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Kwinana Industries Council (KIC) was formed in 1991 with the original purpose of organising air and water monitoring within the buffer zone for the industries in the Kwinana Industrial Area (KIA).

Since then it has expanded its responsibilities to the point that it manages industrial hazards programs, air and watershed monitoring and protection, and has coordinated industry’s efforts to reduce industry emission impact on the sensitive marine environment of the adjacent Cockburn Sound.

Issues such as formalising a protection area (buffer zone) around the industrial area, gas and water availability, integrated transport infrastructure, regulatory efficiency, and advocacy for the new port in Kwinana have been high on the agenda.

KIC addresses a broad range of issues common to major industries and seeks to foster positive interactions between member companies, industry and the broader community. KIC is recognised both locally and globally for its commitment to partnerships between industries and local high schools in developing the skills of students.

The KIC acts as an industry representative body that takes on issues on behalf of its members to achieve legislative and regulatory simplification, resolution of competitive disadvantages through infrastructure provision, and the continuation of a positive public image.

**Membership**

The KIC membership comprises major industries found within the Rockingham and Kwinana industrial areas, as well as medium sized operations and support service sectors.

**Committees**

The majority of the work carried out by KIC occurs in its committees where KIC members come together to improve industry operation practices in Environment, Public Safety, Industry Mutual Aid, Public Affairs and Communications, and Infrastructure Planning.

Employees of the KIC member companies act as delegates to the various committees and working groups, making KIC as much a voluntary (industrial) community group as an industry representative body.

Committee members bring their experience, technical and specialist expertise to the table, and the output from various committee activities is used as the basis for communication to KIC’s stakeholders, such that industry is seen as speaking with one voice.
I have had the pleasure of working with the KIC on its Executive Committee for the past eight years, and as President I am pleased to provide this summary on behalf of the KIC Board.

The past year has seen dramatic changes in the global economy. The unprecedented economic impact of COVID-19 has seen a significant downturn in consumer confidence within virtually all sectors relating to KIC member industries. Recent deflationary pressure, reduced volume and income has had the inevitable result for businesses of placing greater focus on controlling costs.

Against a backdrop of consecutive years of relatively low Australian CPI growth, fortunately for some time all businesses have been working extremely hard to ensure they remain competitive, optimise costs and improve their overall productivity. Prior to COVID-19, commodity prices were generally holding steady, however more recently commodity prices have become especially fickle and have in some instances declined significantly.

While local industrial export facing businesses selling in US dollars have enjoyed some currency exchange relief, the large reduction in demand and headwinds from lower commodity pricing have resulted in unfavourable net outcomes.

Over my years working in industry, I have seen many changes in economic conditions and have always been inspired by the determination of Kwinana industry to innovate, adapt and remain relevant. Regrettably, a number of similar industrial operations throughout Australia have been slow to change, and as a result have either reduced operational activities or transitioned their investments offshore. For the most part, the Kwinana Industrial Area (KIA) has punched well above its weight, and is recognised internationally for its growth, longevity and the +150 cross boundary process flow synergies between KIA businesses.

These synergies offer considerable competitive advantage to industries that have established themselves together, and these advantages are of critical importance during uncertain times and when overcapacity exists in the global economy.

Despite the turbulence of economic cycles, over the longer term the KIA has remained successful because firstly, existing businesses have been nimble to seize opportunities and secondly, they have highly determined, talented and committed employees. Businesses and their employees have worked hard to remain competitive and adapt to various economic headwinds with great success for them and the local community.

Another ingredient underpinning the success of the KIA is how neighbouring industries proactively come together to address common strategic issues, both current and on the horizon - and that's where KIC comes in. KIC ensures there is a strong platform for industries to work together and resolve issues of a broader critical importance.

While some may view having a vibrant manufacturing industrial footprint as undesirable, recent world events have highlighted serious exposures which remind us of the critical importance of having local manufacturing and supply capabilities. The reality is that modern society is highly reliant on the existence of efficient industries.

Various fundamental needs (and supply risks) exist within all modern societies, and Western Australia is lucky to have a vibrant industrial area in Kwinana with its extensive range of viable capabilities that can competitively produce essential inputs needed. Whether it is electricity to power our homes and businesses, efficient clean fuels for transport, the production of fertilisers to allow the State to grow crops and other foods we eat, supply of chemicals to sanitise the water we drink, or products to construct buildings, industry is fundamentally critical in ensuring our modern society functions well.

One-sided stereotypes that industry generates pollution and causes harm to the community could not be more wrong. All major Australian industries require a licence to operate which limits any adverse impacts, and ensures they act responsibly and within the law. It has been especially pleasing during my career to see KIC members consistently improve their performance across a range of important communal areas including: safety, health and wellbeing, emissions reduction, recycling and reduced waste generation.
There will always be further opportunity to improve, and KIC members will be among the first to recognise the importance for industry to continue to enhance its operations.

