

COMMUNITIES AND INDUSTRIES FORUM (CIF)
A forum for communication between industry and the community.

NOTES FROM MEETING

28 May 2019, 5.30pm

Ken Jackman Hall, Darius Wells Library & Resource Centre, Kwinana

PRESENT	Trevor	Naughton	CSBP
	Elizabeth	Brockbank	Alcoa
	Vaninka	Vittiglia	WesCEF
	Cr Wendy	Cooper	City of Kwinana
	Mayor	Adams	City of Kwinana
	Gabe	VanDenBerg	Tronox
	Bob	White	Community
	A	Nelson	Community
	Alan	Jones	Avertas
	Gordon	Owili	Avertas
	Mark	Wells	Community
	Bob	Cooper	Community
	Ben	Levi	Community
	Danielle	Van Kampen	BHP
	Justin	Bauer	BHP
	Colleen	Yates	RDA Perth
	Yvonne	Noack	CIF Coordinator; KIC
	Chris	Oughton	Facilitator; KIC Director
APOLOGIES	Albert	Romano	KIC President

1. WELCOME, ADMINISTRATION

Chris Oughton welcomed all to the meeting. The above apologies were noted. Chris advised attendees of the building exit points and general housekeeping and meeting etiquette. Attendees were reminded to sign the Attendance Register to ensure an accurate record of attendance is maintained. Suggestions for future presentations or guest speakers can be directed to the CIF Coordinator or submitted via the Suggestion Box provided.

The presentations include:

- **Regional Development Perth**
Colleen Yates, CEO; Special Economic Zone.
- **BHP Kwinana Nickel Refinery**
Justin Bauer, Manager; Industry Update.
- **KIC update**
Chris Oughton, Director; Local Update.

2. PREVIOUS MEETING

Notes from the previous CIF held 28 May 2019 were available for information.

3. MATTERS ARISING FROM PREVIOUS MEETING

There were no matters arising.

4. PRESENTATIONS

4.1 Regional Development Australia Special Economic Zone Colleen Yates, CEO

Colleen spoke to the report: *Accelerating Global Competitiveness: Special Economic Zones*, (SEZ) a project run earlier in 2019. The report was researched and compiled by Caitlin Cain, a Fulbright Industry Fellow with Curtin University. The study area focused on the Western Trade Coast (WTC), and how to maximize this location. The report provides information sought from high level consultation with over 40 people. The Report can be accessed via the following link.

<https://www.westernharboursalliance.com/wp-content/uploads/2018/05/Accelerating-Global-Competitiveness-SEZs-by-Caitlin-Cain-2019.pdf>

The report includes:

- Activating the WTC for Investment and Job Creation
- Business Support for SEZs
- Current complexities of WTC Governance
- WTC Governance Streamlined with SEZ
- Frequently Asked Questions
- Existing, Overlapping Governance within the WTC
- WTC as an SEZ with Latitude 32 as a Federal Trade Zone

The WTC provides a great economic opportunity for this State. The report is about value adding - where you generate greater export opportunities rather than just bulk exports; for example, mining big rock into little rocks. In term of new business and growth we need to look at how we can create new business opportunities.

The challenge is looking at strengthening our global competitiveness and WA will play a greater role in positioning itself in the oceanic region. Having a world class port in WA is important, and RDA Perth will support the Westport outcomes.

We looked at what is stopping the growth on the WTC, in order to put forward the WTC as a global place for industry and business. It appears it lacks: a level of coordination as there are multiple organisation in this space - defined responsibilities, or overlapping responsibilities – identifying a clear path. A Special Economic Zone – different to a Federal Trade Zone, aligns responsibilities through a particular structure that will deliver a plan, marketing and a more coordinated effort.

Australia is the only westernised country that does not have a SEZ. In other countries these work well - Streamlined processes and structures, one port of call where you do business. Having a SEZ provides benefits: Jobs, future workforce – a SEZ structure can assist with identifying future requirements. Innovations and joint ventures, and synergies.

In creating a SEZ:

- Consider activities needed in the structure to elevate and promote the WTC as a premier location; to look at the potential to value add of product and future processing facilities.
- Implement a governance model over the WTC; to streamline approval processes and land planning for future business.
- These processes would fit in with the Westport process.

