Regional Development Australia

An Australian Government Initiative

Pilbara December 2021 Yearly Economic Report

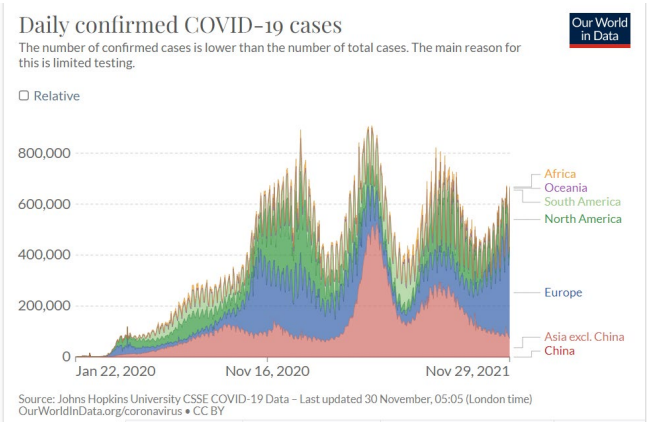
HIGHLIGHTS

COVID UPDATES

COST OF LIVING IN THE PILBARA

COMMODITIES DATA

OTHER PILBARA NEWS (INVESTMENT LEGISLATION, GOVERNANCE)



HIGHLIGHTS

Interest rates

In December 2021, the RBA resolved to maintain the cash rate at 0.10%, making it the 13th consecutive month that official interest rates have remained at a record low. Concern over the arrival of the new COVID-19 variant 'Omicron' has dampened some of the optimism around the Australian economy's recent strong economic rebound. Whilst there is some expectation that financial markets will have to lift interest rates to address emerging inflation pressures the RBA advised in December that: '*while inflation has picked up, it remains low in underlying terms. The Board will not increase the cash rate until actual inflation is sustainably within the 2-3% target range. This will require the labour market to be tight enough to generate wages growth that is materially higher that it is currently. This is likely to take some time and the Board is prepared to be patient*'.

COVID Vaccination Rates

In December, the WA State Government announced that from 5 February 2022, WA will ease interstate and international border restrictions after the State's double dose vaccination rate, for those aged 12 and over, reached 80%.

However, WA regional areas with vaccination rates below (80% as of 5 February 2022) will be subject to enhanced public health measures. The Pilbara region has one of the lowest vaccination rates in Australia at 46.1%. Enhanced measures may include no air travel into the region without proof of vaccination for people ages 12 and over. A further 12,000 Pilbara residents are required to be vaccinated to meet the 80% target.

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COVID UPDATES

The rollout of COVID-19 vaccines across the world has seen a strong rebound in the service sector of the world economy. However, the recent surge in cases (Delta strain) in many countries together with uncertainty arising from the emergence of the omicron strain is slowing a full global recovery, including interrupted manufacturing and supply chain recovery due to raw product and energy shortages, factory closures and delays in the global transport of imports and exports.

The World

Globally, the numbers of weekly COVID-19 cases and deaths have reached 260 million confirmed cases and five million deaths across 200 counties. (Johns Hopkins University). Europe is now considered the epicentre of the virus, reporting the highest number of daily cases.

Australia

Australia has re-opened its international borders, restoring travel to vaccinated citizens and relatives. However, the easing of further travel restrictions (ie to overseas students and skilled migrants) has been delayed (currently mid – late December) after the identification of the Omicron variant and the increasing concerns regarding its impact.

Western Australia

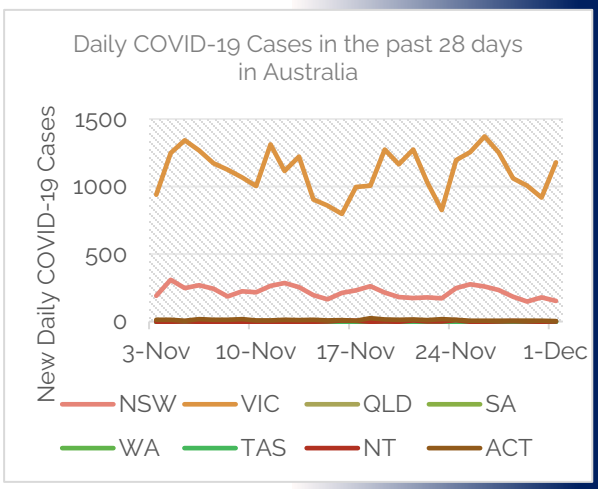
In December, the WA State Government announced that from 5 February 2022, WA will ease interstate and international border restrictions, however additional public health restrictions will be implemented for regions with vaccination rates below 80% as of 5 February 2022. Currently, the Pilbara have a double-dose vaccination rate of 46.1%, the Kimberley is at 60.8 per cent and the Goldfields at 65%.

Pilbara

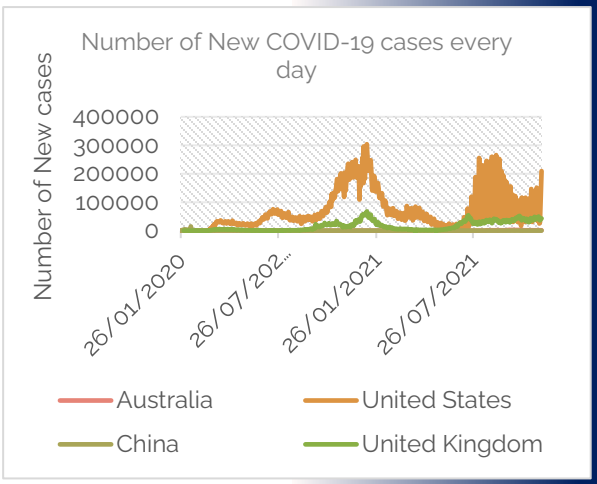
Throughout 2021 the Pilbara remained largely unaffected by COVID lockdowns with no reports of a community transmission within the Pilbara.

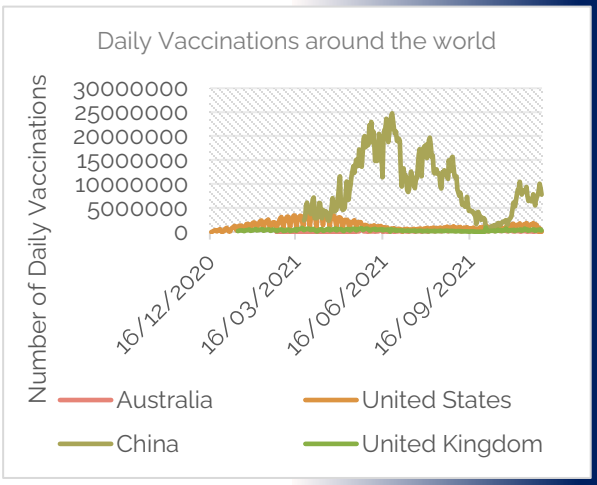
In October, WA introduced a vaccine mandate that required Group 1 classified workers to be double dose vaccinated by 31st December and Group 2 to double dose vaccinated by 31st January. This mandate required over 1 million Western Australians to make the decision between being COVID-19 vaccinated or leaving their job due to non-compliance.

