbara>

⁷ Remplan Community, Pilbara, *Population*.

⁸ Ibid.

East Pilbara and Ashburton, both under 10,000. Two person families and couples with children are significant cohorts in the Pilbara.

Fly-in, Fly-out (FIFO) workforce population is not captured in Census statistics which constrains local and regional planning. Mining employs an estimated 125,755 persons,⁹ iron ore 60,950 in March 2022, with significant increases in employment, up 6% for iron ore industries.¹⁰ A report tabled by the Community Development and Justice Standing Committee in June 2022, cited FIFO as a 'huge part of the mining and resources sector,' noting that there are more than 60,000 FIFO workers in Western Australia with BHP employing more than 13,500 FIFO, Rio Tinto accommodating more than 11,000 people each night, and Fortescue about 11,000 FIFO.¹¹

WA Tomorrow population data prepared by the WA Government forecasts the resident population in the Pilbara to achieve 63,870 and 70,395 by 2031¹² under a median and high growth scenario respectively.

The Pilbara's population fluctuates in line with the economy and is not always linear. The Pilbara's strong positioning regarding iron ore; concerted effort by Federal and State Government and industry sectors on diversifying the economy; Pilbara resource sector majors' commitments to progressively achieving net zero emissions between 2030 and 2050;¹³ and demand for battery minerals and renewables will likely position the Pilbara for continued growth.

The Pilbara is currently experiencing a critical housing shortage, accompanied by inflated median house prices and increasing rents – see 'Housing Affordability'. As per the previous financial year, access to affordable childcare continues to be a challenge, with Port Hedland centres reporting a four-year waitlist for baby and toddler rooms and other Pilbara centres, 1-2 years for baby rooms. These challenges are principally attributable to staff shortages. Pilbara-wide and local government authority (LGA) and industry approaches to managing housing shortages and delivering childcare placements, are having some influence.

Cost of living and doing business remains a significant challenge with higher costs attributable to eating out, slightly inflated fuel costs and critical labour shortages in mining and resources and trades and services with a concomitant increase by many Pilbara-based businesses in salary packages to attract new staff.¹⁴

Workforce shortages in critical areas will be alleviated by the recent Designated Area Migration Agreement in the participating local government areas of the City of Karratha and Port Hedland.¹⁵

9 Government of Western Australia, Department of Jobs, Tourism, Science and Innovation, *WA Economic Profile*, May 2022, p4.

10 Government of Western Australia, *WA Iron Ore Profile*, June 2022, p5.

11 Parliament of Western Australia, Community Development and Justice Standing Committee, *Enough is Enough: Sexual Harassment Against Women in the FIFO Mining Industry*, June 2022, Finding 15, xii.

12 Government of Western Australia, Department of Planning, Lands and Heritage, *Western Australia Tomorrow Population Forecasts: Local Government Area*. Available at: <https://www.dplh.wa.gov.au/information-and-services/land-supply-and-demography/western-australia-tomorrow-population-forecasts>

13 Fortescue 2030 – Fortescue aims for net-zero carbon emissions by 2030 – [Mining.com.au](https://www.mining.com.au); BHP 2050 Reducing our operational emissions | BHP; Rio Tinto 2050 – [Climate Change \(riotinto.com\)](https://www.riotinto.com); WA Government 2050 – [Media Statements – Ambitious interim target set for State Government emissions and Western Australian Climate Change Policy | Western Australian Government \(www.wa.gov.au\)](https://www.wa.gov.au)

14 Regional Development Australia Pilbara, *Pilbara June 2022 Bi-monthly Economic Report*, pp2-4. Available at: https://www.rdapilbara.org.au/files/ugd/8d4a4e_c3d923c569d041db8dad69157b04112.pdf.

15 Regional Development Australia Pilbara, *Designated Area Migration Agreement*. Available at: <https://www.rdapilbara.org.au/dama>

Economy

The WA mining industry currently comprises nearly half of the State's economy which equates to the highest proportion on record. The majority of this is derived from iron ore but lower borrowing costs and stronger global demand also triggered exploration and investment in other key sectors such as gold, lithium and copper.¹⁶

The Pilbara supports 63,850 jobs with an annual economic output of \$100.381 billion, 63.3% of jobs are in mining and construction with lower-level employment across town-based services and other industries.¹⁷

The Pilbara has a two-speed economy, the resource sector economy, and the local economy in Pilbara towns. When the resource sector economy experiences a surge in demand, commodity pricing and investment, this can create opportunities for small to medium-sized enterprises in allied service or manufacturing industries. On the corollary, it can constrain workforce access and place additional inflationary pressure on the local economy, impacting the profitability and viability of some industries which are key to the sustainability of the community in a downturn. An expanded resource sector economy with a focus on a low carbon future, could provide leveraging opportunities for small to medium-sized enterprises to improve their resilience and potentially thrive.¹⁸

The Ports of Port Hedland (the largest), Dampier and Ashburton, the former two being amongst the largest bulk export ports in the world were collectively responsible in 2020-21 for nearly 80% of Australian and 40% of global seaborne iron ore supply, nearly 40% of Australia's Liquified Natural Gas (LNG) and 8.5% of global supply, and over 54% of salt mined in Australia and over 10% of the world's salt exports.¹⁹ For the same period, mining accounted for 47% or \$169.6 billion of the \$361.8 billion Gross State Product,²⁰ with iron ore holding the lion's share at 35%.²¹ Rio Tinto, BHP and Fortescue Metals Group are the largest global iron ore producers after Vale in Brazil.²²

The Pilbara minerals base has been diversifying for some time given large reserves of battery minerals and international demand for minerals for rechargeable batteries for electronics, energy storage and electric vehicles.²³ In 2021, Western Australia was the largest supplier of lithium in the world at 52% of global supply, drawn from Western Australia, and the fifth largest supplier of the world's nickel.²⁴ Asia is a key market for Australia, particularly China across iron ore, lithium, nickel and various other minerals.



¹⁶ Chamber of Commerce and Industry Western Australia, *Outlook: Who dares wins*, p3. Available at: <https://cciwa.com/wp-content/uploads/2022/03/0322-Outlook-High-Res.pdf>

¹⁷ Remplan Economy, Pilbara, *Economy, Jobs and Business Insights*.

¹⁸ Government of Western Australia, *Western Australian Climate Policy*, November 2020, p5.

¹⁹ Government of Western Australia, Pilbara Ports Authority, 2020-21 Annual Report, p11. Available at: [2021-annual-report \(pilbaraports.com.au\)](https://pilbaraports.com.au)

²⁰ Government of Western Australia, Department of Jobs, Tourism, Science and Innovation, *WA Economic Profile*, June 2022, p1.

²¹ Government of Western Australia, Department of Jobs, Tourism, Science and Innovation, *WA Iron Ore Profile*, June 2022, p4.

²² Ibid., p4.

²³ Government of Western Australia, Department of Jobs, Tourism, Science and Innovation, *WA Battery Minerals Profile*, June 2022, p1. Available at: [WA Battery Minerals Profile - June 2022.docx \(live.com\)](#)

²⁴ Ibid., pp2/5.

Exports and market outlook

A total \$195.0 billion in petroleum and minerals sales were transacted in 2021 in the Pilbara, up 37.2% on 2020 and \$363 million in building approvals in 2020–21, up 1.5%.²⁵ As at March 2022, \$52.1 billion in major resource projects were under construction or committed and \$84.3 billion under consideration in Western Australia.²⁶

Iron Ore

Iron Ore comprised 68% of petroleum and mineral sales in 2021 in the Pilbara and as the world's lead iron ore producer, Australia earned \$156.9 billion in 2021 (up 32.5% despite a small fall in sales volumes) for iron ore exports.²⁷ The majority of iron ore derived from Western Australia. Direct FTE in Western Australia's iron ore industry rose 6% to 60,950 in 2021 which accounted for 52% of direct FTE in the State's minerals mining industry (including exploration).²⁸ \$139 million was spent on iron ore exploration in the March quarter of 2022, up 6.6% from the previous quarter and 38% higher than the same quarter 2021.²⁹

The State Government's 2022–23 budget forecasts iron ore pricing to average US\$139.5 tonne in 2021–22, easing to US\$77.5 tonne in 2022–23³⁰ and the volume of Western Australia's iron ore sales to rise to 865 million tonnes in 2025–26.³¹ The Australian Chief Economist forecasts projected earnings from iron ore to ease to \$116 billion in 2022–23.³² Wood MacKenzie economists forecast iron ore demand will fall by 315 tonnes between 2021 and 2050 mainly due to lower demand from China with smaller reductions in other key Asian markets.³³

Liquid Natural Gas and Crude Oil (LNG)

Australia was the largest global exporter of LNG in 2021 at 21.1% with Western Australia (as opposed to the Pilbara) responsible for 12% of world supply and 56% of Australia's exports, with Asia the majority consumer of LNG.³⁴ The increase in oil prices in 2021 led to higher average LNG prices, including through the first half of 2022. Western Australia's LNG sales rose 44% to \$27.8 billion in 2021, entirely due to an increase in the average price.³⁵

LNG export earnings are forecast to rise to \$70 billion in 2022–23 and by a further \$14 billion the following year.³⁶ Australian LNG volumes are forecast to stabilise over the next two-year period at around 79–80 million tonnes.³⁷ Oil prices are expected to lift Australian oil export earnings in 2022–23 to \$14.3 billion. This comes on the back of an 81% rise in earnings in 2021–22 to

25 Government of Western Australia, Department of Jobs, Tourism, Science and Innovation, *WA Economic Profile*, June 2022, p16

26 Government of Western Australia, Department of Jobs, Tourism, Science and Innovation, *WA Economic Profile*, June 2022, p8.

27 Ibid, pp14/15.

28 Government of Western Australia, Department of Jobs, Tourism, Science and Innovation, *WA Iron Ore Profile*, p4.

29 Government of Australia, Office of the Chief Economist, *Resources and Energy Quarterly*, June 2022, p48. Available at: [Resources-and-Energy-Quarterly-June-2022.pdf \(industry.gov.au\)](#)

30 Government of Western Australia, Department of Jobs, Tourism, Science and Innovation, *WA Iron Ore Profile*, June 2022, p1.

31 Government of Western Australia, Department of Jobs, Tourism, Science and Innovation, *WA Economic Profile*, June 2022, p15.

32 Government of Australia, Office of the Chief Economist, *Resources and Energy Quarterly*, June 2022, p48.

33 Government of Western Australia, Department of Jobs, Science, Tourism and Innovation, *WA Iron Ore Profile*, p1.

34 Government of Western Australia, Department of Jobs, Science, Tourism and Innovation, *WA LNG Profile*, p1. Available at: [WA LNG Profile - June 2022_0.docx \(live.com\)](#).

