



GOVERNMENT OF
WESTERN AUSTRALIA

Economic Development Action Plan for the Collie and Bunbury Regions

2020–2026

June 2020

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We acknowledge the traditional custodians of country throughout the South West and recognise their continuing connection to land, waters and culture. We pay our respects to their Elders past, present and emerging.

Minister's foreword

The Western Australian Government has a vision to foster more diversified regional economies.

The Collie-Bunbury Economic Development Action Plan delivers on the state government's commitment of supporting the communities, businesses, workers and unions in the local government areas of Collie, Harvey, Donnybrook-Balingup, Dardanup and the City of Bunbury, more locally recognised as the Bunbury-Geographe region.

The Collie-Bunbury region has long been a powerhouse of the coal mining, energy generation and agriculture industries. These industries are being challenged by fluctuating demand, technological advances and efforts to reduce carbon emissions.

In response, the region is transitioning to a more sustainable economy with a more even spread of employment across a greater range of industries and a reduced reliance on any one sector.

Economic structural change can be daunting, with implications for coal mining and energy generation workers in Collie and across the region, but it also presents many opportunities.

Our purpose in facilitating a diversified economy through new infrastructure and other support for growing industry sectors is to create new jobs, and ensure local workers are supported in the pursuit of a bright new future for them and their families.

In putting this plan into action, we are taking a whole-of-government approach. We are building on the planning and resources already committed towards new services, transport, and community infrastructure and attracting new investment. Such initiatives include the Local Capability Fund to help regional businesses take part in delivering the Bunbury Outer Ring Road.

This plan will also be supported by a Training Transition Plan, which will outline options for workers to get the skills that new local employers and industries will need, and transition affected workers to new jobs as smoothly as possible.

We are making progress, we have momentum. With the increasingly challenging economic environment with COVID-19, it is all the more important that we have a plan



Minister for Regional Development; Agriculture and Food; Ports; Minister Assisting the Minister for State Development, Jobs and Trade, Alannah MacTiernan.

Strategic focus areas:

- » Facilitating industry opportunities
- » Providing incentives for growth
- » Ensuring infrastructure is industry-ready
- » Developing the future workforce

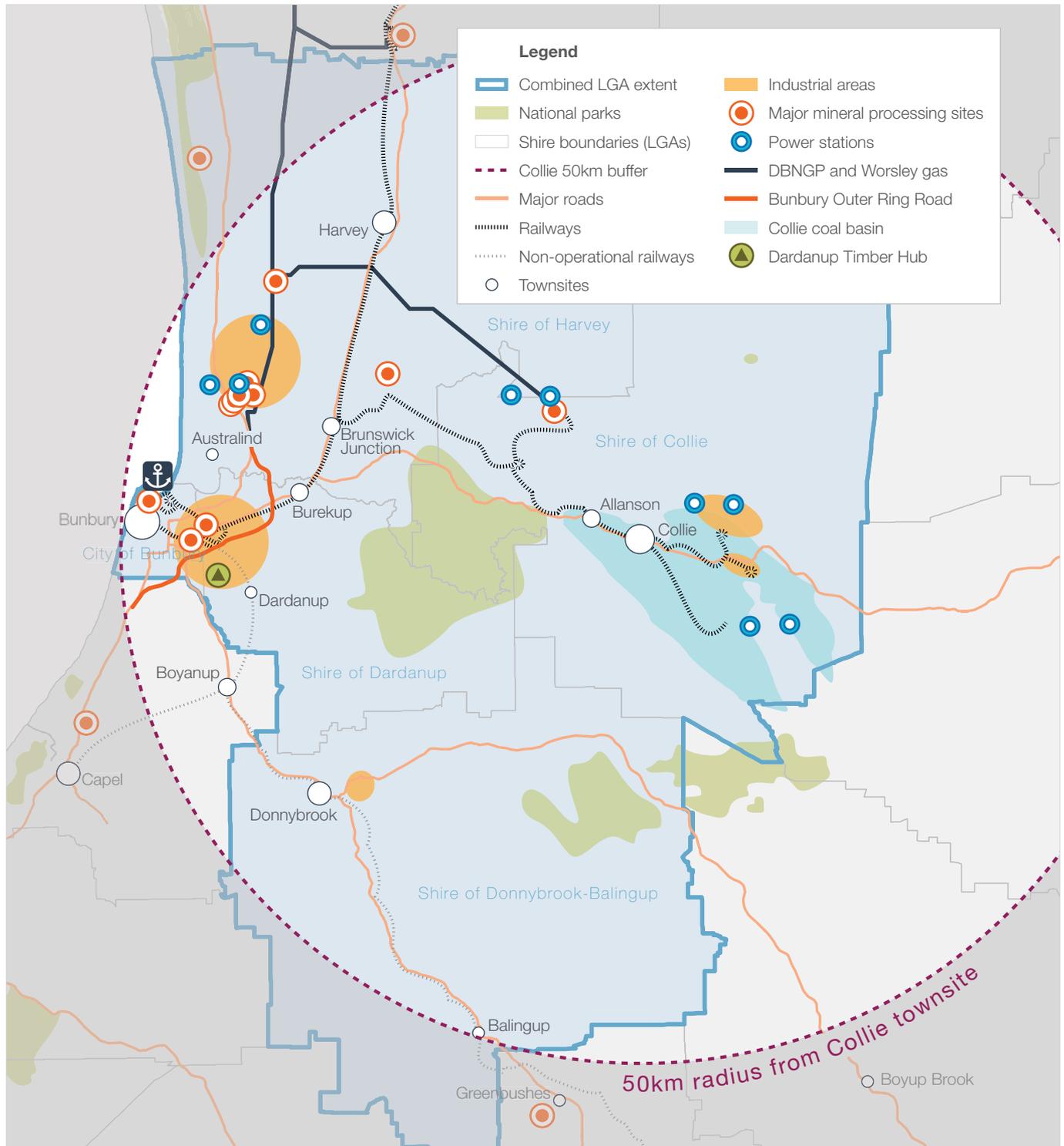
in place to help see the region through this economic re-building phase.