Limited data is available on the impact of these compulsory mandates to the workforce in the Pilbara however Rio Tinto has announced that 96% of its iron ore workforce have received at least one COVID vaccination as of December 1st.



Data from COVID-19 Data





Our World in Data

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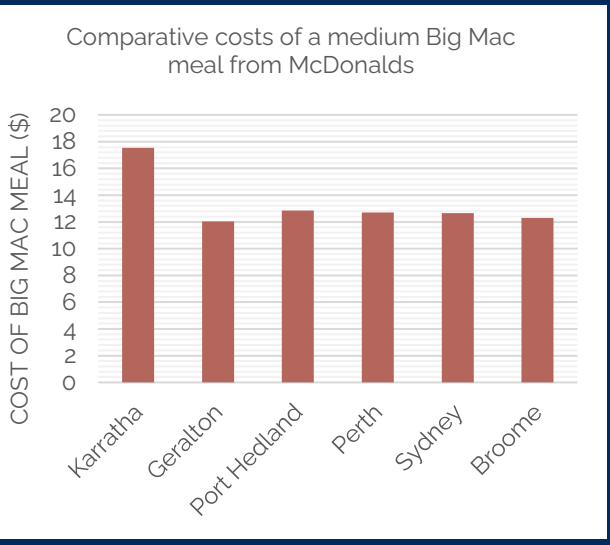
COST OF LIVING IN THE PILBARA

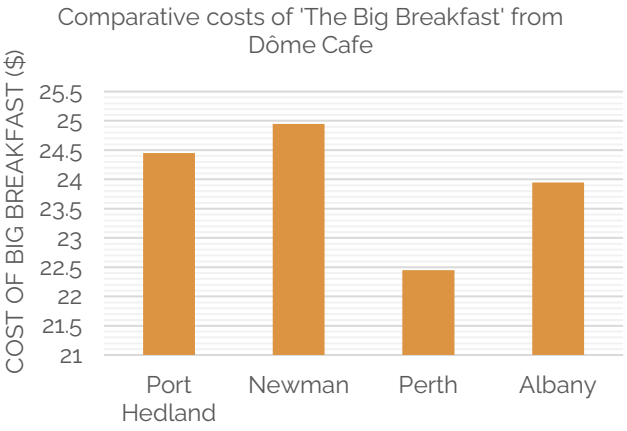
This month's spotlight issue focuses on the comparative costs of purchasing fast food in the Pilbara.

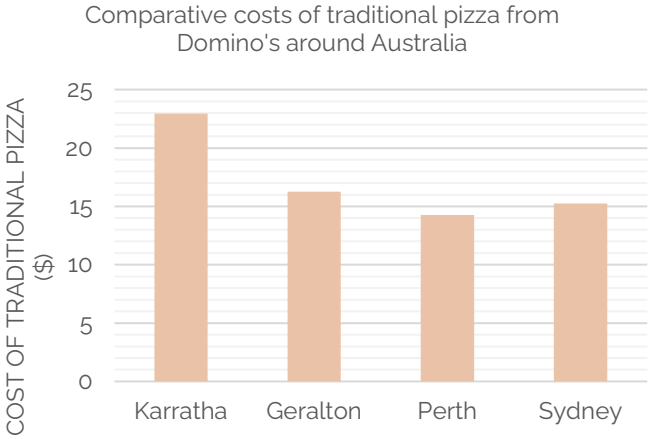
The data gathered in this report includes information from official fast-food websites across the country.

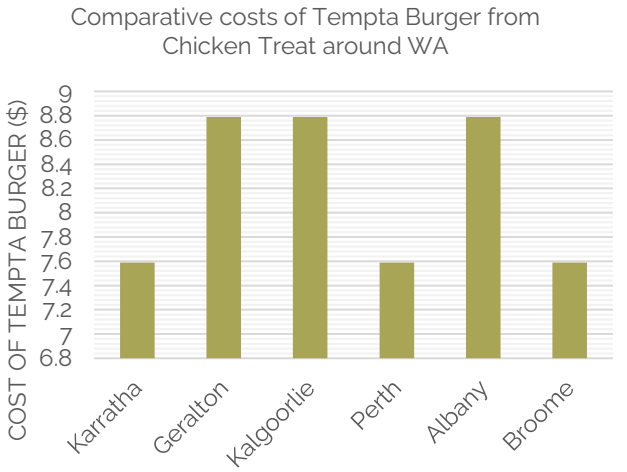
Fast food price comparisons

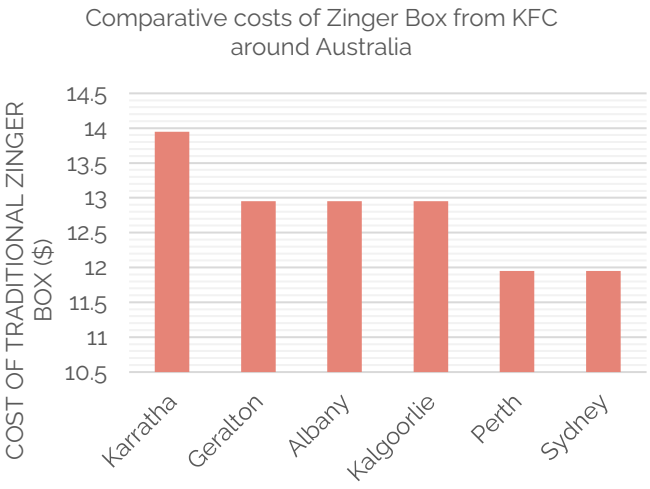
Comparing costs of standard meals from various fast-food restaurants across Australia demonstrates that the cost of eating out in the Pilbara varies greatly according to individual businesses. While McDonalds, KFC and DOME prices are on average $2 higher than other cities and towns across Australia, Domino's traditional pizzas are $8 more expensive than Perth. Chicken Treat products are variable in both larger and smaller population towns within WA.