35 Government of Western Australia, Department of Jobs, Science, Tourism and Innovation, *LNG Profile*, pp2/4.

36 Government of Australia, Office of the Chief Economist, *Resources and Energy Quarterly*, June 2022, p76.

\$13.5 billion.³⁸ In November 2021, the US\$12 billion Scarborough to Pluto LNG upstream project in the North Carnarvon Basin was approved.³⁹

Renewables

The value of Western Australia's battery minerals achieved \$9.3 billion in 2021, up 48% due to electric vehicle demand,⁴⁰ with Lithium supply rising by 39% to 55,000 tonnes.⁴¹

Lithium spodumene prices are forecast to rise to an average US\$675 a tonne in 2021 to US\$2,235 tonne in 2022 before easing to approximately US\$1800 a tonne in 2024, with Australian lithium export earnings expected to more than double from \$4.1 billion in 2021-22 to \$9.4 billion in 2023-24.⁴² The copper price remains near the 10-year high but experienced a 19% decline from March to June 2022, which may be signalling of a global recession.⁴³ The war in Ukraine resulted in an extreme escalation in the price for nickel as the world sought alternatives to Russian nickel and a Chinese company bought up large stocks. This is likely to remain volatile as the world nickel market finds equilibrium and there may be supply disruptions in the context of demand.⁴⁴

Global passenger electric vehicle sales have quadrupled since 2019, more than doubled to \$6.6 million in 2021, and could reach up to 40% of vehicle sales by 2030.⁴⁵ The current energy crisis predominantly driven by sanctions in Russia, impacting coal exports and generating further reliance on gas, has led to the Australian Government pledging to increase renewable energy generation, although there will be some lead time for infrastructure delivery.⁴⁶ By 2030, it is projected that 200 million electric cars will be on the road, with the Pilbara well-positioned to leverage this opportunity given strong reserves of lithium, copper, nickel, cobalt, graphite, manganese and rare earths for electric vehicle charging infrastructure. Lithium demand is expected to be four times higher in 2030 than 2021 and nickel and cobalt 60% and 45% respectively.⁴⁷

Large-scale renewable energy projects such as the Asian Renewable Energy Hub (see 'energy' infrastructure below) and the \$140 million investment in a Hydrogen Hub have significant capacity to transform the Pilbara as a centre for renewables, supplying renewable power to the Pilbara, domestic and export markets. A high clean energy rating is a considered factor for investment institutions in resource sector projects.

38 Ibid., pp88/93

39 Regional Development Australia Pilbara, *Pilbara December 2021 Yearly Economic Report*, p13. Available at: https://www.rdapilbara.org.au/_files/ugd/c14dc8_37e895014916428a92688719ab2a95f6.pdf

40 Government of Western Australia, Department of Jobs, Science, Tourism and Innovation, *WA Battery Minerals Profile*, p1.

41 Ibid., pp1/2.

42 Government of Australia, Office of the Chief Economist, *Resources and Energy Quarterly*, June 2022, p148.

43 Regional Development Australia Pilbara, *Pilbara June 2022 Bi-monthly Economic Report*, p8. Available at: https://www.rdapilbara.org.au/_files/ugd/8d4a4e_c3d923c569d0411db8dad69157b04112.pdf

44 Ibid., p8.

45 Government of Australia, Office of the Chief Economist, *Resources and Energy Quarterly*, June 2022, p148.

46 Regional Development Australia Pilbara, *Pilbara June 2022 Bi-monthly Economic Report*, p12.

47 Government of Western Australia, Department of Jobs, Science, Tourism and Innovation, *WA Battery Minerals Profile*, p1.



Other

Gold prices averaged US\$1,880 an ounce in the first half of 2022, down from a peak of US\$2,051 in March 2022 due to a weakening US dollar and rising bond yields on the back of forecast aggressive US monetary tightening across the remainder of 2022.⁴⁸ Gold earnings fell by 21% year-on-year to \$5.4 billion in March 2022, given lower gold prices.⁴⁹ Gold earnings for Australia are expected to rise in value from \$23.5 billion in 2021-22 to \$25.5 billion by 2023-24 off the back of higher exports, offsetting forecast decline in gold prices.⁵⁰ Gold production in Australia is expected to rise at an average rate of 7.7% during 2022-23 (338 tonnes) and 2023-24.⁵¹ Global consumption of gold is expected to increase by 6.1% to 4,265 tonnes in 2022 on the back of stronger investment demand.⁵² Significant gold exploration has occurred in the Mallina and Paterson provinces in the Pilbara.

Western Australia produced 12 mega tonnes of salt in 2021, 100% of Australia's share and 4% of global supply.⁵³

Fertiliser has experienced a significant increase in price due to the invasion of Ukraine and impacts on trade flows given sanctions on Russian and Belarussian fertiliser minerals and rising gas prices impacting production costs.⁵⁴ The import of urea may be an issue given China's implementation of an export ban in August 2021 and restrictions on Russian exports of nitrogen and phosphate fertilisers for six months from December 2021.⁵⁵ On 25 March 2022, Mardie Salt and Potash Project was launched in the Pilbara and is set to become the country's largest salt project and third largest in the world, once operational producing 5 million tonnes of salt per annum.⁵⁶ In March, NAIF loan funding was approved for the State Government, and will be used to support common user infrastructure including for the \$4.3 billion Perdaman Urea Project in the Pilbara.⁵⁷

48 Government of Australia, Office of the Chief Economist, *Resources and Energy Quarterly*, June 2022, p103.

49 [Resources-and-Energy-Quarterly-June-2022.pdf \(industry.gov.au\)](#), p106.

50 Ibid., p107.

51 Government of Australia, Office of the Chief Economist, *Resources and Energy Quarterly*, June 2022, p107-108.

52 Government of Australia, Office of the Chief Economist, *Resources and Energy Quarterly*, June 2022, p104.

53 Government of Western Australia, Department of Jobs, Tourism, Science and Innovation, *WA Economic Profile*, June 2022, p14.

54 Regional Development Australia Pilbara, *Pilbara June 2022 Bi-monthly Economic Report*, p11.

55 Ibid

56 Regional Development Australia Pilbara, *Pilbara March 2022 Monthly Economic Snapshot*, p6. Available at: https://www.rdapilbara.org.au/files/ugd/c14dc8_606d38020d3441c2bd1827b74084d483.pdf, p6.

57 Ibid.

Cattle

The value of the Australian livestock sector is expected to rise by 1.2% to \$35 billion in 2022–23 with the value of livestock exports forecast to decrease marginally due to reducing livestock prices.⁵⁸ Direct shipment from the Port of Port Hedland provides significant opportunity for cattle exports.⁵⁹ Supply and demand for Australian beef is forecast to increase as Australia's position strengthens in relation to emerging markets such as Indonesia and Thailand.⁶⁰

Opportunities and competitive advantages

- Shipping distances for Western Australian projects to key markets in Asia; China, South Korea, Taiwan, Japan and Indonesia are relatively short compared to global competitors.⁶¹
- WA has large iron ore reserves on a global scale, accounting for 28% of the world's crude iron ore reserves in 2021.⁶²
- Australia's LNG projects are underpinned by large gas reserves in the Carnarvon and Browse Basins which provide security of supply.⁶³
- The Pilbara has large reserves of battery minerals (as at 2021, WA had 24% of global lithium and 20% of global nickel reserves⁶⁴) with new investment in battery minerals processing and manufacturing providing opportunities in the value chain i.e. lithium hydroxide as opposed to spodumene concentrate,⁶⁵ chemicals for cathodes, electrolyte production battery anode plants, battery cell research and production and battery manufacturing.⁶⁶
- Western Australian lithium producers are amongst some of the lowest cost producers in the world due to chemical, onsite services, royalties and energy costs,⁶⁷ although high costs apply to nickel production.⁶⁸
- The Pilbara has the fundamentals necessary for renewable energy; net zero emissions or reduction targets across Governments and industry, natural gas stocks and industry clustering, tidal movements, some of the highest solar radiation levels in the world and accessible geothermal energy deposits and Asian energy markets.⁶⁹
- Western Australia continues to be the focus of gold exploration expenditure, equating to 70% of Australia's gold exploration expenditure.⁷⁰

58 Government of Australia, Department of Agriculture, Fisheries and Forestry, Outlook for livestock: June quarter 2022. Available at: <https://www.agriculture.gov.au/abares/research-topics/agricultural-outlook/livestock#:~:text=The%20gross%20value%20of%20production,by%208%25%20to%20%244.3%20billion.>

59 Government of Western Australia, Pilbara Ports Authority, 2020–21 Annual Report, p35.

60 Meat and Livestock Australia, Cattle Projections. Available at: <https://www.mla.com.au/prices-markets/Trends-analysis/cattle-projections/>

61 Government of Western Australia, Department of Jobs, Tourism, Science and Innovation, WA Iron Ore Profile, p3, Available at: WA Iron Ore Profile – June 2022.docx (live.com).

62 Ibid., p3.

63 Government of Western Australia, Department of Jobs, Tourism, Science and Innovation, WA LNG profile, June 2022, p1.

64 Ibid, WA Battery Minerals Profile, June 2022, pp3/6

65 Ibid., p1.

66 Government of Australia, Office of the Chief Economist, Resources and Energy Quarterly, June 2022, p153.

67 Government of Western Australia, Department of Jobs, Tourism, Science and Innovation, WA Battery Minerals, June 2022, p3.

68 Ibid., p6

69 Pilbara Development Commission, Energy. Available at: [Pilbara Development Commission :: Energy \(pdc.wa.gov.au\)](https://pdc.wa.gov.au/)

70 Government of Australia, Office of the Chief Economist, Resources and Energy Quarterly, June 2022, p108.

- The Pilbara is one of the premier regions in the world for solar salt production.
- Potential exists to increase direct imports and exports on general cargo from Pilbara Ports (Port of Port Hedland and Port of Dampier) given recent biosecurity upgrades and aligned port infrastructure expansions.
- Significant potential exists to leverage the Pilbara's ancient geological formations, unique biodiversity and ecology and culture and industry for tourism.

Strategic landscape

A strong facilitative policy and investment environment exists across Federal and State Governments, centred on renewable energy transformation, mining and METS, improving the materials supply chain through value-adding processes and advanced manufacturing.⁷¹

Further, the Western Australian economy affords a secure/low risk operating environment, skilled workforce, high-level research, innovation and technical knowledge, strong regulatory framework, good potential for clean energy and proximity to large and growing markets in Asia.⁷²

Key strategies have been detailed in RDAP's *Strategic Plan 2021-2024*.

Economic volatility

Some threats to the economy exist and need to be considered including:

- Several key Pilbara commodities have experienced declines in the last few months including iron ore, oil, lithium, copper and agricultural commodities due to supply chain constraints, the war in Ukraine, concerns relating to global recession, rising inflation and tightening of financial markets.⁷³ Australia's beef market is also facing risks from outbreaks of Foot and Mouth Disease in Indonesia.⁷⁴
- Covid-19 outbreaks and containment measures continue to threaten iron ore markets, delaying industrial activity and steel output in China in the June quarter of 2022, although the Office of the Australian Chief Economist expects China to introduce further fiscal and monetary policies in the second half of 2022 to stimulate the economy and grow GDP.⁷⁵
- The Chinese Government is considering establishing a centralised iron ore purchasing platform which may put downward pressure on iron ore pricing.⁷⁶
- Vale in Brazil is likely to ramp up production once it has achieved necessary licensing, plant and raises its Itabiruçu dam wall following the tailings disaster in 2019.⁷⁷
- Labour supply and supply in general are impacting existing Australian operations and replacement capacity.⁷⁸

⁷¹ Government of Western Australia, *Diversify WA: Supply chain development plan 2021-22*. Available at: [Diversify WA. Supply Chain Development Plan 2021-22 \(www.wa.gov.au\)](https://www.wa.gov.au)

⁷² Ibid., p10.