Our ongoing strategy to maintain the buffer and secure protection from incompatible development around the industrial area remains a key focus for the KIC. It is important to protect the industrial area, which currently generates more than 30,000 jobs, and $16 billion of annual output. For this reason, KIC continues to advocate for the responsible management of the industrial area and protection from the encroachment of non-industrial development incompatible sensitive land uses within its surrounding buffer zone. KIC believes the management of the State’s premier manufacturing area requires greater certainty of land use as well as area defined and allocated for industrial and non-industrial development. This includes systematic tools and structures that support responsible compatible future industrial developments, as well as mechanisms that prevent and protect against the risk of incompatible developments arising. The value that the KIA delivers cannot be underestimated, and protecting the industrial buffer is essential. KIC is determined and continues to shine a light on this important issue and welcomes positive outcomes with the State Government and its related departments and agencies.

Reflecting on the various projects under development within the area, I always feel proud of the role KIC has played in supporting these developments and how collaborative efforts can translate an investment concept into new local jobs and economic activity. During 2020 a range of projects were advanced including: BHP Nickel West Kwinana Nickel Refinery nickel sulphate production (battery material precursor), Tianqi Lithium Plant, BMT Mercury (waste treatment), Avertas Energy (Waste to Energy), Puma Energy Fuels Terminal Kwinana, and a range of others. Subject to the necessary approvals including financial investment decisions by owners, a number of other projects are expected to commence construction in 2021 and these include; Cockburn Cement, Covalent Lithium Plant, Hazar Group and Kibaran Resources (lithium chemicals industry) and other smaller upgrades in existing industries.

Together these investments result in the employment of large workforces. These new industries will form new synergies with neighbouring industries resulting in competitive advantages for participating businesses which will promote the virtuous circle of businesses remaining globally competitive and continuing to deliver long-lasting employment for Western Australians.

To illustrate these benefits KIC has commenced an initiative with a local university that will provide and integrated assessment on the Kwinana Industrial Area. The assessment will be delivered in 2021 thereby providing an update on the importance and value created though these inter-industry product interactions.

KIC’s 2020 Annual Report will no doubt provide readers with useful detail relating to some of the activities undertaken by KIC member industries over the past year. To that end, I’d like to recognise the outstanding support KIC members receive from the KIC secretariat, Chris Oughton, Debbie Hoey and Yvonne Noack, and I am also very grateful for the commitment shown by our Executive, Board, Committee Chairs and Committee Members.

The value the Kwinana Industrial Area delivers cannot be underestimated, and protecting the industrial buffer is essential.
This was the year where we decided to take the plunge and leap right into building a new ‘you-beaut’ KIC website and establishing a social media presence between that and a couple of platforms, LinkedIn being one of these. It all seems to be going well, with good comments being received about both. It has actually been useful for presenting KIC’s views on a range of topics. The challenge of course is keeping it all current, relevant, and topical.

During the year we began a new and informal partnership arrangement with Murdoch University. The purpose was to engage with students undertaking their Masters in Renewable and Sustainable Energy to carry out joint effort project work of relevance to industry in Kwinana. The first project is to review and update the synergy exchanges that the Kwinana Industrial Area (KIA) is world renowned for. There are a number of projects in the pipeline, and this is a great way firstly to give uni students applied industry projects to sink their teeth into, and also to get project work done without the need to engage with expensive consultants. It all looks very promising at this stage.

Tours of the Western Trade Coast (WTC) proved rather popular, and I added something like another 50 or so to the list. Visitors again included international parties looking closely at establishing their projects here, public servants (elected and officer) from around the nation, and project investors from near and afar. Significant interest built up around what decision the government would make about its intention with the metropolitan freight port future configuration.

Public sector governance over the WTC continued to be an issue, and I think it is actually getting more complex as time goes on. During the year the KIC Board met with the Premier of Western Australia, Mark McGowan together with the Deputy Premier, Roger Cook to discuss a range of issues related to the state of the industrial business environment. Our frustrations about this problem, to our great satisfaction, certainly did not fall on deaf ears. The idea of a WTC Development Board of some description generated a great deal of discussion, and we are hopeful that this may carry forward to become a reality post the 2021 State election.

Our school-based programs of course took a big hit in the first half of 2020, with the whole thing, involving some 250 students per year, being put on hold while the virus response was being managed. We planned a restart to the program from mid-2020, albeit in a compressed form to enable the students and trainees to catch up. Big efforts in this space.