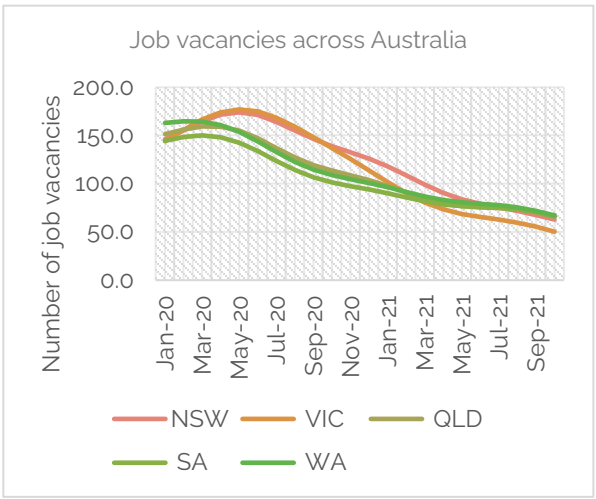


Data collected from the community

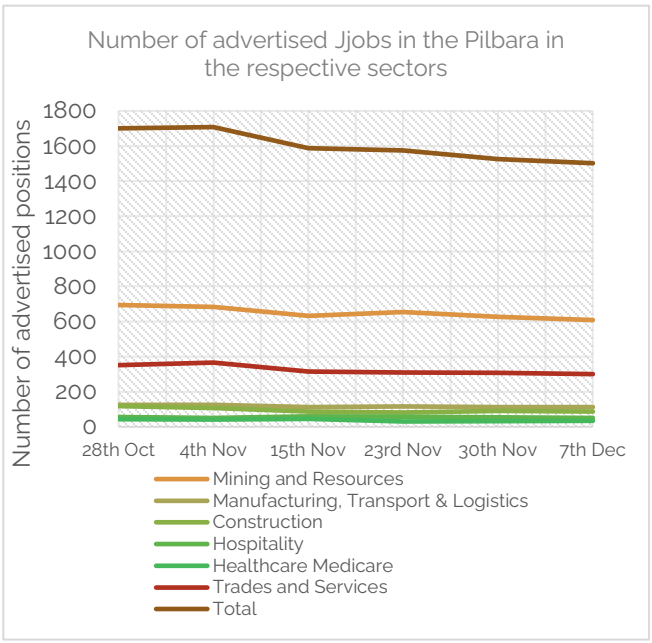
COST OF LIVING IN THE PILBARA CONT.

Employment Trends

Job vacancies in the Pilbara have decreased by 14% on average since late October to early December. **(This mirrors the WA job vacancy trends decreasing from April 2020.)** The largest employment classification sector in the Pilbara is mining and resources making up approximately half of the job vacancies advertised on Seek. Trades and services are the second most common employment classification sector.



Data collected from Seek



Increase in waiting period for key childcare service
A key provider of childcare services in Karratha has advised that from 20 December 2021 it will cease its baby room (ie care for children under the age of 18 months) services and before and after school care. Meals will also no longer be provided for children at the childcare centre. The childcare centre will be open for ½ an hour longer per day and fees will be increased.

A survey of 9 Pilbara based childcare services in early December 2021 revealed that 8 currently possess 'baby rooms' however no centre had any vacancies. Waiting periods for a place in a baby room range between 20-24 months (an increase of 4-6 months since October 2021) with several centres having 60+ families on the waiting list.

COST OF LIVING IN THE PILBARA CONT.

Postal deliveries

During 2021, Australia Post experienced extended delays in deliveries to the Pilbara due to a 68% increase in parcel volumes, staff restrictions and frequency of disruptive national flooding and fire events. Increased online purchases and continued disruptions mean customers can expect delays for both national and international orders. While packages from Perth to the Pilbara by road historically have taken 8-10 days, customers are now often experiencing delays of up to a month with parcels sitting at depots for extended periods. The 2021 Christmas seasonal increase in parcel deliveries will also influence delivery delays.

Information from Australia Post

New and second-hand car prices & availability

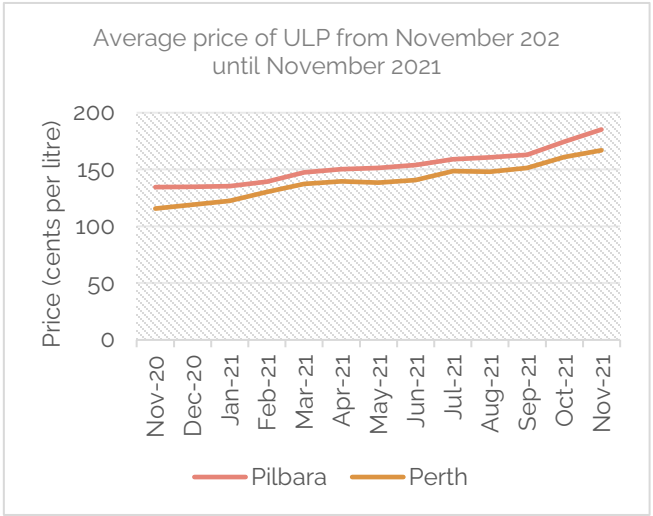
Throughout Australia the demand for new cars has outstripped supply resulting in the overall price of used cars being pushed up by 37% (Moody's Analytics) compared to pre-pandemic supply costs in February 2020. Border closures and car production shortages (due to Japanese car factory closures and the global semi-conductor shortages) have resulted in delays in delivery and overall insufficient supply of popular car models in the Pilbara. Utes and 4-wheel drives dominate the Pilbara car sale figures with Toyota Prado and Toyota Landcruiser continuing to appeal to those living in the Pilbara.

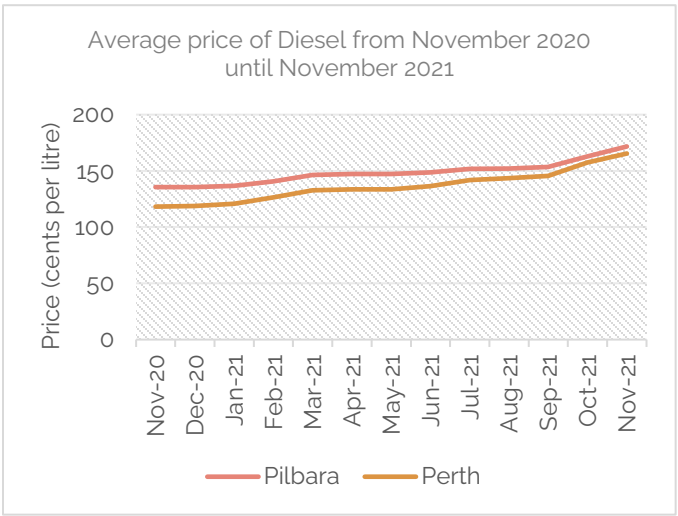
Toyota Australia is currently holding the biggest order bank in its history and long waiting periods are being experienced by buyers of the LC300, followed by the LC 70 Series and RAV4 Hybrid (both up around 6-10 months). However, some Landcruiser customers could be forced to endure delivery delays of more than a year if semi-conductor supplies do not improve and if the LC300 demand increases in major markets such as the Middle East. Toyota closed 14 of its Japanese factories in September 2021, cutting its global production by 40% and idled all of them again in October and November 2021 due to semi-conductor supply issues.

Information from Moody's Analytics and RAC

Fuel prices in the Pilbara

Across WA, fuel prices have consistently increased over the past 12 months in line with the underlying increasing oil prices. Pilbara fuel prices compared to Perth have remained on average approximately 10 cents higher for diesel and 15 cents higher for ULP.





Data from Fuel Watch

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COMMODITIES SUMMARY

As the world begins to transition towards the environmental goals of lower emission producing energies and minimising global temperature increases, it is anticipated that global clean energy requirements will result in ongoing strong demand and above average prices for copper, nickel and lithium as low emission technologies, including renewable energy and electric vehicles require more of these key metals than their fossil fuel counterparts.

World fossil fuel prices rebounded sharply in 2021, with natural gas prices at pre-pandemic levels and oil prices nearing levels reached in 2019. As demand soared, economies in Europe and Asia have had to address power and heating supply shortages, forcing governments to develop strategies to access fuel or limit demand.