⁷³ Regional Development Australia Pilbara, *Pilbara June 2022 Bi-monthly economic report*, p5. https://www.rdapilbara.org.au/_files/ugd/8d4a4e_c3d923c569d0411db8dad69157b04112.pdf, p6.

⁷⁴ Australian Government, Department of Agriculture, Fisheries and Forestry, *Foot and Mouth Disease*. Available at: <https://www.agriculture.gov.au/biosecurity-trade/pests-diseases-weeds/animal/fmd>

⁷⁵ Government of Australia, Office of the Chief Economist, *Resources and Energy Quarterly June 2022*, p42.

⁷⁶ Ibid., p44.

⁷⁷ Government of Australia, Office of the Chief Economist, *Resources and Energy Quarterly June 2022*, p45.

⁷⁸ Ibid., pp47/57.



- Supply chain disruptions and inflationary pressures are a growing risk for steel demand over the outlook period,⁷⁹ and electrical vehicle manufacturers are also reporting supply chain issues and higher prices for lithium and other key battery minerals (demand versus supply capability), including nickel and cobalt.⁸⁰
- Significant investment is needed to meet global demand for lithium with long lead times required for expansion to production. A number of Pilbara lithium projects are currently considering expansion and have expanded capacity or restarted.^{81 82}
- Covid variants, lockdowns and other control measures in China could dampen gold demand, along with escalation or de-escalation in the war in Ukraine. Prices are likely to suffer a decline given a rise in real bond yields.⁸³
- LNG markets are likely to be very tight in the second half of 2022 given disruptions from US LNG facilities and Russian pipeline exports impacting global gas supply. This could be compounded by an easing of lockdown restrictions in China.⁸⁴
- Significant global uncertainty exists regarding oil markets due to Russia's invasion of Ukraine and Covid-19 outbreaks in China potentially weakening global demand.
- Inflation in Australia while lower than other advanced economies, has increased significantly and earlier than expected off the back of Covid disruptions in supply chains, the war in Ukraine, tight domestic labour markets, and floods, putting upward pressure on prices. This impacts energy costs, agricultural products, and other commodities by placing pressure on household incomes and results in a tightening of monetary policy.⁸⁵

79 Ibid., pp31/46.

80 Ibid., p149.

81 Ibid., p150.

82 Ibid., p151/152

83 Ibid., p106.

84 Ibid., p76.

85 Regional Development Australia Pilbara, *Pilbara June 2022*, Bi-monthly economic report, p1.

Human Capital and Skills

Unfortunately, at the time of preparing this business plan, the 2021 Census data for employment and skills had not been released. Employment statistics have been strongly influenced by hard border closures at a Federal and State level, predominantly between March–April 2020 through to February–March 2022. The next Business Plan period may provide a useful comparison of employment statistics now borders are open, and potentially Covid-19 may enter a more endemic phase, although concerns remain regarding new variants.

Employment

Industry sector overview

The Pilbara economy supports an estimated 63,850 jobs, equating to 5.5% of workers in Western Australia. The Shire of Ashburton hosts the highest number of workers at 39%.⁸⁶

The dominant industries in the Pilbara are mining (45.7%) and construction (17.6%).⁸⁷ While other sectors are markedly below the percentage employment rate of these industries, as noted they are critical to the local economy and provide a degree of economic stability during downturns. Many also afford entry level positions for the Pilbara workforce, not otherwise employed in the mining sector, community support services and Indigenous arts and cultural enterprises.

The following data provides an industry sector overview (**Source: Remplan Pilbara, Economy, ABS 2016 Census Place of Work Employment (Scaled), ABS 2018 / 2019 National Input Output Tables, and ABS June 2021 Gross State Product**).

Industry sector	Pilbara Region (%)	Western Australia (%)	Australia (%)
Mining	45.7	6.9	1.7
Construction	17.6	10.4	8.9
Transport, Postal and Warehousing	4.9	4.8	4.9
Accommodation and Food Services	4.4	6.7	7.2
Professional, Scientific and Technical Services	4.3	6.7	7.6
Administrative and Support Services	3.7	3.4	3.6
Education and Training	2.8	9.1	9.1
Health Care and Social Assistance	2.7	12.2	13.2
Public Administration and Safety	2.5	6.5	7.0
Retail Trade	2.5	9.9	10.3
Other Services	2.2	4.1	3.9
Manufacturing	2.0	5.8	6.7
Electricity, Gas, Water and Waste Services	1.4	1.2	1.1
Wholesale Trade	1.1	2.6	3.0
Rental, Hiring and Real Estate Services	1.1	1.8	1.8
Agriculture, Forestry and Fishing	0.5	2.6	2.6
Arts and Recreation Services	0.3	1.7	1.7
Financial and Insurance Services	0.2	2.4	3.8
Information Media and Telecommunications	0.1	1.0	1.8
	100%	100%	100%

⁸⁶ Remplan Economy, Pilbara. Available at: [Pilbara Region Economy Profile | Summary | REMPLAN](#)

⁸⁷ Ibid.

Employment by level of education

The following data evidences the level of education by percentage of workforce for the resident population of the Pilbara, with predominance in certificate level qualifications **(Source: Remplan Pilbara, Economy, ABS 2016 Census Place of Work Employment [scaled])**.

Level of education	Pilbara Region	Western Australia	Australia
Postgraduate degree	2.0	5.2	6.9
Graduate Diploma and Graduate Certificate	1.1	2.7	2.8
Bachelor Degree	10.7	19.9	21.0
Advanced Diploma and Diploma	9.0	10.9	11.2
Certificate	45.1	25.4	23.3
Level of education not adequately described	0.5	0.8	0.8
Level of education not stated	1.6	1.7	1.7
Not applicable	30.0	33.3	32.3
Total	100%	100%	100%

Employment by size

The following details staff size for businesses which actively traded goods and services as of June 2021. The 1-19 staff employment businesses evidenced the greatest upward movement over the prior two years.

(Source: Remplan Pilbara, Economy, Australian Bureau of Statistics, Counts of Australian Businesses, including Entries and Exits, Cat. 8165.0. (Jun 2019, 2020 & 2021, released 16 December 2021).

Staff size	June 2020
Non-employing	1,140
1-19	920
20-199	117
200+	4
Total	2,181





Skilled labour shortages

Labour shortages are a cyclical issue in the Pilbara associated with an economic upturn, with skills shortages in the resources sector creating competition for labour in the local economy, wage inflation, employment incentivisation and increases in the cost of doing business. Labour shortages differ from the previous economic upturn, 2007–2013, given competition with the eastern states for labour, particularly in the resources sector, restrictions on international migration and WA border closures associated with Covid-19. These issues were relevant in the 2021–22 Business Plan.

Online platforms and resource sector websites and aligned services feature high level job advertising for the Pilbara with many local businesses now resorting to shop window-based advertising and platforms such as Gumtree. The Australian Sector Workforce Report expects the WA resource sector skills shortage to rise until 2023 and reach a workforce shortage in the order of 33,000.⁸⁸ As evidenced above, acute labour shortages have a constraining effect on economic development, limiting operational capacity and growth of resource sector enterprises and Government and service industries. The longer term these play out, the greater the risk of entrenched downgrades in the State's productive capacity.⁸⁹

⁸⁸ Regional Development Australia Pilbara, *Pilbara May 2022 Monthly Economic Snapshot*, pp4.

⁸⁹ Chamber of Commerce and Industry Western Australia, *Outlook: Who dares wins*, p3

The following data provides insights into labour shortages and highlights levels of business confidence in the Pilbara:

Chamber of Commerce and Industry WA (CCIWA)

CCIWA's *Regional Pulse*, April 2022, which reports the results of the March 2022 Business Confidence Survey reports elevated confidence levels amongst Pilbara businesses given the 'persistent strength of the resources sector',⁹⁰ although 93% (acute) and 71% of Pilbara businesses viewed the availability of skilled labour and supply chain disruptions as a potential barrier to growing the business.⁹¹ On average, four out of five regional businesses (83%) surveyed reported that they were having difficulty filling a skilled occupation and 86% of businesses in the Pilbara, with the top three occupations in demand in the Pilbara, fitters, drillers and carpenters.⁹² A total of 88% of Pilbara businesses expected labour costs to rise⁹³ and four out of five (83%) noted that they were responding to the crisis by increasing wages,⁹⁴ while other key regions were generally focused on upskilling. Unfortunately, 33% of Pilbara businesses also reported that they were turning down new projects and work.⁹⁵ A total of 19% of businesses intended to increase production in the September quarter and achieve 7% profit margins.⁹⁶

The Business Confidence Survey also reported that internet job vacancies for WA increased 18.8% over the 12 months to March 2022, and that 41% of Pilbara businesses expected to increase employment in the September 2022 quarter.⁹⁷

Federal and State Government

The ABS reported in June 2022 that 31% of employing Australian businesses were experiencing difficulties finding staff and that 46% were experiencing increases in operating expenses.⁹⁸

Australia's National Resources Workforce Strategy,⁹⁹ initiatives at a State Government level such as expansion of the skilled migration occupations, attraction of temporary visa holders in Australia and agreement to develop an employment campaign in other jurisdictions, are some of the mechanisms employed by Government.¹⁰⁰

Perhaps most notable for the Pilbara is the recent Federal Government's agreement to a Pilbara Designated Area Migration Agreement and the level of uptake by local businesses.

90 Chamber of Commerce and Industry Western Australia, *Regional Pulse*, April 2022, p3. Available at: <https://cciwa.com/wp-content/uploads/2022/04/Regional-Pulse-April-2022.pdf>

91 Ibid., p4.

92 Ibid., pp5/6.

93 Ibid., p8.

94 Ibid.,p6.

95 Ibid., p6.

96 Ibid., pp9/10.

97 Ibid., p13.

98 Government of Australia, *Business Conditions and Sentiments*, June 2022. Available at: <https://www.abs.gov.au/statistics/economy/business-indicators/business-conditions-and-sentiments/latest-release>

99 Government of Australia, Department of Industry, Science, Energy and Resources, *Australia's National Resources Workforce Strategy*. Available at: https://www.industry.gov.au/sites/default/files/2021-02/australias_national_resources_workforce_strategy.pdf

100 Mining Weekly, *WA working to address resource skills shortage*, article, 29 March 2022. Available at: https://www.miningweekly.com/article/wa-working-to-address-resource-skills-shortage-2022-03-29/rep_id:3650

Supply issues

A surge in global demand for goods triggered acute supply bottlenecks and constrained the global shipping and logistics system.¹⁰¹ This escalated shipping costs and increased delivery times and the cost of materials and manufactured goods. The latter compounded by an increase in energy costs resulting from the war in Ukraine.

