

# Regional Development Australia Pilbara **Case Studies**



Regional  
Development  
*Australia*

PILBARA





## CASE STUDY ONE

### Climate change and the Pilbara Economy

Considerable international and national pressure exists for Australian governments to take stronger action in mitigating climate change impacts as a signatory to the Paris Agreement. The Western Australian Government has committed in the Western Australian Climate Change Policy to net zero emissions by 2050, acknowledging that climate change presents both challenges and opportunities.

Climate change impacts in the Pilbara have a pervasive effect on settlements; infrastructure; ecosystems; water supply; and on economic performance, impacting both industries' contribution to State and Federal revenue and the viability and profitability of the local economy. Climate change affects regional areas differently and there is an acknowledged need to build capacity and resilience to climate change, as well as reduce emissions.

It is accepted amongst governments and scientific organisations that approaches must be underscored by rigorous evidence-based and consultative assessments on a regional basis to identify climate change risks across sectors and prioritise actions and measures to adapt to climate change impacts. This requires a collaborative and long-term approach that responds to forecast climate change information and emerging impacts.

Much of the data regarding climate change in the Pilbara region is five years old. Over that period, global temperatures have been the warmest on record, cyclones have been more frequent and intense and unprecedented extreme weather events have been experienced.<sup>1</sup> Large-scale mining companies with a significant presence in the Pilbara have committed to ambitions of net zero emissions by 2050 and coastally located local government authorities have undertaken intensive coastal hazard and risk management adaptation planning and implemented adaptive measures.

<sup>1</sup> Regional Development Australia Pilbara, *Climate Change and the Pilbara Economy*, 2020, p4 (referencing the World Economic Forum 2020). Available at [http://www.rdapilbara.org.au/resources/site/General/Publication%20Reports/Climate%20Change%20and%20the%20Pilbara%20Economy\\_20201124.pdf](http://www.rdapilbara.org.au/resources/site/General/Publication%20Reports/Climate%20Change%20and%20the%20Pilbara%20Economy_20201124.pdf)

In October 2020, Regional Development Australia Pilbara delivered *Climate Change and the Pilbara Economy. An Overview*. The report which combined evidential and consultative research in the Pilbara, provided a formative understanding of key cross-sectoral challenges and opportunities within the region and incorporated recommendations to facilitate viable pathways to climate change adaptation. The latter pertained not only to the resource sector where appropriate adaptation is key to international investment competitiveness but to facilitate viability and expansion within the local economy where some sectors will be heavily impacted by climate change.

In brief, the report identifies:

- extreme risk to property, other assets and production;
- the vulnerability of the Pilbara economy to economic volatility and the fiscal challenges of climate change due to lack of diversification;
- climate change impacts on investment choices, with action taken internationally as a consequence of poor climate change response or disclosure in Australia;
- asset damage and other economic losses from increased temperatures, sea-level rise and intensification of rainfall events, tropical cyclones, flooding/storm surge and bushfires; and
- climate change impacts on the health of the Pilbara's coastal values and other natural ecosystems.

The report as a knowledge-based examination of climate change in the Pilbara, provides significant insights for individual sectors around risks and opportunities.

For Regional Development Australia Pilbara it has informed two projects. Firstly, preparation of a submission for the establishment of a hydrogen hub in the Pilbara to assist in emissions reduction; support resource sector investment competitiveness through adoption of a green energy approach; and to facilitate a diversified industry in hydrogen. Secondly, participation in the development of a Northern Territory and Western Australian proposal to establish a Drought Resilience Adoption and Innovation Hub with a view in the Pilbara, to examining the feasibility of mine dewatering for agriculture.





## CASE STUDY TWO

### Impact of Covid-19

Regional Development Australia Pilbara delivered a report aimed at informing policy makers of the magnitude of impacts of the Covid-19 pandemic, effective recovery measures and emerging economic opportunities. Titled the *Initial Impact Assessment of Covid-19 on the Pilbara Economy* it reviewed:

- potential scenarios for contraction in the world economy, risks for the Pilbara economy and the means of generating market return, employment and government taxation revenue through investment in productive assets;
- national Covid-19 impact trends coupled with known data pertaining to the Pilbara, on business impacts in the region;
- available packages across tiers of Government and the private sector (industry and Chambers of Commerce and Industry);
- changes implemented to business operations to respond to the challenges of the pandemic;
- possible impacts on key sectors across identified potential economic scenarios; and

- a supportive policy response by governments and opportunities for economic stabilisation or growth including but not limited to infrastructure investment for industry diversification and research support to invigorate investment in downstream processing and innovative industry development.