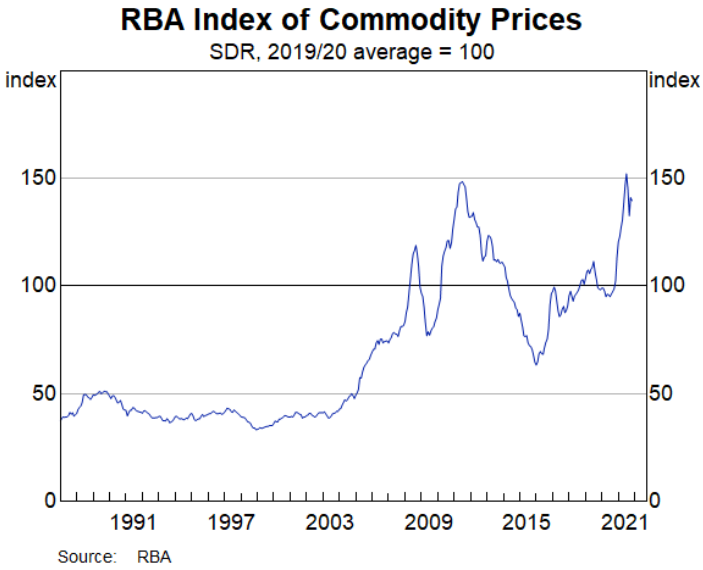
Over the past 12 months the Australian Index of commodity prices has increased by 33.7% overall in Australian dollar terms led by higher LNG, coking coal and thermal coal prices.

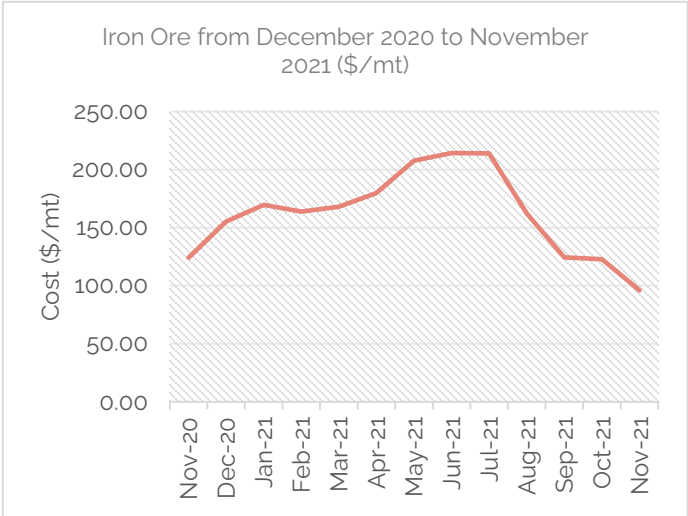
During 2021 the Australian mineral exploration sector reached an expenditure seven-year high from new funds invested into mineral exploration (BDO).

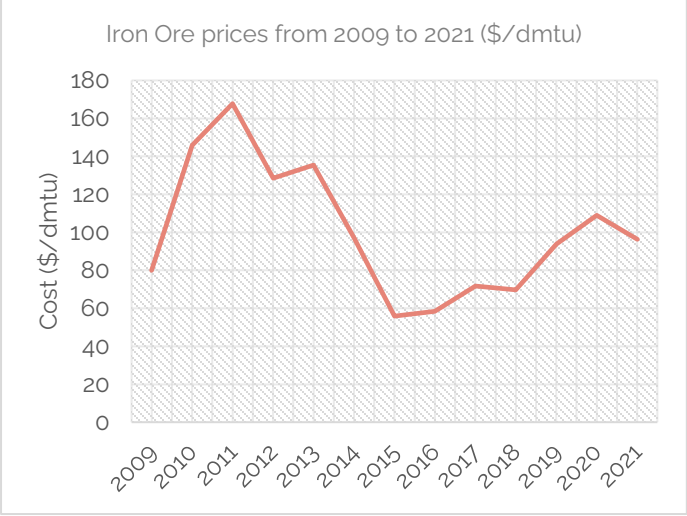
Iron Ore

Whilst iron prices have declined around 60% over the 6 months since reaching a record high of around $US230 per tonne in May 2021, overall 2021 has been a successful year for Australian iron ore producers with several announcing record dividend payments to shareholders. In comparison to many other industries the COVID-19 pandemic had only a relatively low impact on iron ore mining volumes in 2021.

Looking forward to 2022, improving product growth from Brazil and Australia has begun to loosen tight supplies on the seaborne market although Vale will take some time to return to pre-Brumadinho Dam collapse capacity levels. Cooling Chinese steel production growth together with higher output from key global suppliers will likely see iron ore prices continue to trend downwards during 2022.







Data from The World Bank

COMMODITIES SUMMARY CONT.

Gold

Global uncertainty amidst the COVID-19 pandemic and the ongoing concerns about the impact of the omicron variant have kept gold prices strong during 2021.

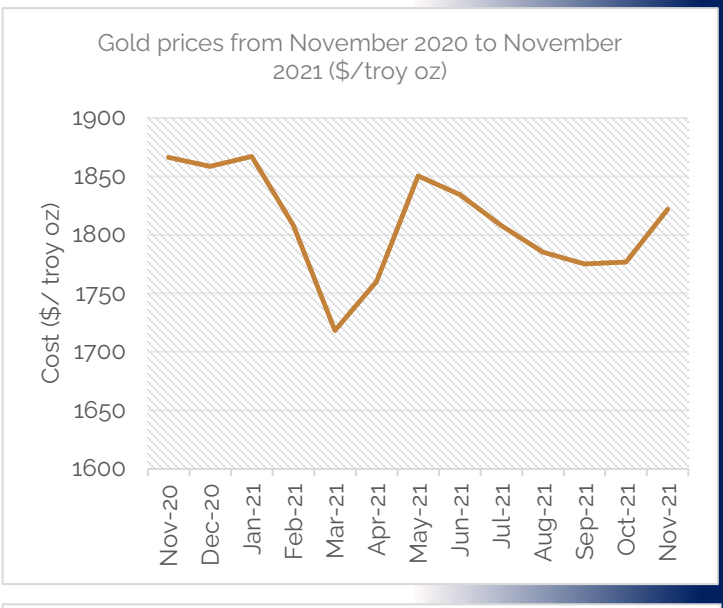
Gold production in Australia is set to rise from 322 tonnes in 2020-2021 financial year to 388 tonnes in the 2022-2023 financial year (Resources and Energy Quarterly) cementing Australia as the world's largest gold producing country, on the back of new and existing mine expansions. Australia's gold exports are expected to rise to a historical high of $29 billion in the 2021-2022 financial year before declining to $28 billion in the following year. Labour and skills shortages continue to impact Australian goldmine production (Resources & Energy Quarterly).