I thank the Ministerial Steering Committee for their commitment to, and continued advocacy for, the region, including the Minister for Energy, the Hon Bill Johnston MLA, and the Members for Collie-Preston, Murray-Wellington and Bunbury - Mick Murray MLA, Robyn Clarke MLA, and Don Punch MLA respectively. I would also like to express my thanks to the Collie Futures Economic Advisory Group for their strategic advice and ensuring the local community has a central role in determining its own future.

Finally, I would like to extend my gratitude to the local businesses, workers, unions and residents for their significant contributions in the development of this plan and look forward to working together to turn this vision into reality.

Hon. Alannah MacTiernan MLC
Minister for Regional Development

Collie and Bunbury key regional infrastructure



Fast facts

- » Population 88,758 (2018)
- » Labour force 47,970 (2019)
- » Main communities – Greater Bunbury, Collie, Dardanup, Donnybrook, Harvey, Allanson, Balingup, Brunswick and Burekup
- » Major sectors: manufacturing, construction and mining
- » Industry sector specialisation: manufacturing, electricity and utilities, retail, agriculture and forestry
- » Major employment sectors: health care and social assistance, retail, manufacturing, construction, education and training
- » Number of regional business: 6500

Summary

The Collie-Bunbury region is experiencing significant economic structural changes.

The region is one of Western Australia's most diverse economies, spanning mining, mineral processing, manufacturing, primary industries, and tourism. Its industrial sector extends to energy, port and logistics, construction and consumer-focused service industries.

A key contributor to the region's economy is Collie, which has been highly reliant on the coal mining and energy generation sectors. Collie has historically been the State's energy powerhouse – generating most of the electricity on the South West Interconnected System (SWIS).

Recently, its core industries have come under pressure as the energy sector undergoes a fundamental transformation, driven by new technologies, changing customer needs and the global trend towards renewable energy and decarbonisation.

Mining and electricity generation jobs are most concentrated in Collie and account for one quarter of the town's direct employment and many other local jobs also rely on these sectors. The changes in these sectors will affect workers across the region.

The population of Collie and the broader Bunbury region supports regional service provision across diverse sectors including Aged Care, Health and Education. Bunbury is the region's principal retail, consumer services, business, and public administration hub. It is acknowledged that economic change extends across the Collie-Bunbury region.

This plan outlines a coordinated response by the Western Australian Government, in partnership with local industry, workers and the community. It aims to create a more sustainable and resilient economy and provide meaningful job opportunities for those who will transition from coal mining and energy generation to other sectors.

The plan is aligned with the government's economic development framework, Diversify WA, and identifies economic growth, industry diversification and job creation opportunities that will support the development of the Collie-Bunbury economy to at least 2026.

It sets out a multifaceted approach to promote opportunities to diversify existing products and services, and improve infrastructure and land access. It positions local businesses and workers to maximise their participation in these opportunities.

This plan provides:

- » a high-level strategy to deliver an economic vision for industry and job creation
- » a means to attract investment, deliver local outcomes through funding and drive policy
- » a series of prioritised actions for 2020–2026, including key implementation strategies

Diversify WA

Diversify WA is the State's economic development framework. It matches global economic trends with the State's unique strengths and identifies six priority sectors for development: Energy; Tourism, Events and Creative Industries; International Education; Mining and Mining Equipment, Technology and Services (METS); Technology and Advanced Manufacturing and Primary Industries.



Vision and outcomes

Our vision is that by 2026 the region will capitalise on new areas of economic potential in energy, mineral processing, mining equipment, technology and services (METS), agribusiness, manufacturing and tourism. Despite structural changes in the coal mining and energy sectors, Collie-Bunbury will continue to attract business investment and generate quality jobs for its local communities, contributing to positive social outcomes, including for the region's Aboriginal population.

The sectors with significant potential to drive the economy and deliver new jobs are the value-adding industries of timber, agriculture, lithium and other minerals, mining equipment, technology and services (METS), manufacturing and tourism. Growth in these sectors will in turn drive

employment in supply chain businesses, building and infrastructure construction and in health care, education, retail, entertainment and other services which support the growing population.

The government's role in facilitating development of our economy includes:

- » industry development and project facilitation, particularly for priority sectors
- » investment attraction and trade promotion
- » encouraging local business participation, diversification, and capacity-building, including encouragement for Aboriginal economic development opportunities
- » providing economic and social infrastructure
- » training and workforce development

Target outcomes	
Target outcomes	Performance indicator
A more diverse economic base	More balanced employment across industry sectors (i.e. less employment concentration), comparing 2026 and 2016 ABS data.
Regional jobs growth	Deliver sustainable jobs to the Collie-Bunbury region by 2026 in light of the recovery from COVID-19 impacts and the economic transition of the region.
Sustainable regional economic growth	Seek to minimise the impacts of COVID-19 and achieve a rate of economic growth between 2020/21 and 2025/26 that exceeds the 2014/15 - 2019/20 period. ¹
Ample project-ready industrial land	Increase supply of zoned, unconstrained and serviceable industrial land across the region (WAPC land supply data).
Transport infrastructure to support growth	Road and rail networks provide efficient access to and from the region, including Bunbury Port, with sufficient capacity and upgrade plans in place to support industry and population growth.
Community sustainability	7000 more Collie-Bunbury region residents (2018 – 2026), including maintenance of Collie's 2018 resident population (ABS data). Access to government, community and business services.
Improved workforce opportunities	Decreased unemployment and underemployment by 2026 (ABS data).
¹ To be measured by Regional Output by Industry for Collie-Bunbury region LGAs	

Strategic focus areas

The strategic focus areas will provide the framework under which the plan's implementation actions will achieve the region's vision and target outcomes:

1. Facilitating industry opportunities

Expand established industries and encourage emerging ones by using the region's competitive advantages to support innovative new projects and help diversify the region's economic base.