Well, I’ve mentioned the virus, and so I’d like to make a few points on the subject here.

- Industry response to the social distancing and quarantine requirements was nothing short of outstanding. And there’s good reason for this relating of the importance of the input/output supply arrangements (the industrial symbiosis) being able to continue uninterrupted. Industry found new ways of rostering and working to protect the integrity of industrial processes, with great success so far.
- I’d like to acknowledge the Premier’s Pandemic Response Team for their work with industry. Again, outstanding. They listened to my explanation as to why industries in Kwinana are essential, and how, because of their interconnectedness, they needed to be thought of as an interdependent cluster, all standing together. Sometimes it’s hard to conceptualise this (as shown in the industrial symbiosis diagram in this report), but they did, and well done to them for doing so.
- For some industries exporting into international markets the future may be somewhat uncertain. How are those markets going to fare as their economies respond to their local virus situation? If an export destination economy goes into a hole, demand for our products can go with it. More challenges ahead I suspect. Industries that sense a vulnerability are doing the pre-planning work to minimise impacts.
- I can’t leave this subject without congratulating the Premier, Mark McGowan, his Deputy Roger Cook, and his team for the magnificent leadership we have all witnessed during the crisis. Things could have gotten very, very bad, and for now we are being kept safe.
Looking optimistically into the future, I continue to see new interest in the industrial area from potential new-entrant companies. These are predominantly from the Lithium industry value chain and from the renewable energy sectors. There is much going on to get excited about, much of which has yet to break through the surface as approved projects. This also depends on whether or not the metropolitan (port) freight task will be re-routed to and from a new port in Kwinana, and if it is to be, when will the project begin?

Finally, I’d like to thank the members for their support of KIC, our President, Mr Albert Romano for his leadership, and to the staff, Yvonne and Debbie, for their dedication. I’m proud to be associated with them all.

Chris Oughton
Director

“The Western Trade Coast is the State’s premier industrial area, pumping around $15Bn into the State economy each year, and employing around 30,000 workers directly and indirectly. There is land available within the buffer to easily double these figures. We are seeing the resurgence of the industrial area, with all of the interest associated with Lithium Valley and Westport; the new port for Kwinana. This will translate into jobs for our kids and for our communities, and long term economic growth for our State.”
The Kwinana Industrial Area (KIA) has been in existence for approaching sixty years, with some companies marking sixty-five years of operation. The KIA has made, and continues to make a major contribution to the wealth of the State of Western Australia and its people.

ECONOMIC DEVELOPMENT

The Western Trade Coast Core Industries:
- are significant contributors to the Western Australian economy with direct sales of $14.7 billion per annum;
- employ 11,362 people directly, of which 64% live locally within Cockburn, Kwinana or Rockingham;
- pay $953 million in wages and salaries directly to workers employed within the WTC;
- have indirect inter-industry flow-on effects amounting to an estimated $10.3 billion in output, $0.8 billion in wages and salaries paid, and 18,274 jobs;
- make a positive social contribution to local communities with over $1.8 million in donations reported by industries participating in the study for 2010/11, over double the value reported in 2007, in addition to the high level of local employment;
- have an extensive and highly integrated network of industrial symbiosis with approximately 158 synergies mapped between Kwinana cluster industries within the WTC, making the WTC a global leader in this area;
- have protection from urban encroachment, though pressure does exist on the buffer in some places for it to be reduced in size, requiring further planning controls to protect both the community and industry;
- provide a skills development centre and furnish the State with a uniquely skilled workforce and the skills developed by WTC industries makes the local workforce highly valued by resource industries in the north;
- are committed to managing the environmental impacts of industry. Environmental issues including noise, air quality, societal risk, groundwater and the marine environment of Cockburn Sound are being well managed by industry and government, and have continued to improve over time.

WTC Industries have a significant impact on the Local, State and National Economies
The economic study undertaken for the 2013 WTC Integrated Assessment report calculated the following:
- The Kwinana Cluster remains the largest industrial cluster in the State.
- The Kwinana Cluster of industries accounts for approximately 70-90% of the WTC total sales, jobs, and wages and salaries figures (88% of sales, $13.8 billion; 68% of jobs, 9,361 jobs; 69% of wages and salaries, $0.7 billion).
- The output from the Kwinana Cluster of industries has grown by nearly 10% since the 2007 Integrated Assessment study. The proportion of output destined for overseas markets has declined in the Kwinana Cluster. Conversely, the proportion of output in the Kwinana Cluster serving the domestic Western Australian market has grown.
- The overall contribution of the Kwinana Cluster of industries to the Australian Balance of Trade is estimated to be worth $5.195 billion. This may be compared to the total international export of goods and services from WA of $118 million in 2010-11.
- The AMC Cluster of industries accounts for $1.8 billion in sales, 4,396 jobs, and $300 million in wages and salaries in the WTC.
- …and then along comes “Lithium Valley” and the renewable energy industries