The report while centred on impacts from the pandemic, should be considered as part of a timeline series of reports produced by Regional Development Australia Pilbara titled *Cost of Doing Business in the Pilbara* and Pilbara Quarterly Economic updates. Collectively, these highlight recurring themes for stabilisation and growth in the Pilbara economy. This includes the critical need for business diversification, leveraging the Pilbara's competitive advantages such as renewable energy or diversified minerals; METS sector development; harnessing opportunities for growth in sectors of the local economy; and addressing key enablers such as deficiencies in housing, high insurance costs and chronic skilled labour shortages.

In response to economic profiling, the new RDAP Committee has refocused its work on the delivery of large-scale, high impact, multi-stakeholder projects that address some of these priority recurrent themes. These include:

- preparation of joint stakeholder submissions for a Pilbara Hydrogen Hub to enhance industry competitiveness through adoption of a green energy approach, and afford domestic and global hydrogen market opportunities, and a Pilbara Designated Area Migration Agreement to procure skilled personnel aligned to business need;
- preparation of a submission for the establishment (and RDA led) of a Pilbara Designated Area Migration Agreement in collaboration with two Pilbara local governments, to meet the identified skills shortages;
- preparation of a housing affordability study to develop short and longer-term sustainable approaches to temper the housing market and provide for residential workforce accommodation needs;

- collaborative preparation with Western Australian based RDA Committees of an evidenced-based report on regional investment opportunities for prospective investors; and
- sustainable agricultural initiatives for Pilbara rangelands under a Drought Resilience Adoption and Innovation Hub (subject to funding approval for hub establishment by the Federal Government).

RDAP has also realigned its governance structure and communications to ensure a stronger focus on leading and brokering high value regional outcomes and disseminating 'real time' economic data to identify opportunities and facilitate investment.



# Executive Summary

The majority reporting period 2020–21 occurred under the governance and strategic direction of the former RDA Committee, with exception of one member whose term of office continued.

Applications were invited for new Committee members in January 2021 consequential to expiration or impending expiration of Committee terms of office. In March 2021, Nerida Kickett was appointed to the role of Chair along with five new Committee Members, with Rod Evans reappointed and continuing service since 2020. Appointments occurred in compliance with the *RDA Appointments Guide*.

Tony Simpson, Regional Director RDAP, was appointed in November 2020 following a nine-year period of tenure by the former Regional Director, Ms Diane Pentz.

For the prior two years, the Covid-19 pandemic has disrupted and devastated Australian (and global) communities and regional planning has accelerated in an environment that has given rise to an exceptionally wide range of macroeconomic forecasts. During 2020–2021, significant financial and employment impacts were evidenced in the Pilbara in the small-medium sized business economy, particularly tourism-related sectors, and in crude oil and gas industries. On the other hand, record iron ore prices and export volumes were achieved due to global stimulus packages, with marked exceedance of economic forecasts.

Organisations with an economic (and social) mandate have operated in an environment of pervasive uncertainty where multiple competing economic forecasts and a fast paced and changeable policy response and recovery environment exist.

The pandemic has tested the strengths and weaknesses of governance and organisational capabilities across regional organisations and highlighted the value of collaborative, strategic and practical approaches to meeting emerging challenges. Over the prior financial year, RDAP worked closely with partner agencies to ensure the Federal (and State) Government remained apprised of pandemic impacts and recovery opportunities for the region. Industry-specific action groups were established to drive tailored recovery activity and support packages emerged to support the small-medium sized business sector. RDAP informed this process via progressive assessment of pandemic impacts, including through regular, detailed economic updates.