The Pilbara is not immune to these impacts.¹⁰² The ABS reported in June 2022 that two in five businesses in Australia (41%) were experiencing supply chain disruptions.¹⁰³

Pilbara industry and businesses have traditionally relied on goods being trucked from the Port of Fremantle or overland from Sydney. Direct Pilbara shipping into the Pilbara improves the cost and flow of goods supply coupled with environmental benefits. Commencing in early 2021, the volume of direct imports has been expanding.¹⁰⁴

Covid-19 impacts

CCIWA reported in March 2022 that Covid-19 was expected to gradually move towards an endemic phase with fewer impacts on our economy and community with business expected to recover in the latter part of the 2021-22 and 2022-23 financial years, albeit on the back of tax incentives and relatively low borrowing costs (borrowing costs have altered since the reporting period).¹⁰⁵

Deloitte Access Economics reported in April 2022 that Covid-19 recovery has happened 'faster and better' than anticipated with national unemployment at 3.5%, as opposed to Government's forecast aim to achieve unemployment under 6%. Further, that Australian exports were key during Covid-19 recovery and that the war in Ukraine has boosted gas, iron ore and other commodities. Deloitte forecast that commodity prices will fall, and interest rates will rise but views that neither should cause serious damage to the Australian economy.¹⁰⁶ Deloitte caveated the data, qualifying that this is the likely scenario provided booster vaccinations keep Covid deaths low and lockdowns to a minimum, treatment is effective, and migrant and tourist numbers return to pre-pandemic levels.

As of June 2022, Omicron subvariants were said to be 'fuelling Covid-19 spikes across Australia.'^{107 108}

¹⁰¹ Chamber of Commerce and Industry Western Australia, *Outlook: Who dares wins*, p3.

¹⁰² Chamber of Commerce and Industry Western Australia, *Outlook: Who dares wins*, p3.

¹⁰³ Australian Bureau of Statistics, *Business Conditions and Sentiment*, June 2022.

¹⁰⁴ Government of Western Australia, Pilbara Ports Authority, *2020-21 Annual Report*, p8 and BHP, BHP direct shipping provides Pilbara business opportunities. Available at: <https://www.bhp.com/news/media-centre/releases/2022/02/bhp-direct-shipping-provides-pilbara-business-opportunities>

¹⁰⁵ Chamber of Commerce and Industry Western Australia, *Outlook: Who dares wins*, p4.

¹⁰⁶ Deloitte Access Economics, *Business Outlook: now for the tricky bit*. Available at: Deloitte Access Economics Business Outlook: Now for the tricky bit | Australian Rural & Regional News (arr.news) <https://www2.deloitte.com/au/en/pages/media-releases/articles/business-outlook.html>

¹⁰⁷ ABC News, *Omicron subvariants fuelling Covid-19 spikes across Australia*. Available at: <https://www.abc.net.au/news/2022-07-12/omicron-subvariants-fuelling-covid-19-spikes/13969922>

¹⁰⁸ Government of Western Australia, Department of Health, *Covid-19 reinfection update*, 11 July 2022. Available at: <https://www2.health.wa.gov.au/Media-releases/2022/July/COVID-19-Reinfection-update>



Infrastructure

There are significant challenges in infrastructure planning and delivery including ageing assets, growing freight task, limitations with the NBN rollout, energy affordability, cost of infrastructure delivery and security, water scarcity, and climate change¹⁰⁹ impacts on infrastructure maintenance and durability, and global demand for emissions mitigation. On the other hand, substantial opportunities exist in Government and industry policy approaches, investment portfolios and emerging commodity demand.

Infrastructure WA

The establishment of Infrastructure WA, an advisory and support body to the State Government on infrastructure matters, and preparation of a draft Western Australian Infrastructure Strategy¹¹⁰ paves the way for evidence-based approaches, better infrastructure demand management, and coordinated investment by the State. Further, it will improve the State's positioning in leveraging priority projects through Infrastructure Australia.

The Strategy includes recommendations aligned to delivery timeframes through to 2042 and is supported by an annual State Infrastructure Program. Some of the relevant projects over 0-5 years which could potentially improve infrastructure outcomes in the Pilbara include:

- development and implementation of a regional strategic framework for infrastructure, identifying State and regional priorities.
- improved transparency on reporting of all Government regional investment in the State budget, including geographical distribution, with prioritisation given to regional centres based on importance to the State's economy and population growth.
- adoption of digital technologies and preparation of a State-wide plan for digital connectivity.
- adoption of a coordinated approach to federal programs.
- preparation of a carbon farming strategy and industry development program.
- climate change adaptation for infrastructure and triple bottom line decision making for high value projects.
- ensuring a clear implementation plan in land use strategies.

¹⁰⁹ Government of Australia, Infrastructure Australia, *An assessment of Australia's Future Infrastructure Needs: the Australian Audit 2019*, June 2019, p9. Available at: <https://www.infrastructureaustralia.gov.au/sites/default/files/2019-08/Australian%20Infrastructure%20Audit%202019%20-%20%200.%20Executive%20Summary.pdf>

¹¹⁰ Government of Western Australia, Infrastructure Western Australia, *Foundations for a Stronger Tomorrow: State Infrastructure Strategy*, July 2021. Available at: [Foundations-for-a-Stronger-Tomorrow-Draft-for-public-comment-web-standard_2.pdf](#) (infrastructure.wa.gov.au)

- introducing and implementing state priority areas to:
 - facilitate and coordinate investment in industrial and technological precincts;
 - identify and secure strategic sites for strategic infrastructure; and
 - place-based assessments of future infrastructure intentions with an initial focus on the Pilbara.
- Preparation of a North West Interconnected System Energy Futures Report, inclusive of opportunities for renewable energy generation.
- Development and implementation of a 20-year plus State water strategy, and regional transport plan.
- Preparation of individual housing plans for each of the State's regions and conducting an initial pilot plan and various other actions to deliver social and affordable housing.
- Finalising a 10-year State Health Plan to address gaps in the health system, service and infrastructure planning.
- Development and publication of a 10-year plus arts and culture strategy and State tourism strategy.

Industrial Areas

In June 2021, the WA Government released a 10-year Industrial Land Strategy following a draft recommendation by Infrastructure WA, focused on priority infrastructure investment to unlock industrial areas. This included a \$10.5 million commitment to upgrade the entrance road to Boodarie Strategic Industrial Estate. In November 2021, new stages were released at Gap Ridge Industrial Estate in Karratha and Hedland Junction in Port Hedland.¹¹¹ The WA Government also announced an additional \$50 million (total \$100 million) for the Industrial Land Development Fund to leverage private sector investment.¹¹²

Transport infrastructure

Rail, road and port infrastructure dominate transport infrastructure in the Pilbara. Regional airports are key to both fly-in, fly-out workforce and resident transport.

The WA Rail Access Regime aims to 'result in efficient access prices that reflect what would be achieved in a competitive market for rail facilities, allowing for an appropriate return on investment for railway owners.'¹¹³ The overarching objective is to ensure businesses can efficiently move products across the State.¹¹⁴ The Government has reviewed the WA Rail Access Regime and recently released legislative amendments for feedback. The amendments aim to address weaknesses in the system which prevent it from providing an appropriate regulatory backstop to commercial negotiations.

Rail infrastructure in the Pilbara is privately operated and services resource sector operations, predominantly between mines and Port facilities. Roy Hill and Pilbara Infrastructure Pty Ltd's (utilised by Fortescue Metals) railway

¹¹¹ Government of Western Australia, *Land release provides crucial support for Pilbara industrial growth*, media statement, 26 November 2021. Available at: [Media statements - Land release provides crucial support for Pilbara industrial growth](#)

¹¹² Government of Western Australia, *Storesult inng State budget securing the Great Southern's Future*, Media Statement, Thursday May 2022.

¹¹³ Government of Western Australia, Department of Treasury, *Review of the Western Australian Rail Access Scheme: Final Decision Paper*, p1. Available at: <https://www.wa.gov.au/system/files/2020-02/wa-rail-access-final-decision-paper.pdf>

¹¹⁴ Government of Western Australia, *New rail access code ready for consultation*, media statement, 23 June 2022. Available at: <https://www.mediastatements.wa.gov.au/Pages/McGowan/2022/06/New-Rail-Access-Code-ready-for-consultation.aspx>

lines that transport iron ore to the Port of Port Hedland are subject to the Western Australian Rail Access Regime, facilitating shared access subject to commercial agreements.¹¹⁵ Heavy haul railways operated by BHP and Rio Tinto Iron Ore are excluded.¹¹⁶

The Federal Government has committed a further \$380 million to roads projects between 2022-23 and 2025-26 under the Northern Australia Roads Program which delivers upgrades to high priority roads. Roads will be prioritised based on Infrastructure Australia's Northern Australia Audit, State and Territory priorities, community, and town to ports connector roads.¹¹⁷

The WA Budget commits significant new or additional funding to major regional road upgrades. This includes but is not limited to the Port Hedland Airport deviation project; overtaking lanes on Great Northern Highway between Newman and Port Hedland; Marble Bar Road upgrades; road safety upgrades, a bridges program, and resealing works.¹¹⁸ The Government has also released incentives to encourage uptake of zero and low emissions vehicles and is rolling out fast charging stations under the State Electric Vehicle Strategy from Esperance

to Kununurra (coastal), due for completion by January 2024.¹¹⁹ Major roads upgrade works are currently being undertaken at Old Wedgefield Industrial Estate in the Town of Port Hedland.

The WA Government recently announced that it would bring regional road maintenance jobs in-house, creating 490 jobs in regional Western Australia and depot works at Karratha and Port Hedland.¹²⁰

In February 2022, the State Government endorsed the Port of Port Hedland Development Plan which includes potential to increase port capacity to 660Mtpa to meet port proponents' growth plans. The plan will also result in increased capacity at common user berths, supporting direct shipping to the Pilbara and smaller mines projects.