International Neighbours
Connecting Globally
Big connections have been made during the year. The European Union is taking notice of the Western Trade Coast (WTC) from the perspective of a low risk source of materials for the energy storage battery industry – we call it Lithium Valley and now, so do they. Numerous international companies have been here to take a look at the opportunities that are beginning to present in the area of business development. Australian companies are emerging with projects now in the planning pipeline. The Americans are also watching with great interest. With the Westport process progressing nicely, international (and national) eyes are on our maritime trade interface and the opportunities that can be developed that go hand in hand with all of the above.

Economic Impact
The report presents and reviews environment, social and economic performance data of WTC industries which is sourced directly from these industries, and supplemented by state and local government data and other published reports. Qualitative and quantitate data were collected with 40 interviews conducted and 27 questionnaire responses analysed.

The following key findings reinforce that the WTC is the State’s premier industrial area, and has evolved a unique level of connectivity that gives strategic advantages to industry located within the WTC as well as Western Australia in general.

The report provides a measure of the value created for the Western Australian economy as a result of the industrial activity associated with KIC’s members located within the KIA.
Lithium Valley
This is a catch-all name that has been applied to the emergence of the new energy materials industry that is centred on the KIA. Given the nature of inquiries to KIC directly by national and international companies looking to enter the battery materials supply chain (secondary processing through to battery manufacture), this interest has been intensifying rapidly. The State Government is doing its part to facilitate the growth in setting up a Ministerial Taskforce to oversee the development of its Energy Metals Industry strategy.

This new surge of industrial interest is underpinned by the announcements of three major lithium hydroxide refineries, two of which are located in the KIA. Further public announcements are in the pipeline. Production of the State’s Strategy will need to be rapid as there is only a short window of time in which it can be influential. The wave is arriving.

Synergies
Companies considering establishing operations in the KIA ask ‘what has this area got to offer in comparison to other industrial areas?’ The answer given looks something like this.

The KIA is the State’s premier industrial area with all of the benefits of being located in the Perth South Metropolitan area: a substantial buffer zone, much industrial land still to be developed, and the world’s best practice industrial synergies are available to be tapped into. The choice is clear.

There are four types of synergies that add value to being located within the WTC. We call these the four dimensions of industrial symbiosis, or the KIC4 Model. Most people only refer to the first one.

1. KIC4 - Product
The first is the product, by-product and utility synergies dimension. There are around 150 exchanges operating on commercial terms amongst the companies. Add to this the bespoke products which are manufactured to customer specifications, and the number of synergies grows substantially. This will increase as new industries arrive.

2. KIC4 - Workforce
The skilled workforce synergy dimension. The 30,000 workers that are employed throughout the WTC are highly skilled industrial professionals, ranging from engineers and scientists to highly skilled trades, technicians, and operators, as well as office personnel, technicians, environment and safety managers and staff. These people are already working in industry and are quite mobile within the area. They represent the recruitment pool, and two thirds of them come with the added benefit of living within 15kms of where they work. There is no need for new workers to be recruited from afar, with the cost of their family relocations, or for the costly FIFO shift arrangements that burden other industrial locations.

3. KIC4 - Support Industry Sector
The next is the secondary Industry belt synergy dimension. This refers to the benefits received by the presence of a large number of highly skilled and experienced construction companies, plant fabricators and engineering workshops, of the plant and labour hire companies. This is the industrial support sector that exists to provide services to their industrial customers. They are good at it, they are located around the eastern flank of the KIA, and they have a proven track record of high quality, on time and on budget delivery. Local content at its best!

4. KIC4 - Governance
The final one is the Governance synergy dimension. This is characterised by the regulators, transport and land-use planners, and federal, state and local government influences. This dimension is very complex and, as with other jurisdictions, requires substantial simplification.

We call these four dimensions the ‘KIC4 Model for Industrial Symbiosis’.

Westport
‘Westport’ is the name given to the Government’s election commitment for the planning around a new port in Kwinana. The Westport project is well underway and is strongly supported by industry. Current port infrastructure within the industrial area is essentially operating at capacity, and so too is the rail network.

When the new port in Kwinana is eventually built, we will see existing road, rail and port infrastructure upgraded to standards that will be needed to support a new internationally competitive port. Many still believe the port in Kwinana is over a decade away, citing the capacity of the port in Fremantle as being able to support growth in container trade for another 20 to 30 years. By Australian standards the port in Fremantle is competitive, and within its boundaries is able to meet these expansion estimates. The problem with this thinking is two-fold.