Getting this right within the WTC, will be beneficial to the State, as a globally competitive place.

Q&A Comments

- A SEZ will require action by federal and state governments.
- There are experts who understand the laws in these areas.
- Putting forward the management structure is the first step to try and provide legislative powers which will then define various local state roles.
- The report does not define responsibilities – it addresses issues and looks at business opportunities.
- An audience member commented on poor road infrastructure, sewerage and Wattleup. In response, the facilitator commented these are the types of issues that need to be addressed and streamlined to ensure future proofing of the area – utilities and workforce development.
- It was acknowledged the approvals process for the lithium plant were relatively quick.
- If we have more industry in the area this will put an increased load on utilities and if we want to grow then we need to look at this strategically. The industrial area is well known for its synergies processes.

4.2 BHP Kwinana Nickel Refinery Industry Update Justin Bauer, General Manager

Justin provided an overview of his role at the Refinery. Justin spoke on the Refinery, diversification, and its products; for example, nickel into the stainless steel sector; use of nickel pig-iron; and the global change and rise towards e-vehicles and batteries. The amount of nickel required in batteries is on the increase. BHP has found a new market and opportunities for expansion and diversification.

There are approximately 250 employees at the Refinery. There are many dedicated workers at the Refinery; long term, experienced, and with high technical capability. There are many workers who live locally. Contractor numbers fluctuate and can range from, for example 100-150.

Current products include nickel metal, copper sulphide, mixed sulphides and ammonium sulphate; these products are sold globally and domestically. In addition to current operations, the Kwinana Refinery is constructing a nickel sulphate plant, from which the nickel sulphate product will be on-sold to battery manufacturers and producers. The plant is expected to be commissioned in 2020.

Q&A Comments

- An audience member queried the bagging and transportation of the product.
The product is trucked in containers to the port; most of the products are containerized.

4.3 Kwinana Industries Council Local Update Chris Oughton, Director

One of the constraints identified by KIC is process water for industry. Studies were undertaken in the area of managed aquifer recharge, and putting water into the ground, however constraints have been identified and industry is reviewing alternatives for process water. Other constraints on industry include road, and rail bottlenecks; governance – the requirement to streamline services and approvals; as well as pipeline governance.

The current *Kwinana Industries Council Kwinana Acoustic Model 2010* (Noise Model) is being reviewed and updated to reflect current industry noise levels, and include new industry into the area.

KIC continues to have concerns regarding the buffer zone for industry and residential encroachment. A buffer zone: protects current and future industry needs so it can invest in the future and create jobs; and protects residents.

In 2017 KIC submitted to the WAPC its 2013 report titled *Western Trade Coast and Buffer; Proposed Amendment to the Metropolitan Region Scheme*. The SCA is currently being considered by the WAPC.

With the development of industry – for example, lithium and future battery production; there is the opportunity to expand the core into the Latitude 32 and prepare this area to ensure land availability for future industry.

Avertas Energy is undergoing plant construction within the industrial area; and Tianqi Lithium's stage 1 is in the process of being commissioned. Covalent Lithium will commence works on its Mason Road site in about 18 months.

Westport is expected to put forward its port recommendations later in the year. KIC supports the Westport process.

KIC produced a series of reports titled *Trade Flows and the Development of Westport*. (January 2018). The reports outline potential benefits of developing a new port in Kwinana that will benefit new and existing businesses in the WTC. The reports included recommendations; information on future business opportunities; port infrastructure and governance; and market forecasts and trade flows.

Q&A Comments

- A member of the audience commented that the Westport process could cut through a section of Mount Brown.
The Director indicated that he believed this would not occur.
- Another member asked if the SEZ would simplify the approvals process?
The Director commented that one of the aims of the SEZ is to simplify things, to avoid duplication for business development. The SEZ report talks about the idea of the zone; but the structures haven't been worked out.

5. GENERAL BUSINESS

There was no further business.

6. CLOSE/ NEXT MEETING

Chris Oughton thanked the presenters for their time and invited attendees to stay and meet with presenters.

The next Forum will be held October 2019.

The meeting closed at 7.00pm.