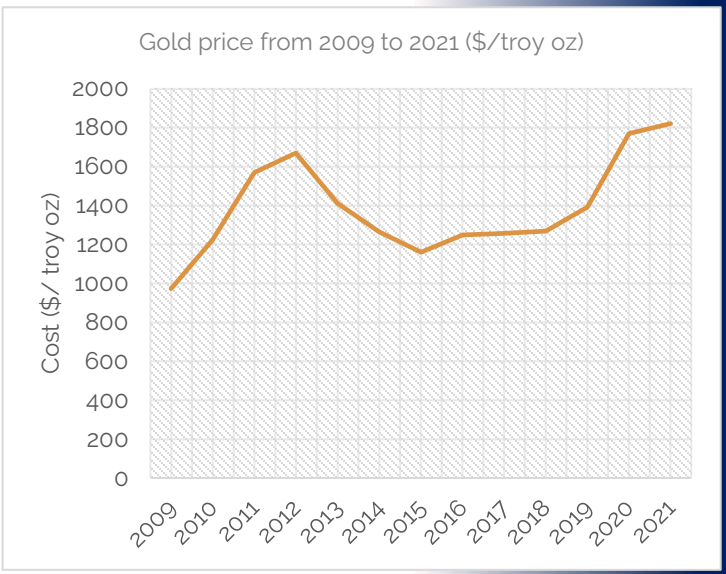
From July to November 2021, gold-backed ETFs have experienced positive flows. Global gold ETF holdings have rebounded increasing to 3,578t as demand for larger gold ETF's returned with concerns rising regarding high inflation and heightened market volatility. Steady interest rates and higher inflation were balanced by a stronger Australian dollar.

Peregrine Gold Ltd has identified a fourth gold prospect, Tin Can, at its Pilbara Gold project in Western Australia. It adds to the already discovered Birdsnest, Peninsula and Perry Creek. Peregrine will mobilise drill rigs in Q2 2022 subject to rig availability and the completion of a program of works and heritage surveys.

In mid-November, Kairos Minerals Ltd announced that it had intercepted anomalous gold and lithium at its Kangan project in the Pilbara. A 3,000m infill air core drilling campaign is planned for late 2021.

2021 was a productive year for gold company IPOs including the listing of Australasian Gold Ltd in March 2021 whose gold assets include tenements located in the Pilbara near Northern Star Resource's Paulsens gold mine.





Data from The World Bank

COMMODITIES SUMMARY CONT.

Copper

Covid-19 infections, uncertain post-COVID global economic recovery and interrupted industrial activity in key consumer countries due to power shortages saw copper prices soften following strong prices in the first few months of 2021. However, monetary policy easing by China's central bank and rising imports have seen Copper prices increase in November. China's copper imports rose for the third straight month in November, hitting their highest consumption since March as demand rose after the easing of power restrictions which curbed China's industrial activity and associated demand for raw materials.

The growing demand for electric vehicles and the shift towards renewable energy technologies around the world continues to increase global demand for copper wiring. The rapidly growing green tech supply chain of metals (including copper) that are crucial in solar panel, semiconductor, optic fibre and microelectronic products are projected to push future copper prices up. However, increases in production by the world's largest producers, including, Codelco in Chile (the world's largest copper producer) may soften the forecast strong 2022 copper prices.

Novo Resources Ltd has predicted that it will expand their existing portfolio into the Pilbara. Novo Resources is preparing exploration in 2022 including planned drill holes, soil sampling, mapping, and rock chip sampling of its two primary targets in their holdings in the West Pilbara.

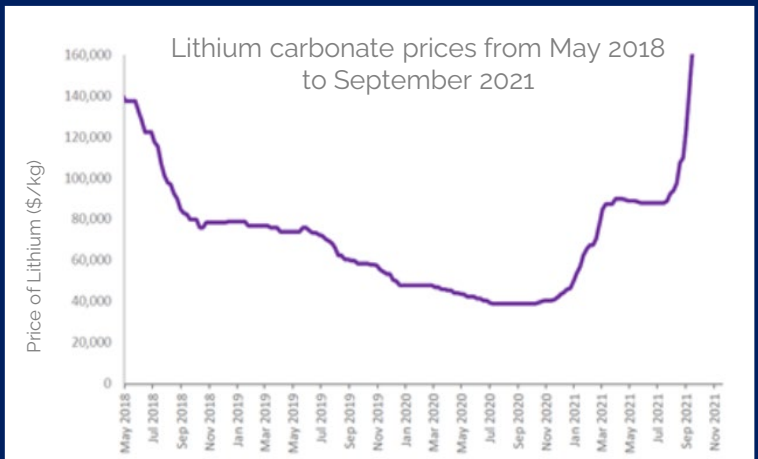
GreenTech Metals Ltd is acquiring tenements from Artemis Resources Ltd to develop copper and nickel targets and is aiming to list on the Australian Securities Exchange in December 2021 after closing its $5m IPO capital raising earlier than planned due to strong investor demand.

Data from The World Bank

COMMODITIES SUMMARY CONT.

Lithium
After three years of prices trending downward, the seaborne Asia lithium carbonate price and the ex-works China lithium carbonate price jumped 91% and 162%, respectively, in the first nine months of 2021, as unexpected demand increases (lithium-ion batteries) combined with a slow expansion in supply. Prices continue to rise with lithium supply shortages expected to continue into 2022.

Active lithium mergers and acquisitions M&A and unprecedented financing for junior and intermediate explorers in 2021 are likely to improve medium-term supply. However, demand-supply mismatches could persist in 2022 if unexpected demand increases continue without corresponding increases in supply



(Lithium carbonate, 99.5% Li2CO3 min, battery grade, spot price c.i.f. China, Japan & Korea, $/kg midpoint)

Data from LME & Fastmarkets

Nickel
Nickel sulphate prices rose over 30% during 2021 and are expected to remain steady in 2022 after reaching a 7-year high record in Oct 2021 resulting from supply disruptions caused by power shortages in Asia and Europe, recovering stainless steel sector and strong demand from the EV (electric vehicles) sector as supply from countries such as Indonesia looks to increase supply.

High nickel prices together with soaring lithium prices are starting to feed through into prices of electric vehicles with battery producers beginning to increase lithium-ion cell prices as anode, cathode and other raw material input prices continue to rise. Passing on lithium and nickel price increases to the automotive OEMs and other downstream customers is anticipated have an impact on prices of electric vehicles coming to market between 2022 and 2024.

Cattle Prices
Cattle prices have continued to increase since September following widespread rain across Australian pastoral country that has lifted rainfall deficiencies across the country. November 2021 was Australia's wettest November on record fuelled by a weakening negative Indian Ocean Dipole and La Nina.

The Eastern Young Cattle Indicator has (EYCI) has reached a new record high of 1,102cents per kilogram carcass weight (kcw). Livestock analysts predict that prices will drop in 2022 however to what extent will depend significantly on rain levels (Meat & Livestock Australia)

COMMODITIES SUMMARY CONT.