- Firstly, the port in Fremantle is severely constrained in its supporting transport infrastructure and negative community sentiment around this. The Roe 8 reservation from the Perth Metropolitan Region Scheme is set to occur, thus consigning the port to increasing community unrest about road and rail freight traffic congestion, air pollution, noise and safety around the carriage of dangerous goods through dense residential areas.
- Secondly, the government framed the new port in Kwinana in the context of opening up the State’s potential for new job creation and economic development. A new internationally competitive port will be the catalyst for the achievement of this goal.

Overall, industry is very keen for a decision to move ahead with a new deep-water port in Kwinana to be announced. The new port infrastructure will be the catalyst to removing existing constraining public infrastructure bottlenecks, and for placing the WTC on the world’s stage.

Expanding the Core
The heavy industry core of the WTC is approaching its capacity to accommodate the new entrants that will need a location well within appropriate buffer zones. There is now an urgent need for the core to be expanded and the logical place to do this is where the buffers are the widest. It was pleasing to see the Government committing itself firstly to the establishment of its Industrial Lands Authority, and secondly to its ‘Lithium Valley’ energy metals taskforce. Both of these groups will inevitably conclude that the core needs to be expanded. It is hoped that the private sector will be invited to aggregate the land in Latitude 32, and to then expeditiously bring it to the market.
The diagram represents the Product/By-Product/Utility exchanges within the Kwinana Industrial Area (2014). This is a World’s Best Practice example of Industrial Symbiosis, displaying in excess of 150 exchanges on commercial terms. Enquiries to KIC.
WHAT IS KIC?

KIC is a not-for-profit incorporated business association with its membership drawn from the major industries and businesses in the Kwinana Industrial Area.

The KIC was incorporated in 1991 with the primary goals of:
- promoting a positive image of Kwinana industries;
- facilitating community access to Kwinana industries;
- promoting high standards of business ethics and practices;
- promoting and advancing the common interests of Kwinana industries;
- liaising with stakeholders in relation to the environment, public health, safety and industrial development, either as an association or on behalf of its Members, to ensure cost efficiency and protection of Member interests;
- detecting, determining and collating data relating to environmental emissions as a result of industry activity.

KIC achieves these goals through:
- industry leadership and advocacy;
- commitment to environmental sustainability and harmony; and
- community engagement and support.

Vision
The KIC aspires to be recognised through its actions and achievements as a leader in the field of industrial advocacy. As a voice for sustainable development, the KIC strives to build on existing relationships so that the community also becomes an advocate for local industry. Making its case using up to date and accurate information from independent sources, the KIC will leverage its technical credibility to a point where its advice is respected and sought after by state and local government. This can only occur when Members strive to exceed regulatory expectations and when the broader community has high levels of confidence in industry.

Mission
To promote and contribute to the sustainable co-existence of Kwinana industry, the community and the environment.
In order for the benefits of industry to be retained, the businesses concerned must have a sustainable future, with certainty around the provision of essential infrastructure. Such a future must provide for new investment in the KIA and be allowed to continue so that businesses can grow.

At the same time, industry has a responsibility to the community to conserve the environment for current and future generations of Western Australians.

Members of the KIC Board have previously agreed to focus KIC’s resources on the resolution of six long-term key strategic issues.

The McGowan Government went to the election proposing to plan for, build and transition to an outer harbour port in Kwinana. Industry strongly supports this and is keen to work constructively with the Government to see it implemented. Planning for the new port and the transition of trade through it, once built, is the catalyst for the resolution of many of industries key strategic issues.

**Formalise and Protect Industry’s Buffer**

There has been a major focus on this issue over the last several years, with increasing pressure for sensitive land uses encroachment to the north, east and south.

KIC’s view is that the Industry Protection Area (also known as the buffer zone) should be at the very least protected under the Metropolitan Region Scheme (MRS) as a Special Control Area.

Implementation of a Special Control Area will provide the necessary certainty to industry, to the government regulators, their statutory and transport planners, and to the community.

In October 2019 KIC re-lodged its MRS Amendment Application for the creation of a Special Control Area over the Western Trade Coast. Given the Westport process, as well as the IP47 process, KIC awaits the outcome.

**KEY STRATEGIC ISSUES**

The Western Trade Coast (WTC) is the premier industrial estate in Western Australia, covering an area approximately 14km north-south and an average of 4km east-west, on the eastern side of Cockburn Sound some 30km south of the Perth CBD. The Kwinana Industrial Area (KIA) forms the heavy industrial core of the WTC.
Governance
The KIA is governed by three different local governments. This means three different approaches and attitudes to industry, as well as three different town planning schemes. In no way can this be considered efficient for industry, or for the development of the industrial area from a State perspective.