A sum of \$78 million was allocated by the State Government in the 2022-23 budget to progress the Lumsden Point multi-user facility.^{121 122}

\$15 million has also been allocated to dredging the Port of Port Hedland for increased capacity. As of October 2021, \$143 million had been invested by the Federal Government in dredging and land development at Lumsden Point.^{123 124}

¹¹⁵ Government of Western Australia, Economic Regulation Authority, *Railway Owners*. Available at: <https://www.erawa.com.au/rail/rail-access/railway-owners>

¹¹⁶ Government of Western Australia, Department of Treasury, *Draft Decision Paper*, [undated], p6. Available at: <https://www.wa.gov.au/sites/default/files/2020-02/wa-rail-access-draft-decision-paper.pdf>

¹¹⁷ Government of Australia, Department of Infrastructure, Transport, Regional Development, Communications and the Arts, *Northern Australia Roads Program and Northern Australia Beef Roads Program*. Available at: <https://investment.infrastructure.gov.au/projects/key-projects/northern-australia-programs.aspx>

¹¹⁸ Government of Western Australia, *State Budget 2022-23*, Delivering for the Pilbara. Available at: [2022-23 WA Budget – Regional Fact Sheets – Pilbara \(ourstatebudget.wa.gov.au\)](https://www.ourstatebudget.wa.gov.au/2022-23/regions/pilbara.pdf)

¹¹⁹ Government of Western Australia, *State Electric Vehicle Strategy*, Available at: <https://www.wa.gov.au/service/environment/environment-information-services/electric-vehicle-strategy>

¹²⁰ Government of Western Australia, *State Budget 2022-23*, Delivering for the Pilbara. Available at: <https://www.ourstatebudget.wa.gov.au/2022-23/regions/pilbara.pdf>

¹²¹ Government of Western Australia, Pilbara Ports Authority, *\$78 million jobs boost with major investment at Port of Port Hedland*, 29 April 2022. Available at: [https://www.pilbaraports.com.au/about-ppa/news-media-and-statistics/news/2022/april/\\$78-million-jobs-boost-with-major-investment-at-po](https://www.pilbaraports.com.au/about-ppa/news-media-and-statistics/news/2022/april/$78-million-jobs-boost-with-major-investment-at-po)

¹²² Government of Australia, Infrastructure Australia, *Pilbara ports capacity*. Available at: <https://www.infrastructureaustralia.gov.au/map/pilbara-ports-capacity>

¹²³ Government of Western Australia, Pilbara Ports Authority, *First vessel sails into Lumsden Point*, media statement, 27 October 2021. Available at: <https://www.pilbaraports.com.au/about-ppa/news-media-and-statistics/news/2021/october/first-vessel-sails-into-lumsden-point>

¹²⁴ Government of Australia, Infrastructure Australia, *Pilbara ports capacity*.

These works are forecast to boost GSP by \$9.2 billion, and employment by 460 per annum.¹²⁵ Recognition of constraints on general cargo demand and therefore expansion of Pilbara Ports remains a priority on Infrastructure Australia's priority projects list.

A new wharf at the Port of Dampier will support Perdaman's \$4.3 billion urea project, accommodate general cargo vessels and cruise ships and vessels supporting offshore oil and gas, with commissioning intended for 2024.¹²⁶

The WA Government has allocated further funding to expand the inter-regional flight network across the Pilbara with additional caps placed on regional resident airfares, 1000km from Perth.¹²⁷

Service infrastructure

Energy

The North West Interconnected System (NWIS) comprises an interconnected network predominantly under the ownership of Horizon Power, Alinta Energy and Rio Tinto. The State Government has progressed major reforms to the network including regulatory changes to enable third-party access to designated electricity network assets and establishment of an independent operator not for profit company (Pilbara ISOCO) comprising the aforementioned primary operators. The draft Infrastructure WA Strategy recommends development of

a strategic plan to guide long-term energy generation, demand and infrastructure network requirements for the NWIS.¹²⁸ The WA Government has recently reached an agreement with Pilbara ISOCO for Horizon Power to provide real time coordination of the NWIS system, aimed at facilitating competition and improving system efficiency, economic growth and development.¹²⁹

On 8 April 2022, Alinta Energy was awarded \$1.5 million from the Clean Energy Future Fund for its Port Hedland Big Battery Project which will add battery storage to the gas fired power station.¹³⁰

There is a federal focus on Australia becoming a 'new energy superpower,'¹³¹ with Australia's energy sector undergoing a significant transformation. The Eastern States have recently experienced major upswings in electricity generation costs, although WA has been more immune due to the WA Domestic Gas Policy which reserves domestic gas equivalent to 15% of LNG production from LNG projects.¹³²

The Asian Renewable Energy Hub, granted Lead Agency Status in 2018 by the State Government, is led by a conglomeration which includes a 40.5% equity stake by BP. The project will be located across 6,500 square kilometres in the East Pilbara. The project aims to develop in multiple phases up to 26GW of solar and wind power and the equivalent of a third of electricity generated in Australia, and about 1.6 million tonnes of hydrogen or 9 million tonnes of

¹²⁵ Government of Western Australia, Pilbara Ports Authority, *Lumsden Point*. Available at: <https://www.pilbaraports.com.au/current-projects/lumsden-point>

¹²⁶ Government of Western Australia, Pilbara Ports Authority, *Extension of the Dampier Cargo Wharf*. Available at: <https://www.pilbaraports.com.au/current-projects/extension-of-the-dampier-cargo-wharf>

¹²⁷ Government of Western Australia, State Budget 2022-23, *Delivering for the Pilbara*.

¹²⁸ Government of Western Australia, *McGowan Government delivers electricity reforms in the Pilbara*, media statement, 1 July 2021. Available at: <https://www.mediastatements.wa.gov.au/Pages/McGowan/2021/07/McGowan-Government-delivers-electricity-reforms-in-the-Pilbara.aspx>

¹²⁹ Government of Western Australia, *WA Domestic Gas Policy*. Available at: <https://www.wa.gov.au/government/publications/wa-domestic-gas-policy>

¹³⁰ Regional Development Australia Pilbara, *Pilbara April 2022 Bi-monthly Economic Report*, p13.

¹³¹ Government of Australia, Infrastructure Australia, *An assessment of Australia's Future Infrastructure Needs*, p29. Available at: <https://www.infrastructureaustralia.gov.au/sites/default/files/2019-08/Australian%20Infrastructure%20Audit%202019%20-%20%200.%20Executive%20Summary.pdf>

¹³² Government of Western Australia, *WA Domestic Gas Policy*. Available at: <https://www.wa.gov.au/government/publications/wa-domestic-gas-policy>

green ammonia, per year.¹³³ The project intends to provide power to the Pilbara and green hydrogen and green ammonia for the domestic Australian and export markets.¹³⁴ It will have an impact on Australia and the Asia Pacific region's energy transition.

In May 2021, the Federal Government announced \$42.5 million in ARENA funding for a 10MW electrolyser project at Yara Fertilisers existing Ammonia plant in Karratha.¹³⁵

The Pilbara Hydrogen Hub also includes Commonwealth-State co-funding for infrastructure, as detailed.

Water

The North West are some of the highest water uses per capita in Western Australia.¹³⁶ In the 2020-21 budget the State Government allocated \$265.3 million for new infrastructure upgrades in the North West over four years, with some major tank replacement works undertaken in Karratha.¹³⁷

Security of water supply is an issue in the context of climate change, potential for reduced rainfall and heavy draw on ground water, particularly by the mining sector. The draft Infrastructure WA Strategy acknowledges that the State will need to reform regulatory and planning approaches to develop regional responses to these challenges and align infrastructure investment.¹³⁸ Water plans for the Pilbara are quite outdated and as noted, Infrastructure WA recommends the development of regional water plans across the State to secure reliability of quality water supply. On top of this, opportunities exist for

improved sustainability practices by users.

Telecommunications

The mining sector generally has access to best-in-class telecommunications infrastructure and networks, including via a sub-sea cable which cannot be applied for low latency, high bandwidth applications.

The 2021 Federal Government's *Regional Telecommunications Review* report which reviews the adequacy of telecommunications in regional, rural and remote parts of Australia (including equity of access) recognises the criticality of digital communications to growth and resilience of the economy. The report speaks to better alignment between the Regional Connectivity (place-based funding) Program and other Australian Government priorities (in this context, the development of a digital connectivity strategy under the Infrastructure WA Strategy will be critical). The report also highlights significant issues with maintenance and repair of telecommunications networks, connectivity in an emergency event, network congestion issues and minimum broadband speeds. The report makes four key recommendations including:

- a long-term investment and planning framework for both digital infrastructure and digital capability;
- Government strengthening and enhancing its commitment to large-scale multi-year connectivity investment;

¹³³ BP, *Renewable energy hub in Australia*. Available at: <https://www.bp.com/en/global/corporate/what-we-do/gas-and-low-carbon-energy/renewable-energy-hub-in-australia.html#about-this-project>

¹³⁴ Ibid.

¹³⁵ Government of Australia, Australian Renewable Energy Agency, *Over \$100 million to build Australia's first large-scale hydrogen plants*, 5 May 2021. Available at: [Over \\$100 million to build Australia's first large-scale hydrogen plants – Australian Renewable Energy Agency \(ARENA\)](#)

¹³⁶ Water Corporation, *North West*. Available at: <https://www.watercorporation.com.au/Our-water/Climate-change-and-WA/Climate-and-the-North-West/North-West>

¹³⁷ Government of Western Australia, *Major investment in Western Australia regional water infrastructure*, Media Statement, 20 October 2020. Available at: [Major investment in Western Australia regional water infrastructure \(watercorporation.com.au\)](#)

¹³⁸ Infrastructure Western Australia, *Foundations for a Stronger Tomorrow*, p96. Available at: https://www.infrastructure.wa.gov.au/sites/default/files/2021-07/Foundations-for-a-Stronger-Tomorrow-Draft-for-public-comment-web-standard_2.pdf

- a Regional Telecommunications Resilience Fund to strengthen telecommunications across vulnerable communities in an emergency; and
- trial of new innovative solutions to address broadband and mobile coverage issues.

The Australian Digital Inclusion Index 2021 found that the digital divide between regional areas and metropolitan areas has narrowed, now 67.4%, 5.5 points less than metropolitan Australia at 72.9%. Unfortunately, it also found that 11% of Australians remain highly excluded.¹³⁹

The Federal Government's *2030 Digital Economy Strategy (2021)* aims to drive infrastructure investment and provide incentivisation to grow the digital economy, including across industry sectors and small to medium-sized enterprises, and to improve the interface with Government services.¹⁴⁰ The Federal Government has allocated \$480 million to expand the NBN fixed wireless network and enhancements and data capacity are also being boosted for regional and rural Australians for SkyMuster NBN users.¹⁴¹

The WA Government allocated \$48.6 million in the 2022–23 budget to the WA Regional Digital Connectivity Program for improved mobile and internet coverage in regional areas.¹⁴² As noted, IWA has also recommended adoption of digital technologies and preparation of a State-wide plan for digital connectivity.

The above policy and investment framework provides considerable opportunity for leveraging connectivity outcomes for the Pilbara.

Amenity and liveability

According to Infrastructure Australia, each dollar of public infrastructure investment can generate over \$4 of value over the life of the asset.¹⁴³

Community infrastructure is extremely important for community wellbeing and workforce attraction and retainment.

Government service infrastructure

The State Government is delivering a \$61.4 million Newman Health Service redevelopment project under an industry co-partnership model, due for completion in early 2023. Major upgrades have or are currently being undertaken at Karratha Senior High School, Port Hedland Senior High School, and total redevelopment of the Roebourne District High School. The State Government has also recently invested significantly in North West TAFE, including Pilbara campuses.