The dominance of the resource sector, record iron ore pricing and exports, and contribution to State and national economies often overshadows the complex interplay of resource sector and local economies and the economic vulnerability of heavy reliance on iron ore and petroleum exports and limited destination markets. The upswing associated with the Covid-19 pandemic has once again given rise in the Pilbara to issues of housing affordability, chronic skills shortages, inflated wages, and lack of economic diversification. It has further highlighted the importance of the strengths-based West Pilbara Communities for Children program, particularly in the context of impacts of lockdowns on Aboriginal communities, tourism and the culture and the arts sector.

However, on this occasion as opposed to the previous mining boom, it has strengthened Governments' collective strategic and funding focus on capturing emerging markets, renewables, battery industries, downstream processing including manufacturing, and METS, to name a few sectors. This direction is reflected in the RDAP's new *Strategic Plan 2021-2024* and *Business Plan 2021-22*.

Some of the key achievements for 2020-21 include:

- delivery of the report *Climate Change and the Pilbara Economy* (see business case)
- released the annual West Pilbara Children and Families Community Directory;
- issued Four Pilbara Quarterly Economic Updates;
- released four e-News letters updating subscribers/website visitors on RDAP activities and grant opportunities;
- completed the Cost of Doing Business in the Pilbara publication, distributing it to over 600 contacts and published it on the RDAP website;
- supported the Yara Pilbara Hydrogen Project in the Pilbara;
- participated in strategic meetings with Ministers and Members of Parliament, tiers of Government, economic and trade agencies, industry, Aboriginal organisations and the Northern Australia Infrastructure Fund to facilitate economic development opportunities;
- advocated to the Northern Australia Insurance Inquiry for reduced insurance premiums in the Pilbara and informed the new five-year plan under the Developing Northern Australia White Paper;
- commenced a review of the RDAP's website to strengthen the presentation, navigation and accessibility of information; and
- hosted a stakeholder forum on Asset-based Community Development.

The Covid-19 pandemic coupled with an amended RDA Charter has highlighted the importance of governance changes to the way RDAP does business if high value projects are to be realised and constraints to economic growth addressed. This includes:

- ensuring board composition reflects all four LGAs and has strong cross-sectoral experience;
- reconfiguring meetings and governance processes so RDAP is strategically led by the Committee and the community and key stakeholders have the opportunity to be heard (rotation of meetings across the four government sectors);
- establishing monthly as opposed to bi-monthly meetings to ensure currency in information exchange, enhanced capacity to proactively respond to emerging issues, and fiscal responsibility;
- providing real time economic updates to keep pace with economic adjustments and further encourage investment in viable opportunities;
- focusing on build and non-build elements to deliver sustainable economic development;
- collaboratively identifying and developing priority projects that will have greatest impact and facilitate long-term growth in the Pilbara, including through adoption of a leadership and brokering role; and
- participating in research reports where a knowledge gap has been identified and data is required to inform best practice approaches to economic development.