On this basis, KIC’s position in relation to local government boundary reform was that there should be just one local government that encapsulates the KIA, as well as the surrounding communities. This view remains. With the demise of the local government reform process, the issue remains unresolved, while the complexity is increasing.

In the past the definition of the KIA has been considered as “everything inside the buffer”. As the buffer line is the same as the boundary defined by the WAPC in 2010, and as was described in the Liberal Government’s proposed Industry Protection Area Bill, KIC’s position remains the same – that the Western Trade Coast should be governed under the one local government, not the current three.

It seems increasingly possible that the advent of a new port in Kwinana will bring about a revision of the governance structure for the Western Trade Coast.

Critical infrastructure (enablers of industry)

Water
Industry expansion is becoming process-water constrained. There were hopes that a managed aquifer solution was going to be able to resolve this issue. This now seems less likely, but not from a technical perspective. Regulatory nervousness very late in the process is building hurdles that seem likely to be the demise of the project. New additional sources will need to be found if industry is going to be able to grow and develop unfettered by water shortages.

Energy and Transport
The rising energy cost issue has abated somewhat, but it is something to keep a close watch on. Access to heavy transport linkages – road, rail, ports – is becoming a future bottleneck to the expansion of industry in the KIA.

These critical infrastructure components have become a significant focus area for KIC to work towards improving. Their resolution can also be linked to the advent of a new port in Kwinana.

Good Connection With The Community
Much has been spoken about this over the past few years and clearly the KIC has funded work in understanding the nature of the issue and by beginning to develop solutions to it.

The KIC’s Education Development Program is now quite mature, seeing around 250 high school students from within the 17 high schools in the Education Partnership moving through our programs. Work in this area has focused on raising student aspirations towards careers in industry, and has become highly regarded by KIC’s Members, the partnering high schools, and the parents of the students who have participated in the various programs offered by KIC. Of course, the main beneficiaries of the programs are the students.

The use of routinely published ‘advertorials’ known as the ‘KIC Community Update’ in local newspapers has proven to be a good way to get a consistent message into the community.

KIC went live with its new and restructured website, and now has a substantially enhanced social media presence.

Regulation
KIC is focused on maintaining its relationships with the government sector – federal, state and local. This is proving challenging due to the high staff turnover in these sectors. Identifying and setting aside red tape continues to be an issue offering substantial challenges to industry – existing and proposed.

Negotiation on behalf of KIC Members is very important and KIC is active on several fronts. This work is driven primarily through the KIC committees and is yet another reason why member delegate attendance at the committee meetings is important.

Maintaining Organisational Health
The best way for member companies to ensure the KIC is working in their interests is for their representatives to attend at the committee level ensuring the agendas for action that are set by the committees are the right ones.

Through their membership, KIC Full Members have a seat on all of the KIC Committees as well as the Board. It is critically important, not only for the health of the KIC but for the resolution of these key strategic issues, that the Full Member companies contribute their staff resources to the committees.

The benefits derived by Members is the increased professional knowledge their staff gain, and the contributions of those staff to directing the focus of the committee work into areas that deliver maximum benefit to the Members (and by definition to their own companies).
WHO IS KIC?

On one hand, KIC can be described as a group of companies however the spirit and intent of KIC moves beyond the borders of a constitutional definition.

KIC is an integrated entity that unites the resources of its member companies to work together to strive to be good neighbours within the surrounding communities, and to seek to better their regulatory requirements for environmental protection.

This is not merely an empty statement – KIC is committed to a transparent reporting regime where claims and findings are backed up by empirical data and tested evidence.

ENVIRONMENT

KIC is committed to environmental leadership instilling the highest environmental values in all our Members, thus becoming the benchmark for others both locally and national to emulate.

To achieve this vision and ensure its sustainability for the long-term, KIC will focus on excellence in environmental performance, build social leadership through community partnerships and demonstrate positive economic benefits through innovative environmental practices.

KIC is involved in many important community and environmental programs that have long-term and far reaching positive impacts.

COMMUNITY

A key goal of the KIC is to maintain and enhance the community environment to the benefit of both the community and industry. Our aim is to build enduring relationships with our neighbours that are based on mutual respect and long-term commitment.

KIC Members have a desire to develop a strong partnership with the community and contribute to this in many ways.

INDUSTRY

Kwinana industry is a major contributor to the success of Western Australia at national and international level. The relationship between Kwinana industry and the local community is strengthened by a shared environment and a desire to be good neighbours. Effectively balancing the needs of the community, industry and the environment makes Kwinana unique in the metropolitan area.