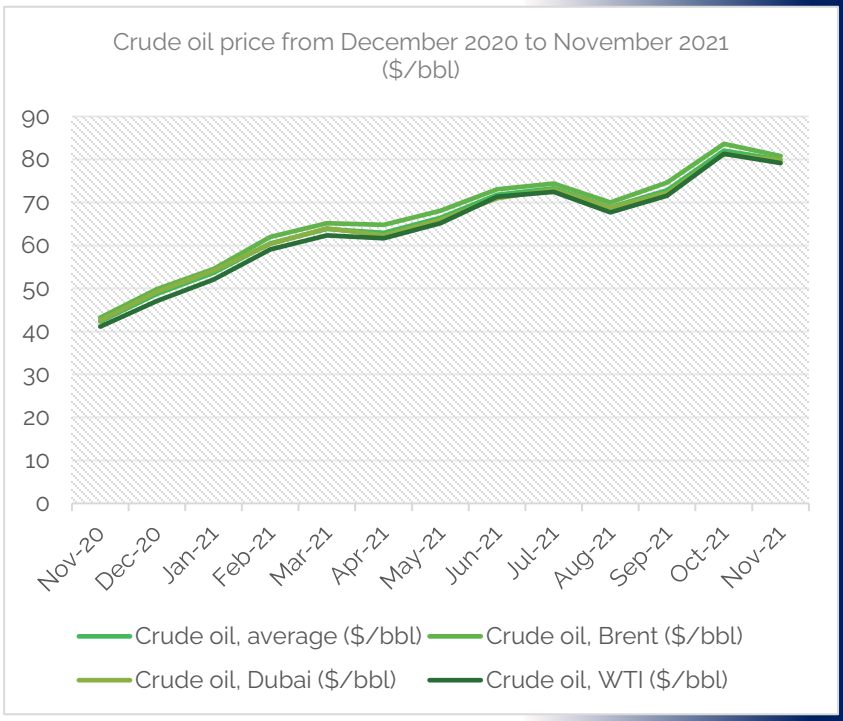
NATURAL GAS & CRUDE OIL

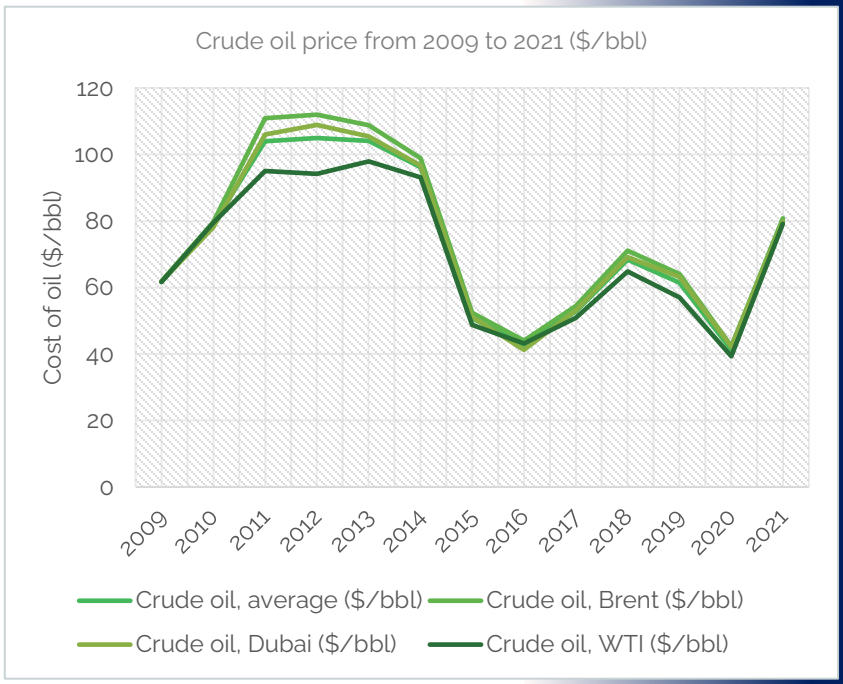
Oil & Gas
2021 has seen energy crises in Europe and Asia deliver windfall profits to Australian oil and gas producers.

Oil
In early December 2021, the West Texas Intermediate (WTI) crude futures dopped around 0.42% to $71.75 per barrel, reversing the strong gains in the earlier few weeks, as traders tried to assess the full impact of the Omicron COVID-19 variant on global fuel demand and the effectiveness of existing vaccines. (Trading Economics). It is anticipated that there may be some near-term price volatility given the high uncertainty concerning the Omicron variant which may result in renewed lockdowns and travel restrictions.

Demand for oil in 2021 saw prices return to, almost to pre-pandemic levels, supported by a global economic recovery and increased mobility. Ongoing demand may weaken in Q1,22, which is likely to result in the market switching from a deficit to a surplus due to OPEC+'s recent decision to ramp up production in January 2022 by 400,000 barrels of oil per day, alongside the release of strategic oil reserves by the US and other nations. The recovery in oil demand might, however, continue into late 2022, as OPEC will likely aim to avoid large surpluses or deficits when deciding on its future production levels.

OPEC's policies may become less efficient over time as the UAE, Kuwait, Iraq, Russia and other countries consider increasing production in order to monetise their large reserves while demand could be affected by the impending energy transition from hydrocarbons to lower carbon emitting energy sources.





Data from The World Bank

COMMODITIES SUMMARY CONT.

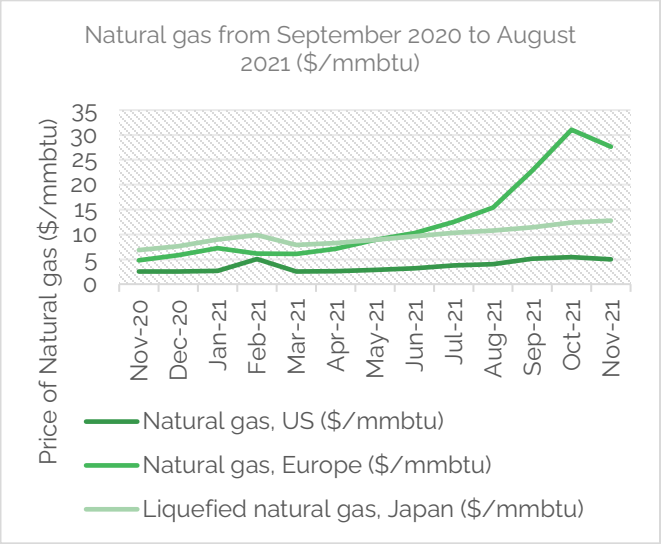
Gas

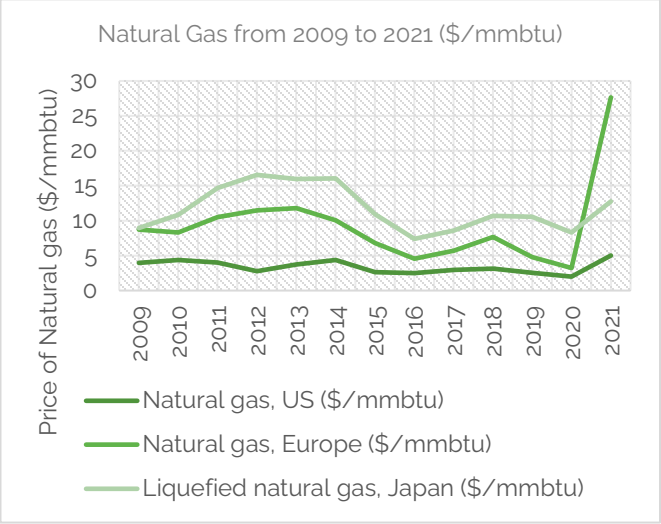
The ongoing energy crises in Europe and Asia are driving gas prices to record highs (approximately double the previous price records). Historic record prices in 2021 are seeing Australian LNG producers making up to $200million on a single cargo of liquified natural gas (compared with $3million in 2000) from Asin countries such as Japan and China as surging demand for LNG in the Northern Hemisphere collides with tight supplies. Prices for LNG have reached historic highs in recent weeks as demand for the fuel in the Northern Hemisphere (as it moves towards its northern winter) collides with tight supplies to send the gas market soaring.