2. Providing incentives for growth

Target funding to attract investment to the region for new projects and help build business and supply chain capability which will ensure more jobs are retained and created locally.

3. Ensuring infrastructure is industry-ready

Make it easier for industry to establish and expand in the region and underpin future development through improved access to industrial land and support services, better digital connectivity and an efficient regional transport network.

4. Developing the future workforce

Establish a transition training plan to support workers impacted by change, target training towards future industry needs, and build workforce capacity and skillsets.

Successful implementation of this plan will help to bring many benefits to the region. The Collie Delivery Unit (CDU) is central to a whole-of-government approach to implementation. The CDU comprises officers from the South West Development Commission and the Department of the Premier and Cabinet, and is guided by a multi-agency Steering Committee chaired by the Department of Primary Industries and Regional Development. The

Our strengths include:

- » Natural and mineral resources — lithium, alumina, mineral sands, timber, silica and coal.
- » Extensive engineering, industrial and services business capabilities.
- » Established road and rail linkages connect key industrial areas and employment centres across the region to Perth, Bunbury, and its port, offering an international trade gateway to export resources and products to the world.
- » Industrial land to support light, general and heavy industry and support businesses, notably: Kemerton, Shotts, Picton and Coolangatta.
- » Strategic location within the South West Interconnected System (SWIS).
- » Accessible urban and rural communities offering good amenity and attractive social infrastructure.
- » A skilled and capable workforce.
- » Liveability, such as affordable and diverse housing options, landscape quality and access to the full range of urban and community services.

CDU is responsible for coordinating and working with state government agencies and industry and community stakeholders over the life of the plan and will evaluate the extent to which each target outcome is being met.

Strategic focus areas

01	Facilitating industry opportunities	
02	Providing incentives for growth	
03	Ensuring infrastructure is industry-ready	
04	Developing the future workforce	

Target outcomes

- A more diverse economic base
- Sustainable regional economic growth
- Community sustainability
- Improved workforce opportunities
- Regional jobs growth
- Sustainable regional economic growth
- Ample project-ready industrial land
- Transport infrastructure to support growth
- Community sustainability
- Improved workforce opportunities

Actions to date

Work has already started

The Western Australian Government is paving the way for a strong, diverse economy, building on the region's strengths through targeted investments in areas such as transport, industrial land and new tourism infrastructure and helping build local business capability and new workforce skills. This plan also reflects the significant amount of coordination across government that is already underway to deliver these commitments and incentivise new investment and projects.

- » The new \$8 million multi-purpose Department of Fire and Emergency Services facility will see Collie play a long-term role in delivering the South West's emergency services. Contracts for emergency services vehicle manufacturing will require much of the work to be based in Collie.
- » Supported by the Collie Futures Industry Development Fund (CFIDF), the Collie Roundhouse is being transformed by the National Trust of WA through site and building decontamination and heritage restoration works to equip it for future tourism use.
- » Collie's Coolangatta industrial estate will soon be home to the southern hemisphere's first Caterpillar autonomous mining technology training facility. This will be operated by WesTrac, to service the rapid emergence of autonomous vehicles and other remote operations across the resources sector.
- » The State Government is investing \$10 million to develop Collie as a premier mountain bike trails destination.
- » The State Government has appointed coal advisors to help address the complex issues impacting the future operations of Collie's coal mining and energy generation businesses.
- » The region's social infrastructure in areas such as education, health, aged care, community and recreation services and facilities is being expanded and improved.
- » A one-stop shop in Collie is being established as a base for the Collie Delivery Unit to provide business attraction and facilitation services, and coordinate delivery of the government's Collie work program with the South West Development Commission and other agencies.
- » Measures to ensure that more business and job opportunities are captured locally include the WA Jobs Act of 2017, Building Local Industry and Buy Local policies, the Bunbury Outer Ring Road local capability fund and the local content advisor based in Bunbury.

Developing the region's tourism potential



\$10m

To help Collie become an iconic mountain biking and hiking trails destination



Collie Adventure Trails Project = 181 jobs

\$1.3m

To promote nature-based tourism experiences at Eaton-Australind, Minnipup Pool, Ferguson Valley and Wellington Forest

\$2.89m

To develop **Lake Kepwari** as a watersport precinct



\$1.5m

For the art mural project at **Wellington Dam** and five other locations across Collie township



Supporting our emergency services



\$8m

To build a multi-purpose **fire and emergency services facility**

- » Incident control centre
- » Emergency driver training school
- » Regional fleet maintenance and management services
- » Support for career and volunteer emergency services personnel

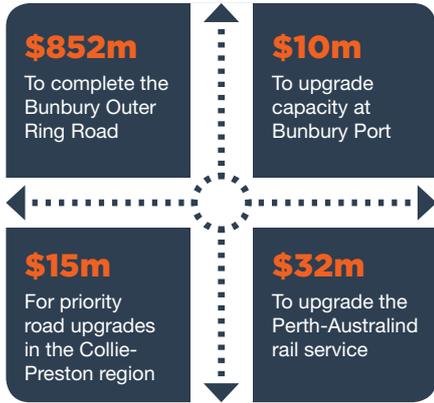
» **12 jobs**

\$2.5m

To establish an **emergency vehicle manufacturing industry** in Collie



Improving transport infrastructure



Making our communities better



- \$35m** To upgrade Bunbury and Collie Hospitals
- \$12.6m** Step-up, step-down mental health facility in Bunbury
- \$4m** To upgrade facilities at Bunbury's Hay Park
- \$24m** Funding to improve Education outcomes
 - » Eaton Community College
 - » Newton Moore STEM Centre
 - » Collie Senior High School
 - » Bunbury Senior High School
 - » Collie TAFE
 - » South Bunbury Primary School

Investing in industrial land



Land for industry growth

- \$10m** To develop industrial estates in Collie and Bunbury
- \$10m** For future rail access to Kemerton
- \$3m** To enhance Halifax Business Park and create **25 jobs**