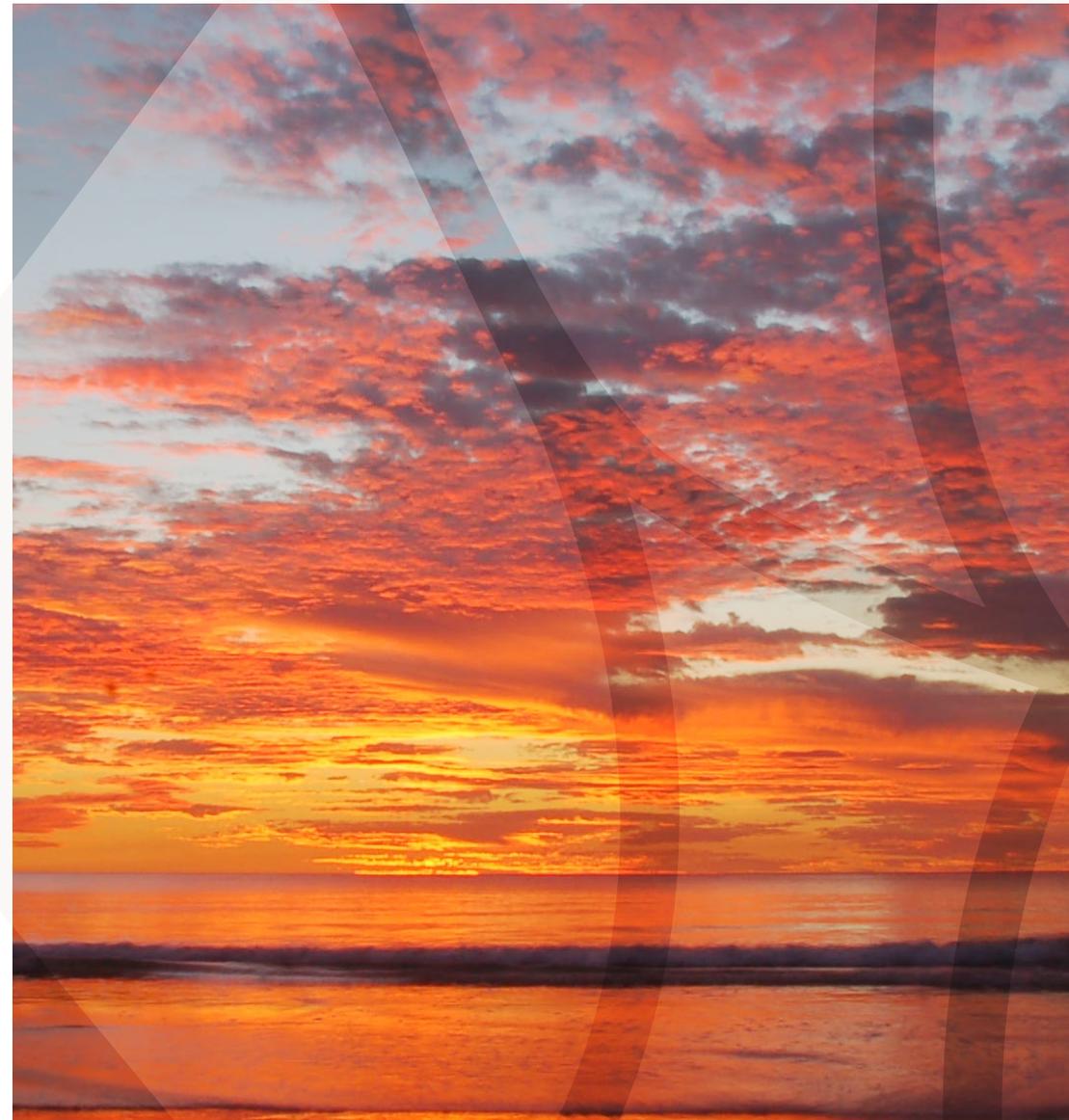
# Third Party Arrangements

## Description of the activity being undertaken

Regional Development Australia Pilbara is a facilitating partner for the Department of Social Services' Families and Communities Program and provides funding to non-government organisations to support families and children, especially those that are vulnerable or disadvantaged. The program is community-centred, being responsive to community issues and needs through adoption of early intervention and prevention approaches. It is based on a whole-of-community model that supports and enhances early childhood development and wellbeing. It aims to support families, strengthen relationships, improve the wellbeing of children and young people, and increase participation in community life to enhance family and community functioning.

The program has been delivered since 2008 within the City of Karratha and Shire of Ashburton with a central focus on the 0-12 age cohort, parents, and families and communities experiencing high levels of economic and social disadvantage, particularly in remote locations. The strengths of the program lie within:

- tailored and innovative approaches, based on community co-design and aligned to community need.
- Joint planning with program partners to improve collaboration, information sharing and inter-sectoral referral.
- Evidenced based framework focused on capacity building and assessment of program performance in achieving stated outcomes.