Driving this fuel demand has been the increasing desire for gas in Asia, where the fuel is increasing preferred as a cleaner alternative to coal. In particular, China is purchasing LNG to underpin its power system after policies to minimise pollution caused coal-fired electricity power rationing and widespread blackouts across the country. During the travel and general restrictions of COVID, demand for energy was suppressed an investment was correspondingly low, however since the global rollout of vaccinations and the opening up of borders the demand for energy has increasing increased, outstripping production and supply.

The ability of Australian producers to capitalise on the record prices is dependent on what reserves these producers are able to sell on the spot market as most of their products are sold pursuant to long-term contracts containing typically more conservative prices.

LNG prices are anticipated to remain strong in 2022 notwithstanding the global sentiment towards green energy sources such as wind turbines, solar panels and renewable hydrogen and ammonia.





Merger of Santos Limited and Oil Search Limited

On 7 December 2021, Oil Search shareholders approved the A$21bn merger with Santos. The shareholder vote represented one of the final milestones towards the completion of the deal, anticipated to take effect in mid-December 2021, with legal implementation later in the month. The PNG Securities Commission cleared the merger on 3 December 2021.

The merged Santos-Oil Search entity will sit within the ranks of the global top 20 oil and gas producers however behind the proposed Woodside- BHP merged entity. The combined entity will possess a diversified portfolio of high quality, long-life, low-cost assets across Australia, Timor-Leste, Papua New Guinea and North America with significant growth optionality. Santos has advised that the merger will improve the Company's ability to make investments required by the energy transition, in carbon abatement and clean fuels such as hydrogen and ammonia.

The merged entity's head office will be in Adelaide, South Australia.

COMMODITIES SUMMARY CONT.

Fertiliser and salt

Surging energy costs and export restrictions from overseas suppliers are leading to record high fertiliser prices in Australia, with analysts predicting farmers could be forced to ration its use, potentially disrupting global food supply.

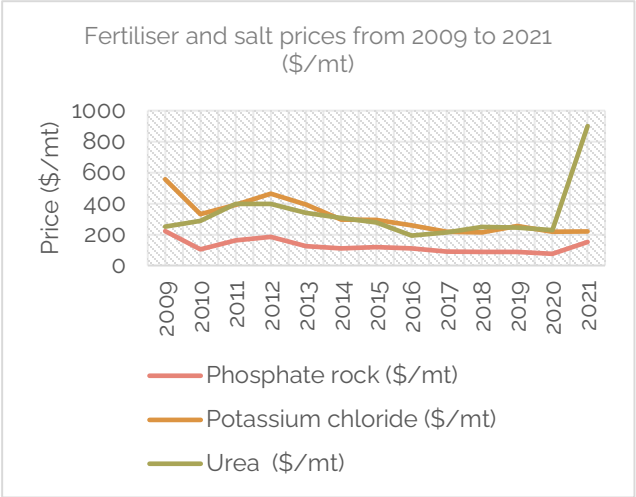
Modelling from Thomas Elder Markets shows the price of fertiliser in Australia at $1,320 per tonne for purchase, freight and discharge in mid-November, 2021. Fertiliser prices have been rising since the beginning of 2021 but have skyrocketed since August 2021 due to strong demand, tightening supplies and high input costs, particularly the two main sources of energy for production, being natural gas and coal. Fossil fuels (and air) are the main input into nitrogen fertiliser production and changes in global prices for natural gas will be reflected in nitrogen fertiliser prices over time.

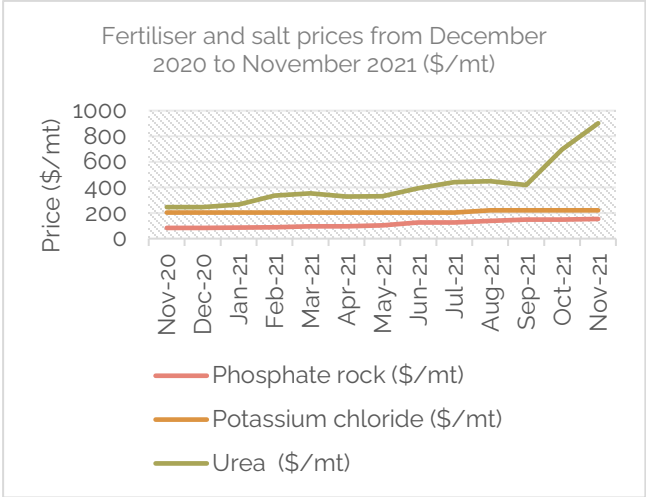
High energy prices have impacted on international fertiliser suppliers who have consequently acted to safeguard supplies for their own domestic market. Australia has previously imported 60% of both monoammonium and diammonium phosphate fertilisers from China however China has restricted export of its fertiliser to focus on local markets. In early November 2021, Russia announced that it will limit exports of nitrogen fertilisers and complex nitrogen-containing fertilisers for 6 months to try to minimise any further increase in food prices amidst high energy (gas) prices (Reuters).

Australian farmers are buying fertiliser from Morocco but prices are being driven up by a global shortage and the greater distance incurs higher freight costs.

Global urea prices have increased between 60-70% during 2021 and di-ammonium (DAP) has increased by up to 75% (Rabobank) due to tight supply, heavy supply demand from farmers and ongoing shipping disruption (due to COVID-19) with ocean freight adding as much as 10% to fertiliser costs. Current forecasting suggests that prices will remain high in 2022 (Rabobank). The majority of the price increase has occurred since October 2021.

Potash (a key soil nutrient rich in potassium) prices continue to increase driven by record global food demand and strong grower margins.





Final investment decision – Mardie Salt

In October 2021 the Board of BCI Minerals approved a final investment decision on the development of the large scale $1.2bn 'Mardi' salt and potash project (Mardi Project). The BCI Board's FID decision will see Mardie become the first new solar salt operation in WA in almost 25 years and the first to produce salt and sulphate of potash (SOP)/ potassium chloride from seawater. The project will be one of the largest in the world of its kind, producing 5.35Mtpa of sodium chloride and 140,000tpa of SOP over a life of 60 years.

In November 2021, the project received key environmental approvals to commence production and subject to receiving secondary approvals and shareholder approval of the $360m capital raising, expects to commence production in early 2022. The Mardi Project has received major project status from the Australian Federal Government.