The Kwinana Industrial Area has been in existence for over 60 years and has made, and will continue to make, a major contribution to the wealth of the state of Western Australia and its people.

EDUCATION

The KIC award winning Education Development Program (EDP) is about showing local high school students the types of careers that are available in industry and working with the students in a practical sense as to how they might aspire to these careers.

The KIC Board wants the Education Programs to be widely recognised as a best practice model of excellence in the delivery of a pre-VET and VET-based career development program, where it can be lifted up and taken into other communities and tailored by others to suit their local needs.
ASSOCIATE MEMBERS

Air Liquide, Kwinana
Landmark (Bayer Crop Science)
BMT Mercury Technology
BOC, Kwinana
Cleanaway
Crushing Services International
Dampier Bunbury Pipeline
EcoLab
Freo Group
Kwinana Cogeneration Plant/ Engie
Lanskey Constructions
Macrodil Australia
NewGen Power, Kwinana
Nufarm Australia
Perth Energy
Programmed Skilled Workforce
Sims Metal Management
Solenis (BASF Australia)
Summit Fertilizers
FULL MEMBERS

CSBP

Kleenheat

synergy

TIANCI LITHIUM

TRONOX

WATER CORPORATION
Alcoa of Australia

Alcoa has a strong history of local jobs and investment and has been part of the social and economic fabric of the community for 57 years investing over $12 billion in that time.

As an industry leader in bauxite, alumina and aluminium, Alcoa’s success is built on a foundation of strong values and operating excellence.

In 2019 Alcoa’s Kwinana Refinery invested approximately $130,000 in local community capacity building through partnerships, along with further in-kind contributions.

This flowed to the communities in the Cities of Kwinana, Cockburn and Rockingham by supporting key community initiatives like Kwinana’s Alcoa Children’s Festival; KIC’s Women Project; the Castaways sculpture exhibition and awards; ongoing rehabilitation and restoration of Kwinana’s Challenger Beach; and the Coogee Livel event.

People are our greatest asset. We employ more than 4250 people across our WA operations, including more than 1000 at Kwinana working at our alumina refinery and global research centre.

In 2019, the Kwinana refinery contributed approximately AU$130 million into the local community through salaries, wages and benefits, and in excess of a quarter of a billion dollars in Western Australian supply contracts.

Alcoa has been in Kwinana since 1963, and we know we’re stronger when we work with local suppliers, government, neighbours and community organisations.

Avertas Energy

Australia’s first Energy from Waste facility is taking shape in the Kwinana Industrial Area, a significant national milestone for technology-driven waste processing and green energy generation.

The Avertas Energy facility is set to process 400,000 tonnes of Municipal Solid Waste under an agreement with at least eight Local Governments in the region. It will generate more than 38MW of electricity - enough to power circa 52,000 households.

The technology is well-established internationally, and local governments in Australia are becoming increasingly interested and knowledgeable of the science. Energy from Waste is part of the waste hierarchy, and - in conjunction with avoidance and reduction, reuse and recycling - supports government targets to divert waste from landfill and work towards carbon neutrality.

Since the project started construction in November 2018, the major foundations and civil components have been completed and work on the mechanical erection of the boiler steelwork is well advanced. The latest critical milestone has been the installation of the combustion grates for the two boiler lines. Over the coming months the skyline will change again as the main boilers and their supporting steelwork is installed.

For more information around the environmental impacts please see our factsheets which can be found on our website: www.avertas.com

BHP Kwinana Nickel Refinery

Nickel West is a fully integrated mine-to-market nickel business. All of our nickel operations (mines, concentrators, a smelter and refinery) are located in Western Australia.

In just a few years, Nickel West has become a leading supplier of nickel to the battery supply chain and the leading supplier of nickel powder to China.

Nickel West is a member of the Future Battery Industry Cooperative Research Centre, located at Curtin University, supporting the development of a battery materials industry in Western Australia.

Nickel sulphate is a key ingredient in the lithium-ion batteries that drive electric cars.

Nickel West will complete construction of the nickel sulphate plant located at the Kwinana nickel refinery in the first half of FY2021, with first product due in the second half of FY2021.

BHP Kwinana

BP Kwinana Refinery first started operations in 1955 and was the very first industrial facility to be built in Western Australia. It is the largest oil refinery in Australia and the only of its kind in Western Australia. It supplies the majority of Western Australia’s fuel needs, including petrol, diesel, Opal and aviation fuel.

The Kwinana refinery employees about 700 people during steady state operations and prioritises local industry participation, consistently achieving around 95% Australian content in its third party spend.

The refinery proudly partners with Native Arc wildlife rehabilitation services, food recovery charity Oz Harvest and environmental not-for-profit Coastcare.

