

Welcome

Welcome to the second update about the work being done by Regional Development Australia in the South West.

It's been a huge quarter and one that should be remembered for a huge boost in Commonwealth funding.

RDA Board 2018-19

Led by Chairman, Duncan Anderson, the RDA Board comprises:

Scott Robinson
(Deputy)

Posy Barnes

Bernice Butlion
(Treasurer)

Dr Jack Carlsen

Kevin Haylock

Dr Robyn Morris

Erin van Noort

Adam Roebuck

Claire Savage

Charles Jenkinson
(ex-officio)



this issue

Regional Economic Snapshot **P2**

Lithium Valley **P3**

Dates and diaries **P4**

Infrastructure builds prosperity

The quarter saw the South West awarded \$700m in infrastructure investment.

Many said it would never happen but the Bunbury Outer Ring Road has been given the Australian Government green light and already the BORR Team is putting together reference groups to look at issues and find ways of managing impacts.

BORR is in two parts and will connect the middle section to both the north and south, enabling more efficient freight and holiday traffic movements. It is a huge project that will take some years to complete.

While the road has stolen some of the limelight, the Myalup Wellington Water Project is likely to have as much significance.

This project is being driven by the private

sector which is contributing more than half of the \$400m needed to:

- Desalinate the South Collie Catchment
- Provide potable water to Harris Dam
- Reduce salinity in Wellington Dam so it can be used for agriculture
- Improve water quality through the irrigation district between Bengier and Dardanup
- Reinstate Burekup Weir
- Make more water available for the Myalup horticulture area

Overall, the project is expected to generate more than 1,200 new jobs and it also has the capacity to support the timber industry through new timber planting which can contribute a long term solution to salinity problems.

The road, water and airport investments will facilitate growth into the future and underpin the South West's economic drivers.



An Australian Government Initiative



Regional
Development
Australia

SOUTH WEST

RDA Charter

Working in partnership with other RDAs, all levels of government, and the private sector, RDA will:

1. Collaborate with relevant stakeholders to identify economic opportunities and leverage private and public sector investment;
2. Connect regional businesses, councils and industry sectors with international trade partners, financial markets and potential investors;
3. Promote and disseminate information on Australian Government policies and grant programs;
4. Support community stakeholders to develop project proposals to access funding;
5. Develop and maintain positive working relationships with local government;
6. Facilitate public and private sector decentralisation;
7. Assist with Australian Government programs, where relevant and requested by the Minister;
8. Engage with regional entrepreneurs and emerging business leaders to explore new opportunities to grow local jobs;
9. Provide information on their region's activities and competitive advantages to all levels of government, industry, business and community; and
10. Provide evidence-based advice to the Australian Government on critical regional development issues.



South West regional economic snapshot

The snapshot is an essential tool for anyone wanting to know more about the region and wanting to make investment decisions.

The SW Economic Snapshot is a fantastic overview of who we are.

The snapshot shows our strengths and weaknesses, painting a picture of the people and the economy.

Facts and figures are featured on every page, detailing what makes our 24,000km² home to 176,000 residents. People are front and foremost.

What to do we do? What do we learn? How educated are we? What's our demographic distribution and where's the growth?

Drawing on ABS and other datasets, analysis reveals that most of us work in retail, followed by healthcare, construction, education/training and then manufacturing.

Employment in the arts and recreation services has grown 119% since 2011. This is reflected in industry. Bunbury Turf Club is the State's most significant racing venue

Crossing into commerce we find that manufacturing accounts for 21% of the regional economy. The refining of raw materials is a value add. In mining this has risen 53% between 2011 and 2016.

Manufacturing sector local spending accounts for \$1.8bn in the SW

Local spending has generally increased across all sectors in the region with construction purchasing of local goods and services leading the way with a \$1.9bn spend.

A gap analysis reveals opportunity, identifying options for import replacement within the economy ie imports represent demand that cannot be locally met. For example, alumina processors import about 1.4mtpa of caustic soda.

The total domestic imports is more than \$5.5bn which supports 9,500 jobs in other parts of the country. The 'Professional Scientific and Technical Services' sector supplies \$462m of services to the SW, accounting for a significant investment opportunity.

Opportunities have been realised in the 'Financial and Insurance Services' sector which has led the way in regional growth and while Retail remains the lead employer, the sector experienced the greatest contraction.

■ The economic snapshot is downloadable to your own desktop from the RDA website www.rdasouthwest.com.au/ and you can dig more data by following the Remplan links.





The first stage of a planned \$600m expansion at the Talison Lithium site in Greenbushes.

Lithium Valley: an unprecedented opportunity

RDA SW supported a research document into opportunities around lithium, and establishing a case for energy metals manufacturing in WA.