Social infrastructure and lands planning

Local government authorities, State Government, industry partners and other stakeholders are integral to achieving improved amenity and liveability in the Pilbara and are key planners and investors in community infrastructure.

All four Pilbara local governments have recently prepared new Local Planning Strategies and Local Planning Schemes to guide land use, infrastructure investment, and town growth. A couple of local government authorities (LGAs) have prepared investment prospectuses for social infrastructure partnerships, these being key to delivery. All four LGAs have recently endorsed Economic and Tourism Development Strategies.

¹³⁹ Australian Digital Inclusion Index, *Interactive data dashboards*. Available at: [Total Index \(digitalinclusionindex.org.au\)](https://digitalinclusionindex.org.au)

¹⁴⁰ Australian Government, *Digital Economy Strategy 2030*. Available at: [Digital Economy Strategy \(pmc.gov.au\)](https://pmc.gov.au)

¹⁴¹ Government of Australia, *NBN fixed wireless receives major budget boost*, Media Statement, 23 March 2022. Available at: <https://www.infrastructure.gov.au/departments/media/news/nbn-fixed-wireless-receives-major-budget-boost>

¹⁴² Government of Western Australia, *State Budget 2022–23, Delivering for the Pilbara*. Available at: <https://www.ourstatebudget.wa.gov.au/2022-23/regions/pilbara.pdf>

¹⁴³ Infrastructure Australia, *As assessment of Australia's future infrastructure needs: the Australian Infrastructure Audit 2019*, June 2019, p19. Available at: <https://www.infrastructureaustralia.gov.au/sites/default/files/2019-08/Australian%20Infrastructure%20Audit%202019%20-%20Executive%20Summary.pdf>

Major infrastructure upgrades and placemaking approaches are being rolled out across Pilbara local government areas.

The City of Karratha recently endorsed a new masterplan for Dampier and is working on affordable housing and land development initiatives, along with community and recreational facility upgrades and/or expansions, such as the Karratha Leisureplex and Kevin Scott Oval.¹⁴⁴ The Town of Port Hedland is delivering elements of a recently approved place plan for South Hedland, is working collaboratively on the Spoilbank Marina Development and has been progressively master planning and delivering upgrades and new infrastructure across community and recreational facilities, including the Town's youth centre and a new multi-purpose community centre. Three seawalls are progressively being delivered given coastal hazard risk to Port Hedland.

The Shire of East Pilbara has focused on development of the Newman Town Centre Development Strategy which seeks to improve and activate public areas, streetscape, parking and pedestrian access, identify preferred land use and deliver built form outcomes.^{145 146} The Town also recently delivered a Strategic Recreation Plan and masterplan for sport and recreation in Newman, Marble Bar and Nullagine.¹⁴⁷ The Shire of Ashburton is currently seeking further feedback to inform a Community Lifestyle and Infrastructure Plan to determine how infrastructure in the Towns of Tom Price and Paraburdoo can be improved, with a focus across community facilities, infrastructure and

residential development, coupled with economic growth and employment opportunities. The Town also recently released a *Snapshot of Priority Projects* including construction of an Onslow Airport Business Precinct and airport runway upgrades; boating infrastructure and foreshore revitalisation; tourism and arts and culture initiatives; investigation of a heavy industrial site at Yardie Landing; key worker accommodation and negotiating Onslow as a defence base. These approaches are founded on advocacy and capacity to deliver.¹⁴⁸

The Pilbara Ports Authority is managing delivery of the \$187.5 million Spoilbank Marina Project in Port Hedland, which has significant social and tourism potential. The Hedland Maritime Initiative, which is a subsidiary of the Pilbara Ports Authority, is tasked with buying back eligible dust affected residential properties and delivering a precinct to support, tourism, a maritime training centre, Seafarers Centre and other uses in the West End of Port Hedland.¹⁴⁹

144 City of Karratha, *Major Projects*. Available at: <https://karratha.wa.gov.au/current-major-projects>

145 Shire of East Pilbara, *Have your voice heard – Newman Town Centre Development Strategy listening post*. Available at: <https://www.eastpilbara.wa.gov.au/news/have-your-voice-heard-newman-town-centre-development-strategy-listening-post/139>

146 Shire of East Pilbara, *Newman Town Centre Development Strategy*, November 2021. Available at: <https://www.eastpilbara.wa.gov.au/documents/740/newman-town-centre-development-strategy-concept-development-plan>

147 CSS Strategic, *Final Report Strategic Recreation Masterplan for the Shire of East Pilbara*, November 2021. Available at: <https://www.eastpilbara.wa.gov.au/documents/346/strategic-recreation-masterplan>

148 Shire of Ashburton, *Snapshot of priority projects, 2022*. Available at: https://www.ashburton.wa.gov.au/Profiles/ashburton/Assets/ClientData/ASH12457_Priority_Projects_doc_V06.pdf

149 Hedland Maritime Initiative, *Maritime Precinct Development*. Available at: <https://hedlandmaritime.com.au/projects/maritime-precinct-development/>

Housing affordability

Affordable housing continues to be a significant issue in the Pilbara with rental and sales price volatility closely linked to fluctuations in the economy. The Pilbara Development Commission's *Pilbara Half Yearly Housing and Land Summary*, December 2021 evidenced a 25.38% and 54.76% increase in the median house and median unit sale price respectively on the second half of 2020. In real terms equating to \$454,500 for houses and \$290,184 for units.¹⁵⁰ Median dwelling rental rose by 20.48% to \$633 over the same period, with four-bedroom homes sitting around \$900 per week.¹⁵¹ REIWA data evidenced that South Hedland and Newman experienced 46% and 27.4% growth respectively in the 12 months to the March 2022 quarter, South Hedland having the second highest suburb growth rate in the State.¹⁵² Recent and forecast impending interest rate rises may place an additional burden on homeowners and investors who already face a high cost environment in terms of insurance and cost of living and doing business.

In 2021, the Western Australian Council of Social Services reported the Pilbara as the most expensive region to rent for working families and unemployed singles.¹⁵³ WACOSS is leading a cross sectoral affordable housing group in the Pilbara, as noted the City of Karratha has worked on number of housing projects to deliver housing to market and allocated significant funding for this purpose,^{154 155} and the Town of

Port Hedland has convened a Housing Summit with key Government and cross-sectoral agencies and endorsed key housing priorities, with affordable housing also a priority for the Shires of East Pilbara¹⁵⁶ and Ashburton.¹⁵⁷

The Pilbara would be well-positioned to undertake the development of a trial regional housing plan as recommended by Infrastructure WA given the level of formative work undertaken in this space.

Advantage and disadvantage

Remplan data for the Pilbara evidenced \$2,000-\$2,499 as the most common earning cohort for families.¹⁵⁸ While earnings are generally high, there is a concomitant level of disadvantage in the community and a breadth of agencies supporting improved psychosocial wellbeing and economic participation. While not confined to Aboriginal people, Aboriginal people as a cohort in the Pilbara suffer significant disadvantage, particularly in the East Pilbara.

The National Agreement on Closing the Gap, aimed at improving the lives of ATSI peoples replaces the National Indigenous Reform Agreement and incorporates a structural change committing Australian Governments to 'full and genuine partnership' with ATSI people in policy design and delivery on matters that affect them, transforming government institutions to ensure greater accountability and capability to respond to the needs of ATSI people and making data available with ATSI organisations.

150 Government of Western Australia, *Pilbara Half Yearly Housing and Land Summary*, December 2021, pp5/6. Available at: file:///C:/Users/Kathe/Downloads/Pilbara_Housing_and_Land_Summary_December_2021_final.pdf

151 Ibid., pp7/8

152 Real Estate Institute of Western Australia. Available at: <https://reiwa.com.au/the-wa-market/regional-wa/>. Accessed 19 July 2022.

153 Western Australian Council of Social Services, *Cost of Living 2021*, p16. Available at: <https://www.wacoss.org.au/wp-content/uploads/2021/12/Cost-of-Living-Report-2021.pdf>

154 City of Karratha, *Land and Housing Development*. Available at: <https://karratha.wa.gov.au/land-and-housing-development>

155 City of Karratha, *Housing boost for service workers*, blog, 8 March 2022. Available at: <https://karratha.wa.gov.au/blog/housing-boost-service-workers>

156 Shire of East Pilbara, *Annual Report 2020-21*, p19. Available at: <https://www.eastpilbara.wa.gov.au/documents/731/annual-report-2020-2021>

157 Shire of Ashburton, *Snapshot of priority projects*, p4.

158 Remplan Community, Pilbara, *Family income chart*. Available at: <https://app.remplan.com.au/pilbararegion/community/families/income?state=jgvKH2!9P3Ks2bA8F6QMp9UqIGn9SACbFb6ZTkF0FrFvTnF7uQq3IfWE4>

An annual data compilation report will inform reporting of progress under the Closing the Gap initiative with socioeconomic outcomes and the latter priority reforms monitored.¹⁵⁹

Unfortunately, at the time of release of this business plan, the ABS Census 2021 Socio-Economic Indexes for Areas (SEIFA) scores had not been released and the Pilbara Health Profiles are dated 2018.

The Australian Early Development Index evidenced significant levels of vulnerability across one and two domains for the East Pilbara, around double the score for Australia and the State, with Port Hedland also evidencing a sizeable demarcation in vulnerability indices across one and two domains.¹⁶⁰



Environment

There are a range of government and not-for-profit agencies that regulate, secure environmental protection outcomes and/or deliver environmental improvement initiatives, including but not limited to the Department of Agriculture, Water and Environment (Cth), Environmental Protection Authority (WA), Department of Water and Environmental Regulation, Department of Biodiversity, Conservation and Attractions, Pilbara Ports Authority, local governments, the Rangelands Natural Resource Management and local environmental groups, and industry.

Climate change and sustainability are at the forefront of the environmental agenda. The State and several of the larger miners in the Pilbara have committed to net zero emissions across 2030–2050 and commitments by many developed countries to phase out combustibles and the growth in electric and hybrid vehicle trade is driving renewable energy projects. The City of Karratha has delivered an Environmental Sustainability Strategy, with the Town of Port Hedland intending to achieve the same.

¹⁵⁹ Government of Australia, Productivity Commission, *Closing the Gap*. Available at: <https://www.pc.gov.au/closing-the-gap-data/annual-data-report/2021>

¹⁶⁰ Government of Australia, *Australian Early Development Census*. Available at: <https://www.aedc.gov.au/data-explorer/>



Strategic priorities

Priorities and activities for 2022–23 were determined by the RDAP Committee giving due consideration to the following:

- the RDA Charter and Federal regional development priorities;
- identified regional priorities that have cross-sectoral support and will realise high-value economic (and social) outcomes;
- alignment to key regional development, Federal and State strategic and funding priorities;
- capacity to improve productivity, create competitive advantage and capture emerging opportunities for a diversified economy;
- building on initiatives commenced in 2021–22; and
- building the capacity of disadvantaged and lower income earners to participate actively in economic development opportunities.

Performance measures applied are outlined in the financial agreement between RDAP and the Commonwealth.