Funding to diversify Collie's economy



- \$20m** Collie Futures Fund
 - o \$2m Small Grants Program
 - o \$18m Industry Development Fund
- \$60m** Collie Industry Attraction + Development Fund
 - o For large-scale initiatives that will diversify Collie's economy and lead to sustainable job creation

Enhancing parks and marine facilities



- \$10.5m** Preston River-Ocean + Leschenault Regional Parks
 - o Protecting the region's biodiversity, improving recreation facilities and boosting tourism potential
- \$31.9m** Transforming Bunbury's Waterfront Project
 - o Creating world-class waterfront facilities for everyone to enjoy, including the iconic Dolphin Discovery Centre

Improving access to government



- \$6.9m** To establish Service WA in the Bunbury CBD
 - o ServiceWA will provide access to transactional government services through a one-stop-shop.
- \$300k** To establish a regional mines, industry regulation and safety licencing centre in Collie
 - o **=10 jobs**

Government working together



- We're working to secure Federal Government commitment to support Collie's future
- o WA submission to the Federal Senate Inquiry into jobs for the future in regional Australia
 - o Engagement with Federal Ministerial counterparts

Building workforce capability



- Working to create job opportunities for local people
- o Local content roadshows
 - o Engage with major regional employers to support skills development and workforce adaptability
 - o Bunbury jobs and skills centres

Working together for a just transition



Planning for the future

Working with industry unions and the community to support workers in Collie's coal, power generation and other industries to develop



'Just Transition' principles

Action plan

Strategic Focus Area 1: Facilitating industry opportunities			
Item	Actions	Lead agencies	Timeframe
Energy			
1	Explore options to promote Collie's role as a SWIS energy hub, including through analysis of energy-intensive industries, and renewable energy supply and storage opportunities.	JTSI, Development WA, Energy Policy WA, Western Power	2023-2026
2	Investigate regional opportunities for renewable hydrogen projects, including through the WA Government's \$10 million Renewable Hydrogen Fund.	JTSI	2020-2022
Mining, mineral processing and technology			
3	Facilitate scoping and feasibility studies to support investment in the battery materials supply chain and aluminium smelting.	SWDC, JTSI	2020-2022
4	Assess the economic and technical feasibility of alternative industrial applications for Collie coal.	JTSI, DevelopmentWA	2020-2022
5	Investigate opportunities to create a remote operations hub at Coolangatta including mining, industrial and automation innovation technology.	CDU, SWDC	2020-2022
Primary industries			
6	Support feasibility studies into, and pre-competitive development of, intensive agriculture / protected cropping, aboriginal food products and aquaculture.	DPIRD	Ongoing
7	Plan for a Timber Cluster Hub in the region, exploring innovations in higher-value wood products, increased utilisation of wood residues and new technology, and value-added opportunities at Collie and Dardanup, in collaboration with industry and academic institutions.	FPC, FIFWA	2023-2026
8	Work with Myalup and Collie River Irrigation District grower groups to ensure regional water security and agricultural productivity growth is supported through the Myalup Wellington and Myalup Primary Industries Reserve projects.	DPIRD, DWER, JTSI	2023-2026
9	Waterloo Industrial Park to be planned to include agri-food industries.	DPIRD, DPLH, Shire of Dardanup	2023-2026
Bio-economy			
10	Undertake detailed analysis of bio-economy opportunities, particularly: biomass aggregation and distribution; analytical service; and future bio-industry and bio-manufacturing.	DPIRD	Ongoing
Advanced manufacturing			
11	Investigate potential supply-chain opportunities to build capability in advanced manufacturing and METS, for local businesses.	SWDC, City of Bunbury, regional METS companies and Agencies	2020-2022

Tourism and recreation			
12	Deliver the Collie Adventure Trails Initiative to make Collie an internationally recognised mountain bike and trails destination, including comprehensive wayfinding for tourists.	DBCA, CDU, SWDC	2020-2022
13	Progress the staged development of the Lake Kepwari and Collie Motorplex sites.	DBCA, CDU, SWDC	2020-2022
14	Progress planning and staged development of inland waterways such as Black Diamond Lake (Allanson), Minninup Pool and Stockton Lake for tourism accommodation and cultural engagement opportunities.	SWDC, CDU, DBCA	2020-2022
15	Build competitiveness and business-capability in the hospitality and accommodation sector to address visitor expectations.	SWDC, SBDC, Australia's South West	Ongoing
16	Support the re-purposing of underutilised heritage/ industrial assets for commercial, heritage interpretation or tourism purposes.	CDU, SWDC	2023-2026
17	In partnership with local Noongar communities, explore opportunities to develop Aboriginal tourism product and incorporate public art and Noongar culture into new projects, such as the Wellington Dam mural.	CDU, Australia's South West, WAITOC, SWDC	Ongoing
18	Develop a regional Tourism Events Strategy, encompassing the Regional Aboriginal Events Scheme, to support attraction of large-scale events, leveraging activities such as mountain bike trails, Wellington Dam mural trail, motor sports, and water-based sports at Lake Kepwari and the Bunbury Waterfront.	CDU, SWDC, Australia's South West, DBCA	2020-2022
Education and training			
19	Identify upgrade requirements of TAFE colleges as a result of expanded services and additional program offerings.	DTWD, SR TAFE	2020-2022
Emergency services			
20	Build multi-purpose Department of Fire and Emergency Services facility in Collie, including an Emergency Driver Training School and regional fleet maintenance and management services.	DFES	2020-2022
Retail and other services			
21	Provide support infrastructure to facilitate the marine-services industry at the Bunbury Waterfront.	SWDC	2020-2022
Strategic Focus Area 2: Providing incentives for growth			
All-sectors			
22	Identify and attract large-scale industry through the WA Government's Collie Industry Attraction and Development Fund; and other industry and business opportunities through the Collie Futures Industry Development Fund and Collie Futures Small Grants Program.	CDU, DPIRD, SWDC	2020-2022
23	Incorporating learnings from industry transition in Victoria's Latrobe Valley and South Australia's Port Augusta, including building local business and community capacity and related support programs.	CDU, SWDC	2020-2022
24	Deliver increased regional local content outcomes through the Western Australian Jobs Act 2017 and Regional Local Content Adviser network to support local construction, engineering and service sector participation in Government procurement contracts (eg, Bunbury Outer Ring Road and DFES Multi-purpose facility).	SWDC, JTSI, SWDC	Ongoing
25	Supplement and optimise the delivery of government services for the Collie community via a 'One-Stop-Shop' in the town centre with links to relevant agencies.	CDU, SWDC, DMIRS	2020-2022