Tianqi set the scene with the first lithium processing venture in Kwinana, using pre-processed materials from the Talison plant in Greenbushes.

That gave way to plans for another plant and now Albemarle is looking to establish a plant in Kemerton.

The *Lithium Valley* work

quickly unearthed the divide between industrial land around Perth and 'industrial' land in other parts of the State. The difference is in readiness and a need to be proactive.

Issues have been recognised by all involved and there has been a positive reaction by government to create a one-stop shop for investors

For our part, RDA facilitated a meeting between Albemarle's Edwin Berends and Forrest MP Nola Marino who committed to help ensure a timely path of approvals through Canberra processes.

As we like to say: Be supportive where you can then get out the way so industry can do its thing.

Positive change

Western Australia has it all

WA contains all the materials required to make batteries as well as mine/manufacturing skilled workforce, political stability and business governance. The projected demand for lithium to 2025 is an almost tenfold rise and that is being caused by the move from fossil-fuel vehicles and the convenience of portable tools from vacuum cleaners to chainsaws.



The Tesla 3 – production levels have now reached 5,000 vehicles per week. At the launch of *Lithium Valley*, a study into future opportunities, Tesla noted that WA should be a world leader in battery production.

DETERMINANTS OF REGIONAL DEVELOPMENT

There are five recognised determinants of regional development. Know them and make a difference.

Access to markets – you need great ports, roads, rail, airports and telecommunications. When you live in a place that is relatively remote, you need great connectivity to markets.

Comparative advantage – these are your locational assets such as climate, resources and natural landscapes. Competitive advantage is when you use those assets to produce a good or service cheaper than anyone else.

Human capital – this is all about training and education. Educated communities are more flexible and resilient. They provide quality labour forces and attract industry.

Sustainable populations – greater numbers help support investment and renewal.

Partnerships – regions that collaborate get more done. This is the crux of regional development and the fantastic relationships between regional leaders is why the South West goes so well .

Happy Birthday dot.gov.au

Q: What do business.gov.au, Google and the iMac all have in common?

A: They all launched in 1998!

Today's business.gov.au website is the primary location for government information, forms, services and tools for Australian businesses.

Over the years new tools and resources have been added. Here are the most popular:

- **Starting a Business Guide** for start-ups with step-by-step information on how to get going.
- **Business planning** tools and templates – practical tools and templates to plan your business and marketing activities and manage your finances.
- **Business Registration Service**
- Fortnightly newsletter on legislation changes, programs and events.
- **Grants & Assistance** – search nearly 400 opportunities.
- **Events & training** – find sessions, webinars and networking opportunities.
- **Expertise & advice** – search for a local business adviser or connect online.



Forrest MP Nola Marino with Augusta CRC's Jane O'Reilly and Carmel Norris

The much anticipated Building Better Regions Fund announcements have started to come through with three Community Stream projects announced for the South West.

- Augusta CRC: \$9,900 for the Augusta Cultural and Heritage Winter Festival.
- Creative Corner: \$7,000 for strategic planning work.
- Leschenault Enterprise Centre: \$20,000 platforms, tools and training that enhances and supports the application of innovative thinking.
- BBRF2 Infrastructure announcements are expected this week.

SW FACTS

- About a fifth of the total global supply on alumina finds its way to world markets through Bunbury Port
- The Bunbury Agricultural Area is worth more than double the Kimberley (including the Ord River).
- Talison Greenbushes accounts for about a third of the global supply of lithium carbonate.
- Simcoa is Australia's only silicon plant and it produces the highest quality in the world.
- The timber industry is worth about \$1bn, with Laminex being Australia's leading particle board manufacturer, Wespine producing 80% of WA's structural timbers and WAPRES exporting 1.6mt of woodchips last year

RDA touching bases

Engagement

Albemarle
Austrade Tourism Investment
Bunbury Business & Industry Liaison Group Meeting
Bunbury-Geographe Growth Plan
Bunbury Wellington Economic Alliance
Business SW
Busselton-Margaret River Airport
City of Busselton Economic Development Taskforce
Economic Development Plan for Collie Bunbury
Department of Primary Industries and Regional Development
Don Punch MLA
Jiaxing Business Office
Nola Marino MHR
Port of Bunbury / West Ports
RDA Tasmania
Recfishwest
South West Academy of Sport

South West Development Commission
South West NBN Advisor Program Partnership
Dr Steve Thomas MLC
Western Australia RDA Directors of Regional Development

Events/presentations

Asian Export Opportunities for Food and Wine Growers / Hong Kong Invest
Budget lunches: WA and Australian Governments
Dynamic Supply Chains & Network Optimisation
Facebook Community Boost
Powering the Future of WA
Regional New Industries Fund workshop
Regional Growth Fund presentations

Consultancies/feedback

Closing The Gap
Exports Hub Initiative
Main Roads