RDAP has identified the following five strategic priorities for 2022–2023. Alignment to strategic goals outlined in RDAP's *Strategic Plan 2021–2024* is referenced below:

1. Department of Foreign Affairs and Trade investment partnerships (Strategy 1 – Business development and diversification and Strategy 3 – Leadership and collaboration)

International trade and foreign investment are fundamental to the strength of the Pilbara, State and national economies, and quality of life in Pilbara townships.

The Department of Foreign Affairs and Trade (DFAT) is the lead Commonwealth agency tasked with seeking international commercial opportunities and strengthening trade and competitiveness. Working collaboratively and strategically with DFAT to identify and negotiate investment and commodity trade opportunities has significant benefits including leveraging DFAT's:

- Economic and Commercial Diplomacy Agenda in promoting investment; supporting and facilitating business; science, technology and innovation links; and addressing various trade barriers;

- extensive international network of posts and offices to support the resilience of supply chains and better understand commercial opportunities and risks in overseas markets; and
- strong working relationships and knowledge of the functions of Federal and State Government agencies involved in trade, investment and other economic opportunities.

With the Pilbara in a critical phase of economic diversification given demand for renewables, expertise in METS and downstream value chain capture, coupled with the need to diversify iron ore markets, DFAT's international and cross-government leveraging power are key to the Pilbara's economic performance. Perhaps none more so than in the context of a strong facilitative legislative and policy environment aligned to emerging commodity opportunities and risks.

RDAP has commenced preliminary discussions with DFAT with a view to maximising opportunities afforded through DFAT to achieve high value economic outcomes from the Pilbara, with flow on impacts for the local economy.

Activities with potential for negotiation under this arrangement will remain commercial-in-confidence, until data is authorised for public release.

2. Drought Resilience Adoption and Innovation Hub (Strategy 1 – Business development and economic diversification)

RDAP will continue to be a participating partner for the Pilbara node as part of the Northern Western Australian and Northern Territory. This will entail:

- Reviewing and assessing the five-project scoping documents.
- Continuing to advocate for project inclusions or new projects that support the integration of transformative new technologies and leading practices in agriculture and pastoralism.
- Network with key agencies and agriculturalists and pastoralists to facilitate information exchange, project participation and best practice approaches.



3. Designated Area Migration Agreement (Strategy 2 – skilled workforce attraction and development and Strategy 3 – Leadership and collaboration)

RDAP is the Designated Area Representative for the Pilbara Designated Area Migration Agreement. Subject to a five-year deed of agreement, RDAP will continue to undertake the following activities:

- Provide advisory services on the DAMA program.
- Accept and assess applications from businesses within the parameters of the eligible DAMA occupations listing (labour agreement streams).
- Ensure genuine attempts have been made by applicant employers in the first instance to ensure recruitment of Australian citizens and permanent residents.
- Annual review of the DAMA to ensure it meets the economic and labour needs of the region.
- Collaborate with DAMA partners to ensure efficient and effective functioning of the DAMA program and to determine changed requirements for access to the DAMA by the Shires of East Pilbara and Ashburton regions.

4. Connecting the Pilbara (Strategy 4 – infrastructure and services investment is evidence-based and targeted to deliver sustainable, liveable and economically vibrant communities)

RDAP, Pilbara local and regional development agencies and Chambers of Commerce and Industry, are well-positioned to leverage improved telecommunications for the Pilbara region and facilitate better business performance, social connectivity and tourism outcomes. Specifically, RDAP can facilitate:

- Planning and delivering an advocacy agenda to the Federal and State Governments and telecommunications providers for improved telecommunications outcomes, including realisation of Governments' recent telecommunications strategy commitments.
- Support research that identifies system deficits, opportunities, and outcomes.
- Negotiate partnerships and apply evidence-based approaches to support funding investment that strengthens telecommunications in the region.

5. Regional investment report (Strategy 1 – Business development and economic diversification and Strategy 3 – Leadership and collaboration)

RDAP will continue to work collaboratively with RDA Perth and other Western Australian RDA partners to prepare a report on new business developments and regional investment opportunities, including in the Pilbara. RDAP will also support identification of potential barriers to future investment in WA regions for Government planning, although acknowledges that the Infrastructure WA Strategy has undertaken a comprehensive review of State Government infrastructure needs and priorities and has proffered sound recommendations for infrastructure improvements across State infrastructure sectors.

6. West Pilbara Communities for Children Initiative (Strategy 4 – Infrastructure and services and Strategy 3 – Leadership and collaboration)

RDAP signed a further five-year agreement 2021-2022 to 2025-2026 as a facilitating partner for delivery of the West Pilbara Communities for Children Initiative. The program delivers tailored local level approaches to support family and child wellbeing, with a focus on families experiencing vulnerability and multiple complex needs. Service delivery is evidenced-based to ensure alignment to identified need with partner organisations contracted to deliver services in West Pilbara communities. Through carer capacity building, supporting child health, education and development, and collaborating with key service providers, the program aims to achieve improved socio-economic outcomes for predominantly disadvantaged communities.

The focus of RDAP for the 2022-23 financial year will include but not be limited to:

- Continual program assessment to ensure alignment to federal program objectives and achievement of outcomes in provider agreements.
- Capacity building and training of providers and facilitating opportunities for information sharing on best practice approaches and service partnerships.
- Ensuring that changes to governance practices improve program effectiveness.



Operations

Funding and governance

RDAP received approved funding of \$378,193 from the Department of Infrastructure, Transport, Cities and Regional Development for the 2021–2022 financial year. Unspent funding from the 2020–2021 year of \$70,000 was carried forward.

RDAP will be reviewing its existing policies to determine updates or opportunities to strengthen corporate governance including, risk management, business continuity and occupational health and safety.



Communications Plan

RDAP has in place a *Communications, Consultation and Marketing Policy* which is available on request. The Policy incorporates or supports:

- ensuring RDAP Committee and the Committee for the West Pilbara for Children Initiative reflects all four LGAs and has strong cross-sectoral experience.
- policies and practices that confirm the RDAP Committee's strategic responsibilities in leading the organisation, including as a conduit for community and stakeholder information.
- monthly meetings in different local government authorities to facilitate two-way information exchange; networking and partnerships; and to remain abreast of emerging challenges and opportunities.
- monthly newsletters, incorporating 'real-time' economic updates; RDA project/partnership reporting; and to disseminate information on funding and investment opportunities.
- a navigable website and accessible information.
- facilitating opportunities for networking or professional development.
- leading, brokering and negotiating high value regional projects with key partners in line with the RDA Charter.
- establishing further strategic partnerships with Commonwealth and State agencies to maximise the opportunity to leverage emerging economic development opportunities and investment platforms.
- participating more actively in formal and informal meetings/networking arrangements with the Pilbara Development Commission, regional local governments and regional Chambers of Commerce and Industry.

Outcomes and activities

What will we do?	RDA's role	Timeframe	Expected outcomes
Strategic objective 1 – Business development and economic diversification <i>New diversified industry opportunities maximise economic returns, improve Australia's market competitiveness, stabilise fluctuations in the economy, and create a thriving and prosperous small business economy.</i>			
1.1 – In consultation with DFAT and key stakeholders, identify and progress opportunities to strengthen the Pilbara's trade and competitiveness, giving specific regard to commercial opportunities and facilitative infrastructure and processes for key large-scale projects.	Lead/champion Lead a collaborative alliance of key stakeholders to consider Pilbara based opportunities and approaches that effectively leverage DFAT's international trade and foreign investment portfolios.	Q1 – Q4	Leveraged investment and trade opportunities. High value economic outcomes are achieved for the Pilbara, State and Nation. RDAP and stakeholder knowledge of international trade and foreign investment risks, opportunities, and processes, is enhanced. DFAT's knowledge of critical issues and opportunities in the Pilbara is enhanced through strategic knowledge sharing.
1.2 – RDAP is an active partner, conduit, and advocate for NWANT projects that enhance information exchange, project participation and best practice approaches, for agriculturalists and pastoralists in the Pilbara.	Contributed to – RDA is a partner in the NWANT and contributes financially	Q1 – Q4	NWANT's project and advocacy agenda is informed by evidenced-based data and 'real time' information from the Pilbara. Targeted knowledge sharing improves performance outcomes for pastoralists and agriculturalists. Collaboration strengthens opportunities for advocacy, investment and trial projects.

What will we do?	RDA's role	Timeframe	Expected outcomes
<p>1.3 – Co-deliver a regional investment report to identify market investment opportunities in the Pilbara, and potential barriers to future investment in WA regions.</p>	<p>Contributed to –</p> <p>RDA is a partner agency in the project which is led by Perth RDA</p>	<p>Q1 – Q4</p>	<p>Investment by prospective investors is facilitated through identification of evidenced-based investment opportunities in the Pilbara.</p> <p>Impediments to market investment for Government are identified, to facilitate a strong enabling environment for investors.</p> <p>Grow the Pilbara economy based on identified competitive advantages.</p>
<p>Strategic objective 2 – Skilled workforce attraction and development</p> <p><i>The Pilbara has sustained access to skilled and unskilled human capital in the region to meet current and emerging demand.</i></p>			

What will we do?	RDA's role	Timeframe	Expected outcomes
<p>2.1 – Ensure best practice governance processes are applied to management of the Pilbara DAMA in line with the Commonwealth agreement and RDAP's role as the Designated Area Representative.</p>	<p>Lead/champion</p> <p>Lead the Pilbara DAMA, working collaboratively with the Federal Government, City of Karratha, Town of Port Hedland and Pilbara-based businesses.</p>	<p>Q1 – Q4</p>	<p>The DAMA agreement and processes are understood by relevant stakeholders.</p> <p>Applications under the DAMA are processed compliantly and efficiently, and appropriate communications are maintained during the process.</p> <p>The skills list is reviewed (annually) to ensure appropriate alignment to industry and business skills shortages in the Pilbara.</p> <p>The Commonwealth Government and key partners are kept apprised of matters relevant to the performance of the DAMA and are participants in resolution of significant issues.</p> <p>Skills shortages in the Pilbara are alleviated, and opportunity afforded for improved business performance.</p>
<p>Strategy 3 – Infrastructure and services</p> <p><i>Infrastructure and services investment is evidence-based and targeted to deliver sustainable, liveable and economically vibrant communities.</i></p>			