Strategic Focus Area 3: Ensuring infrastructure is industry-ready

Industrial land

26	Remove the coal-related land use restriction at Shotts Strategic Industrial Area. Make its zoning consistent with other SIAs.	DPLH, Development WA, Shire of Collie	2020-2022
27	Undertake a Strategic Assessment and Strategic Proposal under the Environment Protection and Biodiversity Conservation Act 1999 (Cth) and Environmental Protection Act 1986 (WA) for the Kemerton Strategic Industrial Area to obtain vegetation clearing approval.	JTSI, Development WA	2020-2022

Transport

28	Investigate options to re-commission the Picton-Greenbushes rail line to support future supply chain opportunities (including lithium).	SWDC, Arc Infrastructure	2023-2026
29	Prepare a South West Supply Chain Strategy to address freight network constraints that may inhibit regional growth.	DoT	2020-2022
30	Determine the costs and applicability of a new rail-based multi-user, bulk handling facility at Bunbury Port.	SPA, SWDC	2020-2022
31	Release a revised port structure plan.	SPA	2020-2022

Water

32	Develop the Myalup-Kemerton groundwater allocation plan to provide a sustainable availability outlook for users.	DWER	2023-2026
33	Develop a water servicing strategy for regional industrial estates including potable and process water supplies for Shotts and Coolangatta Industrial Areas, including investigating opportunities to improve the water quality supplied from Wellington Dam.	Development WA, DWER, Water Service Providers	2020-2022
34	Progress the use of fit-for purpose treated wastewater in municipal projects, such as for Bunbury regional recreation facilities.	DWER, SWDC, City of Bunbury	2023-2026

Energy

35	Establish the service corridor to facilitate future extension of the DBNGP gas lateral from Worsley to the Shotts and Coolangatta industrial areas.	Development WA, JTSI	2020-2022
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Digital connectivity

36	Support improvement of digital infrastructure to strengthen the growth and productivity of regional industries.	DPIRD, SWDC	Ongoing
37	Identify priorities and pursue improvements to digital connectivity (inc. mobile telecommunications and wi-fi) at priority sites in the Collie-Bunbury region to ensure suitable coverage for industry, emergency services, and tourism.	SWDC	Ongoing

Strategic Focus Area 4: Developing the future workforce

All-sectors

38	Develop and implement a Training Transition Plan for workers, including assessments of skills and development needs and provision of individual development plans.	DTWD, CDU	2020-2022
39	Alongside industry, workforce and the community, develop and implement a Just Transition Plan for affected workers.	CDU	Ongoing
40	Work with training providers to plan and deliver training, including recognition of prior learning and upskilling and reskilling opportunities. Provide pathways into traineeships and apprenticeships, which allows on-the-job training at the same time as theory based learning.	DTWD, CDU	Ongoing
41	Pilot a heavy vehicle advanced skills driving training program at the Collie Campus of TAFE.	DTWD	2020-2022



1. Facilitating industry opportunities

Expand established industries and encourage emerging ones by using the region's competitive advantages to support innovative new projects and help diversify the region's economic base.

The Western Australian Government's actions to facilitate **industry development** also include:

- » engaging with existing industries to identify and help address barriers to expansion
- » facilitating availability of investment-ready sites
- » identifying opportunities for significant events to be held in the region
- » working with industry organisations to promote knowledge sharing and link businesses with industry development programs
- » promoting foreign investment and export opportunities via Austrade and the state's overseas trade and investment offices
- » developing a suite of investment attraction marketing collateral

Mining, mineral processing and technology: Collie-Bunbury accounts for 72 percent of the South West's total mining and mineral processing employment. Its industry base spans tin, tantalum, lithium, bauxite/alumina, mineral sands, titanium dioxide, ilmenite, zircon, leucosene and silicon. Collie coal continues to be utilised for energy generation and industrial purposes and the Western Australian Government is investigating its potential for new industrial applications.

There are several opportunities to build on the region's significant mineral resources, downstream processing and mining equipment, technology and services (METS) capability including:

- » **WesTrac's** autonomous vehicle training facility, supported by the Collie Futures Industry Development Fund, will become a national base to train mining technicians in the innovative technology and equipment that will drive future productivity growth in the resources sector.
- » Global demand for electric vehicles and energy storage is growing rapidly and the region has an abundance of lithium and other minerals used for battery components. **Talison's** Greenbushes mine near the southern boundary of the Collie-Bunbury region is a massive raw lithium (spodumene) deposit. Demand for lithium is forecast to grow significantly over the next 10 years.

The Western Australian Government's **Future Battery Industry Strategy**, launched in January 2019, provides an opportunity to diversify our local battery industry and create jobs by increasing the state's participation in global battery supply chains.

- » Facilitating value-add projects across the state, such as **Albemarle's** hydroxide plant in Kemerton, is a core element to generating regional prosperity. Value-add opportunities arising from the uptake of batteries both domestically and globally include the assembly, installation and management of energy storage systems.
- » In addition, the Western Australian Government is supporting the development of the research and technology sector by contributing \$6 million to the **Future Battery Industries Cooperative Research Centre** to deliver industry-led research to improve WA's global competitiveness.

Advanced manufacturing and METS: The Collie-Bunbury region's established network of manufacturing and engineering services businesses makes it an attractive region in which to develop further technologies and infrastructure to grow the advanced manufacturing and METS sectors.