## Risks to the committee in completing the activity and mitigation strategies

Risk	Level of Risk	Mitigation
Programs are not aligned to local need	Medium	<p>Evidenced based framework applied.</p> <p>Community engaged in program definition.</p> <p>Clear outcomes established for programs.</p> <p>Rigorous, structured program monitoring occurs.</p>
Poor standard of program delivery	Medium	<p>Annual Activity Work Plan prepared.</p> <p>Required provider reporting is both qualitative and quantitative (client level data and service delivery information).</p> <p>RDAP is required to report against key performance indicators in line with the funding agreement.</p> <p>Regular meetings with providers to assess performance against contract requirements, including established outcomes.</p> <p>Bi-monthly meetings with West Pilbara Communities for Children Committee.</p> <p>Joint planning meetings of partner organisations.</p> <p>Increased level of collaboration with cross-sectoral partner agencies (not just program providers) through amended governance structure for RDAP (monthly meetings in towns across the Pilbara).</p> <p>Scheduled whole-of-program evaluation to ensure program alignment to need.</p> <p>Federal review of RDAP's performance.</p>
Financial mismanagement	Medium	<p>Submission of program acquittal for both RDAP and partner agencies (based on independent audit requirements).</p> <p>Monthly financial expenditure/performance reports by RDAP to RDAP Committee.</p> <p>Compliance with data exchange protocols as per federal funding agreement.</p>
Service activities are not sufficiently notified	Low	<p>Annual directory of services compiled and disseminated.</p> <p>Monthly newsletter distributed to large data base (will be expanded).</p> <p>Website/social media promotion.</p>

## Contract start and end dates

27 March 2020	(commencement date)
30 November 2021	(cessation date)
New five-year agreement executed	effective 1 July 2021 – 30 June 2026

## Contract value and payment milestones

Milestone	Anticipated date	Amount (ex GST)	Amount (GST Incl)
Half yearly payment of 2020-21 funds	14 July 2020	\$548,828.44	\$757,874.99
Half yearly payment of 2020-21 funds	1 December 2020	\$548,828.43	\$757,874.98

## Activity progress to date

The following details progress on activities to date:



### ***Committee activities***

- bi-monthly meetings convened of the West Pilbara Communities for Children Committee comprising representation from parents; school and early years; relevant peak bodies; State and local government organisations; and Pilbara service providers.
- updates provided on Department of Communities requirements; qualitative and quantitative data sharing; and identification of gaps and opportunities in service provision.
- informed preparation of the activity plan and programs funded for the current period.



### ***Governance and reporting***

- staged release of funding based on satisfactory acquittal of initial funding and review of performance (i.e. via bimonthly meetings, aggregate quantitative reporting and case studies, etc).
- RDAP supported community program partners in Karratha, Wickham, Roebourne, Onslow and Tom Price and assessed the standard of program delivery via direct observation, assessment against contract requirements; and to foster workable relationships.
- provided program facilitators with support for contract reporting twice annually.
- participated proactively in meetings with the State and Federal Governments to ensure policy makers and funders remained apprised of ongoing concerns regarding the mental and emotional wellbeing of Aboriginal peoples in the West Pilbara.
- submitted two performance reports during the reporting period to the Department of Social Services in accordance with data exchange protocols.



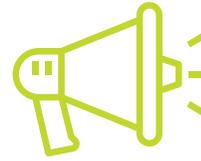
### ***Program delivery***

The 2020–21 programmes were realigned to focus on child anxiety and behavioural issues, and intergenerational trauma impacting parental bonding and interaction, pursuant to a detailed program evaluation in 2019. Importantly, 2020–21 programs supported community reengagement and participation and facilitated enhanced opportunity for children to reconnect with peers. This was key given the impact of Covid-19, particularly in terms of increased isolation of Aboriginal communities.

Programs delivered in Roebourne focused heavily on extreme trauma.

In 2020–21, RDAP funded the following key partners:

- WA PCYC – Kids Safe Space
- Karratha Central Healthcare – Circle of Security Parenting; West Pilbara Wellbeing Program; Cool Kids Karratha; Cool Kids Wickham; Parent Child Mother Goose; and Holyoake Drumbeat
- V Swans – Sports Fundamentals; Circle of Security Parenting; Parent Child Mother Goose; and Homework Club
- ABC Foundation – Range for Life



### ***Program promotion/access***

RDAP compiled the West Pilbara Children and Families Community Directory, 2021 with funding made available through the West Pilbara for Children Initiative. The directory is a comprehensive compendium of community services across health and human services' organisations and includes a synopsis of services offered and contact details. The directory is available at: [http://www.rdapilbara.org.au/resources/site/General/Publication%20Reports/RDA0105\\_C4C%20Directory\\_8\\_2021\\_FINALPROOF.pdf](http://www.rdapilbara.org.au/resources/site/General/Publication%20Reports/RDA0105_C4C%20Directory_8_2021_FINALPROOF.pdf)