What will we do?	RDA's role	Timeframe	Expected outcomes
3.1 – In collaboration with key stakeholders, support consultation and research that identifies telecommunications deficits and prepare and deliver an advocacy and investment agenda for improved telecommunications outcomes.	Lead/champion Lead stakeholder consultations and research to identify telecommunications deficits and leveraging opportunities for investment. Advocate and negotiate investment or projects.	Q1 – Q2	Critical telecommunications deficits in the Pilbara and their constraining effect on economic and population growth and psychosocial wellbeing are understood by Governments and key telecommunications providers. Collaborative partnerships are established, and an ongoing program of planning and investment is achieved to deliver improvements in telecommunications performance in the Pilbara region. Economic outcomes and improved social connectivity are secured and reported on.
3.2 – Facilitate delivery of the West Pilbara Communities for Children Initiative.	Lead/champion RDA is the facilitating partner for the West Pilbara Communities for Children Initiative, delivering the program in partnership with contracted service providers across the Shire of Ashburton and City of Karratha.	Q1 – Q4	Facilitate improvement in family wellbeing, increase economic engagement and deliver more cohesive communities. Program performance requirements of the five-year funding agreement are met. New governance processes facilitate improve program performance and alignment with program objectives.
Strategy 4 – Leadership and collaboration <i>A productive and cohesive region where key stakeholders share experiences, knowledge and skills and prioritise strategic initiatives to maximise economic development in the Pilbara.</i>			

What will we do?	RDA's role	Timeframe	Expected outcomes
4.1 – Implement the RDA Pilbara <i>Strategic Plan 2021-2024</i>	Lead/Champion RDA will lead the implementation of the Strategy, with evidenced-based practice and partnerships key to the Strategy's delivery.	Q1 – Q4	Australian Government's regional priorities are realised. By June 2024, the Pilbara will be better connected, better resources and have taken significant measurable steps towards achieving a more diversified, liveable and prosperous economy.
4.2 – Support proponents in delivering funding submissions, business cases and initiatives that realise priority projects in the Pilbara.	Lead/Champion – (i.e. hydrogen Hub) Contribute to – Commonwealth grant initiatives, State-Commonwealth projects, commercial opportunities, local government infrastructure, etc	Q1 – Q4	Services and infrastructure investment are aligned to need and effectively delivers economic, social and environmental outcomes in the Pilbara. Efficiency in the use of services and infrastructure are maximised.
4.3 – Deliver or contribute to research projects that support priority business growth strategies and integration of new technologies	Lead/Champion Contribute to	Q1 – Q4	Best practice approaches are adopted to address emerging issues that may support or constrain economic growth. The feasibility, sustainability, cost effectiveness and risks associated with projects are determined prior to investment.

What will we do?	RDA's role	Timeframe	Expected outcomes
<p>4.4 – Advocate and communicate with Parliament, Ministers, Members of Parliament, Commonwealth and State agencies and GTEs and other key stakeholders to leverage sustainable and diversified regional development and investment outcomes in the Pilbara</p>	<p>Lead/Champion</p> <p>Targeted advocacy</p>	Q1 – Q4	<p>Commonwealth and State Governments remain abreast of initiatives, challenges and opportunities in regional development in the Pilbara and can adjust policy, legislative and investment priorities accordingly.</p> <p>Stakeholders are assisted (where required) in navigating governmental systems.</p> <p>Governments' legislative and policy agenda for diversification is maximised and multi-stakeholder outcomes are achieved, aligned to identified priorities.</p> <p>Regional development outcomes are evidenced-based and sustainable.</p>
<p>4.5 – Prepare, inform and promote economic investment, diversification and growth in the Pilbara.</p>	<p>Lead/Champion –</p> <p>Easily digestible economic data</p> <p>Grants opportunities</p> <p>Current initiatives</p> <p>Information produced in different formats and disseminated across different mediums</p>	Q1 – Q4	<p>Committee's direction setting for economic development in the Pilbara is strengthened.</p> <p>Greater proximity to the community is achieved through direct committee and operational engagement.</p> <p>Partnerships for leveraging existing and emerging economic development opportunities and investment platforms are identified and strengthened.</p>

Annual Budget 2022–2023

GST exclusive amounts	RDA program funding (incl. all \$ in FA and schedules)	
	Budget 1 July 2022 – 30 June 2023	Actual to 30 June 2023
Income		
Surplus funding carried forward from previous financial year	\$14,229.27	
Funding for this period	\$343,811.81	(1)
Interest on Commonwealth funds	\$0.00	
Total RDA program income (A)	\$358,041.08	
Expenditure – major budget items ^		
Employee salaries	\$50,000.00	
Employee entitlements	\$6,000.00	
Other employee expenses	\$44,318.16	
Office lease and outgoings	\$15,000.00	
Vehicle costs	\$15,909.08	
Operational	\$10,227.24	
Financial, legal and professional	\$23,636.35	
Marketing	\$7,454.53	
Asset acquisition	\$2,318.16	
Committee costs	\$62,728.07	
Project Funding:		
Monthly Economic Update	\$35,000.00	
Business Plan & Outcomes Report	\$10,000.00	
Child Care	\$40,000.00	
Aged Care	\$15,000.00	
Defence	\$20,449.49	
Other supplementary funding (if any)	\$0.00	
Housing and Living Affordability	\$20,000.00	
Other supplementary funding (if any)	\$0.00	
Total RDA program funding expenditure (B)	\$358,041.08	
Surplus / Deficit of RDA program funding (A-B)	\$0.00	(2)
If surplus, percentage of RDA program funding unspent = (2)/(1)*100 (See Note 1, below)		0%



RDA Pilbara has entered into 2 third party agreement in the 2021/2022 funding period, which extend over the 2022/2023 funding period. These activities have been outlines below.

Designated Area Migration Agreement

A Designated Area Migration Agreement (DAMA) is a formal agreement between the Australian Government and a Designated Area Representative (DAR), in this case, Regional Development Australia (RDA) Pilbara.

The Pilbara DAMA lets employers in the City of Karratha and Town of Port Hedland sponsor skilled and semi-skilled overseas workers for positions they are unable to fill with local workers. It is tailored to address current and emerging labour market shortages and local terms and conditions of employment.

The Pilbara DAMA is a two-tier framework covering the City of Karratha and Town of Port Hedland. The first tier is an overarching five-year deed of agreement (Pilbara DAMA head agreement) between the Australian Government and RDA Pilbara. The second tier comprises individual labour agreements with employers under the settings of the Pilbara DAMA head agreement.

The Pilbara DAMA head agreement specifies a range of eligible occupations, as well as agreed terms and concessions to the skilled visa eligibility criteria. Businesses within the City of Karratha and the Town of Port Hedland may seek individual DAMA labour agreements under the head agreement terms and concessions.

The Pilbara DAMA provides access to more occupations than the standard skilled migration programs. Since it operates under an agreement-based framework, the Pilbara DAMA is adapted to meet the unique economic and labour market needs of our region.

The Pilbara DAMA ensures employers recruit Australian citizens and permanent residents as a first priority. Amongst other things, employers must demonstrate a genuine attempt to recruit Australians prior to getting access to a DAMA labour agreement.

RDA Pilbara entered into this contract in 2022 and is valid for 5 years. There is an option to extend this contract with the Commonwealth at the end of the contract period.

RDA Pilbara do not receive any money from the Commonwealth to manage this agreement, however RDA Pilbara charges \$700.00 ex GST per application, with a limit of 200 applications per year. This has a maximum income of \$140,000.00 per year and \$700,000.00 over 5 years. The application fee covers the position of Regional Development Officer to process the applications, as well as operational costs. RDA Pilbara received an income of \$2,310.00, as the agreement commenced in April 2022.

The DAMA was approved by the Commonwealth on 30 March 2022 and commenced on 9 May 2022 with RDAP the Designated Area Representative for the Program. RDAP prepared a 'portal' for DAMA information for sponsoring businesses and the City of Karratha and Town of Port Hedland subsidised small business DAMA application fees, waiving fees for childcare business applications. Interactive forums were held in Karratha and Port Hedland in collaboration with local government authorities and Chambers of Commerce and Industry to promote the DAMA and clarify questions.

RDAP receives and approves or denies applications based on an assessment against the eligibility criteria for the DAMA. Since commencement of the program 21 applications have been received for 99 positions.

While the Shires of East Pilbara and Ashburton have elected not to enter the DAMA at this stage, the opportunity for a partnering organisation in these local government areas exists under the DAMA.

Below are the risks outlined with RDA Pilbara entering into the DAMA agreement.

Risk	Level of Risk	Mitigation
No access to the DAMA within the Shires of East Pilbara and Shire of Ashburton	Medium	Capacity exists to onboard partners within both these Shires under the DAMA
Skills listing does not align to workforce need	Medium	The list is reviewed annually to ensure alignment with workforce need in the Pilbara
Business sponsors elect for overseas workers in lieu of Australian workers	Low	RDAP as the Designated Area Representatives has clear guidelines in place to ensure an evidential basis exists regarding labour testing of the Australian market. Information is also provided online on how to find an Australian worker.
Affordability of application process	Low	The City of Karratha and Town of Port Hedland subsidise application costs for small business with childcare business applications (NFP's) fully subsidised.
RDAP is unaware of emerging issues impacting the performance of the DAMA	Low	RDAP has scheduled meetings with DAMA partners for information exchange on the DAMA. Data is maintained as part of regular reporting to the Commonwealth under the DAMA.

Drought Node

The Northern Western Australia and Northern Territory Drought Resilience Adoption and Innovation Hub (NWANT) is one of eight national Drought Resilience Adoption and Innovation Hubs created as an initiative of the Future Drought Fund. The consortium of regional partners is committed to building the resilience and sustainable prosperity of rural industries and communities across the region.

The Hub will transform the drought resilience of farmers, traditional owners and communities in the Northern Territory and Northern Western Australian tropical top end and rangelands. This will be achieved by focusing on pastoral, broadacre, horticulture and forestry systems and water management.

The program is jointly funded through Australian Government's Future Drought Fund and the Northern WA and Northern Territory Drought Hub.

The contract dates and values are outlined below.

Milestones and Payments		
Description	Milestone Due Date	Instalment
Project Commencement Payment	10 January 2022	\$21,562.50
Quarterly Report Payment	10 April 2022	\$21,562.50
Quarterly Report Payment	10 July 2022	\$21,562.50
Quarterly Report Payment	10 October 2022	\$21,562.50
Quarterly Report Payment	10 January 2023	\$21,562.50
Quarterly Report Payment	10 April 2023	\$21,562.50
Quarterly Report Payment	10 July 2023	\$21,562.50
Quarterly Report Payment	10 October 2023	\$21,562.50
Quarterly Report Payment	10 January 2024	\$21,562.50
Final Report Payment	30 June 2024	\$21,562.50
Total amount payable		\$215,625.00

RDAP is a partner under the Northern Territory and Western Australian Innovation Hub agreement with the Commonwealth, led by Charles Darwin University. RDA Pilbara receives funding over a three-year period under the agreement (signed 25 May 2022). Two activities have been submitted by RDA Pilbara for consideration by the NWANT Board. Firstly, for trial of a machine that converts air to water for drinking water supply for pastoralists. Secondly, a project on how best to use mine de-watering involving key Pilbara mining majors, with a current view to aquifer recharge.

Below are the risks outlined with RDA Pilbara entering into the Drought Node agreement.

Risk	Level of Risk	Mitigation
Programs are not aligned to the Pilbara	Medium	Evidenced-based submissions improve positioning in Board considerations. High level Pilbara stakeholder support for initiatives. The NWANT exists because of shared concerns around issues like drought with consideration given to broader application of projects under the Hub.