The SWDC, local government and industry stakeholders are exploring the potential for future industry development opportunities, including building advanced manufacturing capability in local SMEs in the wider Collie-Bunbury region

Energy: The Collie-Bunbury region is the central hub for the South West Interconnected System (SWIS), with Collie's coal-fired power stations generating close to 50 percent of SWIS electricity in 2018. The Western Australian Government's first Whole of System Plan for the SWIS, will establish the least expensive way to meet projected demand, while ensuring system security and reliability. Along with Western Power's Strategic Network Plan, the Whole of System Plan will seek to optimise the mix of energy infrastructure in the SWIS, including considering the competitive advantage offered by Collie-Bunbury's existing energy infrastructure.

For example, under-utilised transmission capacity and appropriately zoned industrial areas with proximity to this network infrastructure may present an option for new energy generation and storage projects. Other opportunities include hydrogen production, or combined heat and electricity production for industries which require both, and other innovative energy solutions to help attract and sustain industry in the region.

Primary industries: The Collie-Bunbury region employs 1,400 people across the agriculture, forestry and fishing industries, with annual agricultural production valued

at \$193.1 million, built upon horticulture and viticulture, dairy, meat and livestock. Meat processing is also a major value-add and employment contributor, while Dardanup is home to one of the largest integrated softwood milling and processing plants in Australia.

Opportunities exist in agriculture and value-adding industries to service growing markets such as the Middle East and Asia. WA's South West has significant potential to capture economic benefits from the increased agribusiness export demand that is predicted to be stimulated by the growing Asian middle classes over the next decade.

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There are some emerging opportunities for manufacturing and processing of Aboriginal foods and medicines which, may provide further options for Aboriginal economic development.

The **Value Add Agribusiness Investment Attraction Fund** managed by the Department of Primary Industries and Regional Development has recently supported a feasibility study and capital investment to enable expansion by two Dardanup meat processors, and a feasibility study for cheese production by a dairy at Wokalup near Harvey.

Other primary industry development initiatives in the region include: enhancing supply chains and market access; expanding the softwood plantation estate; and facilitating research and development and pilot projects looking to use forestry, agricultural and other waste biomass feedstock to produce bio-economy commodities.

Tourism and recreation: The Collie-Bunbury region boasts popular tourism and adventure-based assets built around the region's attractive natural environment and has experienced increased tourist visitation and expenditure. New tourism infrastructure developments include the Bunbury Waterfront and Casuarina Boat Harbour mixed-use precinct, heritage restoration for a future tourism facility at the Collie Roundhouse, and the \$10 million Collie Adventure Trails initiative, which is designed to establish Collie as WA's premier 'trail adventure town'. An iconic mural on the Wellington Dam will further activate the tourism potential for the Collie region. The attractions of the natural environment are major strengths that underpin the region's tourism, which supports diversification of the economy and the creation of local jobs.



Other potential growth industries in the region include **Creative Technologies** and service industries. For example, there is an opportunity to activate under-utilised retail space in Collie to support and leverage tourism industry growth (e.g. hospitality sector, trail related retail and service opportunities).

The **Healthcare and Social Assistance** Industry is the largest regional employer, accounting for 13% of total jobs. An ageing demographic will drive sector growth and the National Disability Insurance Scheme will also provide future job opportunities. The recent Social Assistance and Allied Health Workforce Strategy (State Training Board) aims to assist the sector to attract, upskill and retain workers in the regions. To unlock further jobs, Government will explore the need for expanded aged care services and broader development opportunities in healthcare.

Employment in the retail and other services and construction sectors is also substantial and should be sustained by forecast population and business growth across Greater Bunbury, particularly in the Harvey and Dardanup local government areas including the planned Wanju urban area.



2. Providing incentives for growth

Target funding to attract investment to the region for new projects and help build business and supply chain capability which will ensure more jobs are retained and created locally.

The \$60.1 million **Collie Industry Attraction and Development Fund** is aimed at attracting large-scale job-creating initiatives. The fund is already supporting the \$10 million Collie Adventure Trails Initiative and the \$8 million multi-purpose Department of Fire and Emergency Services facility. This new facility has been designed to include an incident control centre, driver training school, regional fleet maintenance and personnel support services. Supply contracts will see much of the fire and rescue vehicle manufacturing done in Collie to help expand the town's manufacturing capability.

The \$20 million **Collie Futures Fund** is being delivered through the Collie Futures Industry Development Fund (CFIDF) and the Collie Futures Small Grants Program (CFSGP). The CFIDF provides matched funding to support business opportunities, and funding is available for:

- » demonstration or pilot plants to help commercialise new technology
- » integration of new technology to improve productivity or develop new business streams
- » infrastructure, plant or equipment that helps develop new businesses or improves innovation and productivity of existing businesses
- » common-user infrastructure to support industry such as water, energy or transport

To date, \$3.7 million has been allocated from the CFIDF for remediation, conservation and development works at

the Collie Roundhouse and WesTrac's new autonomous technology training facility. The CFSGP supports feasibility studies and the development of industry and business opportunities. As of June 2020, \$1,174,730 has been allocated across 18 projects.

The **Value Add Agribusiness Investment Attraction Fund** managed by DPIRD provides matched grants to reduce investment risk through feasibility studies and planning. It also supports capital costs for projects to enable the expansion or development of value adding production facilities.

The **Regional Economic Development Grants** program is a state-wide initiative that invests in projects aimed to increase jobs, productivity and workforce skills and attract more investment across the regions.

The Western Australian Government is improving access for local businesses in bidding for government projects and contracts for goods and services. These actions are now embedded in **government procurement** for capital works and other supply activities. The South West Development Commission's (SWDC) local content advisors are working to address any barriers to accessing contract opportunities, and have supported projects including Stage 2 of the Bunbury Outer Ring Road, and networking with Talison, Albemarle and other major contractors, to provide more options for regional enterprises to participate in the lithium industry.