OTHER PILBARA NEWS (INVESTMENT, LEGISLATION, GOVERNANCE)

WA State Government Pilbara Hydrogen Hub Submission
On 22 November 2021 the WA State Government (through the Department of Jobs, Tourism, Science & Innovation) submitted a multimillion-dollar proposal to DISER Hubs Implementation Round 1 to establish the Pilbara Hydrogen Hub.

The proposed Pilbara Hydrogen Hub involves the development of a hydrogen or ammonia pipeline connecting the Maitland and Burrup strategic industrial areas; creation of a Clean Energy Training & Research Institute based in Karratha and Port Hedland; Lumsden Point port upgrades to facilitate export opportunities; and a planned pathway to industry expansion. The proposal was developed in consultation with the Pilbara Development Commission, Regional Development Australia (Pilbara) and multiple industry partners and stakeholders.

A detailed feasibility study will be undertaken over the next 3-6 months and will occur prior to notification of the DISER funding outcome.

Scarborough Project
In late November 2021, Woodside Petroleum Ltd and BHP Group made a final investment decision approving the $US12 billion ($17 billion) Scarborough to Pluto LNG upstream project in the North Carnarvon Basin (Scarborough Project). BHP has approved US$1.5 bn in capital expenditure for development of the Scarborough Project. This expenditure represents BHP's 26.5% participating interest in Phase 1 of the upstream development. Woodside holds the remaining 73.5% interest and is the operator of the Scarborough Project.

The development of the Scarborough field (WA-61-L and WA-62-L titles) comprises 13 subsea wells, a semi-submersible Floating Production Unit and a 430km subsea export pipeline to the Woodside operated Pluto LNG Facility in Karratha. Field development will be completed in two phases with eight wells drilled in Phase 1. The upstream production facilities will be installed to supply 8 Mtpa LNG and 180 TJ/day of domestic gas, with first cargo expected in the 2026 calendar year.

Scarborough Project Legal Challenge
Conservation Council of Australia has initiated a Supreme Court challenge to the Section 45C WA Environmental Protection Act approvals received by Woodside. The CCA initiated the action against decisions by the WA Environmental Protection Authority to allow Woodside's Pluto and North West Shelf LNG plants to process gas from any field rather than be limited to the fields that the plant were originally built for with the challenge to be heard by the WA Supreme Court by late December 2021.

Emissions Targets
In late October 2021 Rio Tinto announced it will invest US$7.5 billion on decarbonisation and accelerate its greenhouse gas emissions target (by reducing Scope 1 and Scope 2 emissions by 50% by 2030 and tripling its previous target). Rio Tinto plans to introduce upwards of 6GW of renewable power across its Pilbara iron ore operations. The company will spend an additional US$500 million each year between 2022 and 2024 on decarbonisation initiatives and double growth capex to $3billion from 2023 to target investment in commodities needed for the transition to lower emissions producing energy sources.

Investment will include a deployment of 1GW of wind and solar across the Pilbara which the company states will abate 1Mt of CO2 and enable the early electrification of mining equipment.

Woodside has set targets to reduce net emissions below the gross 2016-2020 annual average with a 15% reduction by 2025 and 20% reduction by 2030 through reducing emissions in new designs, operations and offsetting carbon emissions.

Yara is undertaking Sectoral Decarbonization Approach (SDA) for the Nitrogen fertilizer sector to set GHG emission reduction targets to align with the Paris agreement. The analysis required for the SDA approach is expected to be finalised in 2022.

In September 2021 BHP released its Climate Transition Action Plan that outlined the company's updated approach to reducing greenhouse gas missions and managing climate risk across its global value chain.

The West Australian government will set a 2030 emission target for its power generator Synergy in early 2022 with plans for all sectors of the economy to follow in 2023. Currently, WA emissions have increased 21%% since 2005. This initiative will place WA in line with other states to meet 2050 zero emission targets.

OTHER PILBARA NEWS (INVESTMENT, LEGISLATION, GOVERNANCE)

DAMA

In November 2021 the City of Karratha in partnership with the Town of Port Hedland lodged an application with the Federal Government for a Designated Area Migration Agreement (DAMA). The application was prepared in response to feedback received from the local community which reflected that recruitment and retention of staff as being the most significant issue for the local business community.

Occupations listed on the DAMA application include (but are not limited to):

- Hospitality, tourism & retail workers (chefs, bakers, café & restaurant workers/ mangers, retail workers/ managers);
- Health, carers & welfare workers (child care works, aged care workers, clinical psychologists, OTs, physiotherapist, dentist, optometrist, social worker, speech pathologist);
- Plant operators;
- Transport & logistics;
- Engineers & construction (civil, structural & mechanical engineer, scaffolder);
- Technology (ICT Project Manager and support engineers);
- Technicians & other occupations (arborist, boilermaker, carpenter, concreter, electrician, motor mechanic;
- General services (accountant, hairdresser, officer manager, receptionist).

Pic: This is Australia

Aboriginal Cultural Heritage Bill 2021 (WA) (Bill)

On 23 November 2021 the *Aboriginal Cultural Heritage Bill 2021 (WA)(Bill)* passed through the WA Legislative Assembly. It is expected that the Bill will pass through the Legislative Council and be enacted as legislation by the end of 2021.

Purchase of Pilbara Apartments

Westbridge Funds Management has purchased a 6 story, 77 dwelling apartment block in South Hedland for $12.5m.

Mineral Resources/ Hancock Prospecting Joint Venture

Mineral Resources and Hancock Prospecting have entered into a joint venture agreement to jointly pursue the development of a new iron ore export berth at Port Hedland South West Creek. Under the agreement, Hancock subsidiary, Roy Hill Holdings, which currently operates two berths at South West Creek, will help develop the new berth and provide rail haulage and port services.

Draft Insurance Legislation: cyclones & floods

In December the Federal Government released its draft legislation to implement a reinsurance pool for cyclones and related flood damage, which will be backed by a $10 billion Government guarantee and cover household, residential strata and small business property insurance policies.

Pic: WA Today

OTHER PILBARA NEWS (INVESTMENT, LEGISLATION, GOVERNANCE)

ANL Pilbara Freight Service Expansion
In February 2021, ANL PAX Service expanded its existing Pilbara PAX service by adding an additional port call to Dampier. In November 2021 ANL advised that they would again expand their service to operate on three loops with a 10-day transit from Singapore to Port Hedland and a 9-day transit from Singapore to Dampier. The PAX service expansion is expected to provide Pilbara customers with access to over 400 ports via the transhipment hub in Singapore allowing for global access to and from the Pilbara region.

Pic: The Daily Cargo News

Childcare

Annual Cap

From 10 December 2021 the Federal Government will remove the annual cap for all families who receive a childcare subsidy (**CCS**). The removal will be backdated to the beginning of the 2021-22 financial year and refunds will automatically be made to families who have already reached the cap. From 7 March 2022, the Federal Government will increase the CCS for families with more than one child in childcare aged 5 or younger.

Early Childhood Services Position Paper

Rio Tinto is leading the development of an evidenced based research paper, that will provide information pertaining to the current status of early childhood education and care services across the Pilbara, specifically the locations of the City of Karratha, Pannawonica, Parabardoo and Tom Price. The report is anticipated to be received in Q1 2022.

Pic: Rio Tinto

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