Small business support services are delivered through the Collie-Bunbury region area provider Business Advisory South West, together with Service WA, and the Department of Training and Workforce Development's TAFE Jobs and Skills centres.





3. Ensuring infrastructure is industry-ready

Make it easier for industry to establish and expand in the region and underpin future development through improved access to industrial land and support services, better digital connectivity and an efficient regional transport network.

The Kemerton and Shotts **Strategic Industrial Areas** (SIAs) are designed for heavy industry and downstream processing, and enable value-adding of the region's extensive primary resources. Albemarle's new lithium hydroxide plant involves a \$1 billion capital investment with 500 construction jobs, plus many new jobs for its ongoing operations and support businesses.

The Western Australian Government is investing \$10.5 million in order to make these SIAs more attractive to industry proponents. For Shotts, feasibility studies into extending power, process water and gas supply are underway. At Kemerton, an arterial road has been built to unlock an additional 393ha of land for development. Studies are also underway to secure vegetation clearing approvals to increase the amount of project-ready land.

Extensive areas of government and private land are zoned in Structure Plans for industrial use such as Picton, Preston, Waterloo and Coolangatta. The Bunbury Geographer Sub-Regional Planning Strategy and related plans are essential to ensure ample zoned and serviceable land is available to meet future demand. The Waterloo Industrial Park is one such area and is intended for industries requiring port, regional road and potential rail access, as well as general industrial, logistics and agri-food businesses.

Collie-Bunbury is only two hours by road to Perth and products are exported to international markets from **Bunbury Port** or Fremantle Port. Bunbury's trade includes alumina, mineral sands, grain and timber products, and spodumene ore from the Greenbushes mine. Southern Ports plan to expand port capacity with new berths and container infrastructure to support future commercial and economic development opportunities.

Access to Bunbury Port is being enhanced by the Commonwealth and state governments' allocation of \$852 million to build **Bunbury Outer Ring Road Stage Two**. This project is expected to help attract export and other industries by improving supply chain efficiency between industrial areas and the Port, and better separating local traffic from heavy freight vehicles.

The **South West Rail Study** has assessed capacity constraints and upgrade needs between Brunswick Junction and Preston Industrial Park / Picton junction and

the potential to re-commission the Picton-Greenbushes Rail Line to freight standard. It would reduce truck traffic, but require significant upgrades and capital investment. The Public Transport Authority is also designing a rail spur to link Kemerton SIA to Bunbury Port via the South West Main Line as part of this overall supply chain feasibility study. It requires grade separation of road and rail and associated major road upgrade works, but could be constructed in future if warranted by a future proponent.

Water supply via traditional surface and groundwater resources is a potential limiting factor to economic growth, both in relation to quality and quantity due to current demand, reduced streamflow and aquifer recharge and industries that can adversely impact water quality. Strong demand is forecast from the growing urban population, planned industrial expansion and to support the region's milk, beef and feed crops and Myalup's large, well-established horticulture sector.

The Western Australian Government is planning to establish the Myalup Primary Industries Reserve to provide land and support infrastructure for irrigated agriculture expansion. Government is working closely with the Myalup and Collie River Irrigation District grower groups to ensure that water security and growth in agricultural productivity for this region is supported through both the Myalup Wellington and Myalup Primary Industries Reserve projects.

Groundwater resources are over-allocated in the Collie Coal Basin and water quality is deteriorating. Wellington Dam is becoming increasingly unsuitable for irrigation users due to salinity levels but may provide opportunity for other industries. There is a reliance on limited groundwater (mine de-watering) by Collie's power stations. Addressing the challenge of balancing industry demand with fit-for-purpose water supply will require better utilisation of water resources, including the development of suitable treatment options.

Consistent with the City of Bunbury's goal to become a digital city, improved **Digital Connectivity** will help to grow businesses and ensure suitable coverage for industry, emergency services, and tourism. Regional businesses are embracing technology, however, some find it difficult to contend in a global marketplace without connectivity comparable to that of their international competitors. Improved digital connectivity and infrastructure will enable productivity gains in mining and resources, agriculture and food processing, as well as professional services.

Infrastructure initiatives are subject to business case endorsement. Selected initiatives will involve Infrastructure WA recommendation and Commonwealth-State partnerships.



4. Developing the future workforce

Establish a transition training plan to support workers impacted by change, target training towards future industry needs, and build workforce capacity and skillsets.

The Department of Training and Workforce Development (DTWD) will develop and implement a training transition plan to address the future training needs of coal mining and energy sector workers to enable alternative employment pathways.

Those potentially affected by these changes extend beyond employees of coal companies and Synergy, and include contractors, service providers and other local businesses.

While individual companies will retain responsibility for supporting workers, there will be a key role for government to assist affected workers. This will include identifying skill development needs and a forward career path, coordinating the training services required, and advisory and other support services. The Bunbury Jobs and Skills Centre and partner agencies will take this on as part of the state government's Jobs and Skills Centre initiative.

Reduced TAFE fees and the government's focus on increased STEM education form part of a state-wide strategy to ensure the workforce is equipped with the skills needed to address the risks and opportunities of a future economy driven by innovation. Increased STEM participation in both high school and vocational training will help build these skills which are critical for a broad range of industries and vocations involving new technologies and automation. Technology and increased automation are driving disruptive change and productivity improvements across diverse areas such as retail, logistics, finance, manufacturing and mining, and require an upskilled workforce.

A 2019 labour market review of local government areas in the Collie-Bunbury region undertaken by the DTWD indicated some jobs growth in recent years, particularly in health care and social assistance, mining, agriculture, forestry and fishing, education and training and electricity, gas, water and waste services. This was in contrast to declines in manufacturing and construction. The review found that the occupations which employers found challenging to fill were often higher skilled roles, particularly those related to health, community services, engineering and certain trades such as welders and fitters.

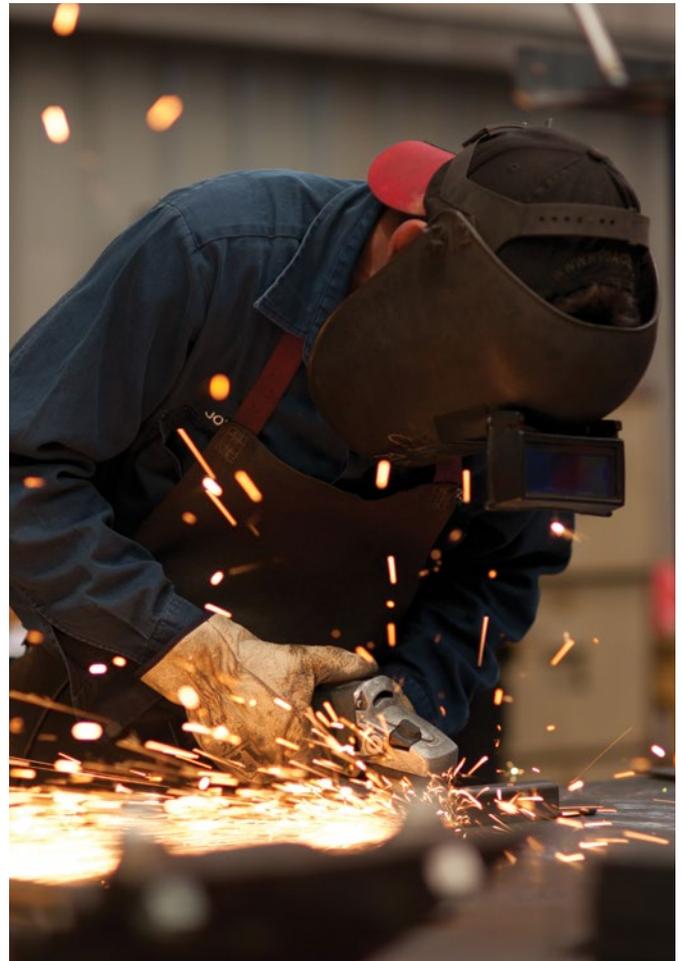
Future labour market analysis will update data on those jobs and skills considered most in demand, and will inform the priorities of the training transition plan. This plan will

see the Bunbury Jobs and Skills Centre and partner agencies engage with industry and employers regarding job opportunities to facilitate new job placements and help them get the future workforce they need. It will also consider the training needs for the Collie community to take advantage of future job opportunities arising from economic diversification.

Pilot a heavy vehicle advanced skills driver training program

Recent consultation with industry has identified the need for a training program to provide licensed heavy vehicle drivers with advanced knowledge and skills necessary for working responsibly and safely in the heavy transport industry.

A proposal is being developed to pilot the establishment of a heavy vehicle driver training facility in Collie (Campus of South Regional TAFE) to deliver such a program to licensed drivers working in the heavy vehicle transport industry. The pilot program will result in upskilling of workers within the industry, including the awarding of a nationally recognised qualification to those participants who complete the training.



Just transition

Local community, union, industry and government stakeholders who comprise the Just Transition Working Group have committed to the following guiding principles to define what a “just transition” means for the local community and others working in, or reliant on, Collie’s coal mining and energy generation sector:

1. Encourage sound investments in low-emission and job-rich sectors and technologies that attract and maintain local employment opportunities.
2. Recognise, promote and celebrate the history, cultural heritage and invaluable contribution the town of Collie and associated coal and power generation industries have made and continue to make to Western Australia.
3. Respect the rights of those affected by transition to be treated with justice and dignity.
4. Ensure all consultation and negotiations are honest, open and transparent and work towards achieving consensus on goals, timelines and pathways.
5. Recognise that “we’re all in this together”, thus share the challenges and opportunities transition brings. The objective is to see that no-one is left behind.
6. Strive to ensure that all those affected by transition are given comprehensive information, opportunity and choice to retrain, reskill/upskill or take an alternative pathway within a reasonable timeframe.
7. Organise local long-term economic diversification plans that support worthwhile occupations and foster continuous improvement in local living standards for current and future generations.
8. Provide policy, social support and linkages to community and government services for the benefit of all those affected by transition.



Collaboration

This plan adopts Diversify WA's economic development framework approach to capitalise on the region's industry strengths and infrastructure, promote opportunities for new investment and build economic resilience by supporting growth in priority sectors. It also builds on previous plans such as the South West Regional Blueprint (2014), the Bunbury Geopraphe Regional Growth Plan (2017) and the Reimagining Collie report (2017).

Development of the plan was enabled by valuable contributions from:

The Ministerial Steering Committee (MSC), chaired by the Minister for Regional Development. Members include the Minister for Energy, and the Local Members for Collie-Preston, Murray-Wellington and Bunbury.

The following groups were among those engaged as a conduit to wider consultation on the EDP:

Collie Futures Economic Advisory Group

The Collie Futures Economic Advisory Group considers and recommends projects seeking leverage funding through the Collie Futures Fund, including the Collie Futures Small Grants Program and Industry Development Fund. It comprises the Member for Collie-Preston and representatives from the Shire of Collie, industry and the community.

The Bunbury Development Committee

The Bunbury Development Committee (BDC) reports to the Minister for Planning and provides advice to ensure delivery of key Bunbury tourism, infrastructure and economic development projects. The committee is connected to the MSC through the South West Development Commission.

Just Transition working group

The Just Transition working group, comprising union, industry, community and government representatives, was established to consider and provide input into guiding principles for a Just Transition for Collie. The group will continue to play a key role in the development of a Just Transition Plan.

Industry reference group

A representative group comprising local governments, regional industry bodies and key Government trading enterprises also contributed advice to inform the EDAP Actions.

The Western Australian Government, including the Collie Delivery Unit (CDU) and other key agencies will continue to work with local governments, community and industry stakeholders over the life of the Plan to implement the EDAP actions. The CDU, in conjunction with SWDC and DPIRD, will monitor, evaluate and report on the extent to which each Target Outcome is being met as these actions are progressively implemented.

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