In 2020 bp announced a new ambition – to become a net zero company by 2050 or sooner, and to help the world get to net zero.
Cockburn Cement

Cockburn Cement are involved in a range of community activities through partnerships, sponsorships and donations. Over many years, we have contributed to specialised programs at local schools, sporting clubs, care agencies and other important community services.

We are committed to helping build strong communities in the areas where we operate. Directly and indirectly we support more 2000 jobs many of them in the region around our Munster and Kwinana plants.

We provide sponsorships and donations to local community and not for profit organisations to support to their important work.

We continually look for ways to strengthen our engagement with the community to build long term and meaningful relationships for the continued successful operation of our businesses. We do this by understanding and managing our impacts and by developing and implementing initiatives that deliver meaningful benefits.

Working in partnership with the Kwinana Industries Council on its award winning education programs is a positive community engagement initiative in which we bring together industry, local schools and the community. The KIC education programs provide valuable training and potential career opportunities for local young people.

Coogee

Established in 1971, proudly Western Australian and privately owned, Coogee is a diversified company specialising in chemicals manufacture, bulk liquid storage and terminalising with dedicated logistics networks for a range of dangerous and non-dangerous goods.

We are excited about the number of Coogee growth projects underway which will play a key role in the ongoing success of the Kwinana industrial precinct. C-19 presented Coogee with both challenges and opportunities. We supply customers that deliver essential services and businesses that are core to the Western Australian economy. We are proud of how we embraced change and responded quickly to C-19 ensuring none of our customers were impacted. We also manufactured and supplied hand sanitizer to our customers and local businesses to help keep them operating. By prioritizing the health of our workforce, security of supply to our customers, and the safety of our local community we were able to play a key role in supporting Western Australia.

Coogee is a long-standing partner of KIC. We proudly provide our ongoing support to KIC’s Education Development Program (EDP), Youth Art Awards and iProjects, which are actively offering positive education and career pathways for our youth. We look forward to our 50th year of operations in 2021 and thank our local community and industry for their ongoing support.

Westfarmers Chemicals, Energy & Fertilisers

CSBP supports the Kwinana and Rockingham communities through partnerships and grants, and continually looks for ways to strengthen engagement and build long-term meaningful relationships.

CSBP’s most recent partnership with Perth NRM (Natural Resource Management) aims to empower young people to take action to preserve the coastal environment.

The inaugural CSBP Coastal Connection Challenge will bring together up to 100 young people from across Kwinana and Rockingham in a two-day forum to identify opportunities to preserve our local coastal areas.

Youth participants will work in groups with subject matter experts and mentors, including CSBP employees, to turn their ideas into practical projects that could be implemented in the community.

The Challenge is unique in that it is developed in consultation with a steering committee of young people who are passionate about the environment.

Ranging from ages 13 to 24, committee members are encouraged to contribute to the program planning, decision-making, facilitation and evaluation. CSBP is committed to hearing their voices on coastal issues and providing a platform for fresh ideas and solutions.

Preparation for the CSBP Coastal Connection Challenge began in the second half of 2019, but unfortunately COVID-19 has delayed the program start until March 2021.

Fremantle Ports

As Western Australia’s largest maritime gateway for general cargo, Fremantle Ports plays a vital role in the State’s economic growth and development.

A State-owned government trading enterprise, Fremantle Ports is responsible for managing this busy port according to its mandate under the Port Authorities Act 1999 to facilitate trade in an efficient and commercial manner.

The Inner Harbour at Fremantle handles almost all of Western Australia’s container trade as well as non-containerised cargo such as motor vehicles, steel and machinery imports and livestock exports. The Outer Harbour at Kwinana, comprising Kwinana Bulk Jetty (KBJ) and Kwinana Bulk Terminal (KBT), handles bulk commodities including bauxite, alumina, grains, petroleum products, mineral sands, bitumen, fertilisers and sulphur. Fremantle Ports owns and operates the Kwinana Bulk Terminal and the Kwinana Bulk Jetty - key import and export locations in the Perth metropolitan area.

The total value of trade through the port in 2019-20 was $31.2 billion.

More than 40 community organisations or initiatives were supported through Fremantle Ports’ community investment program, providing assistance to sporting, arts, grass-roots community and environmental groups.

Certification to international environmental, safety and quality standards was maintained, solidly backing Fremantle’s reputation as a leader in efficiency among Australia’s five major container ports.
Kleenheat

Western Australian energy provider Kleenheat is committed to helping build strong communities in the areas in which it operates. This year, the business is proud to partner with Scitech to offer an exciting new program never before offered in WA.

The inaugural Kwinana STEM Network program is part of a new three-year partnership that aims to support teachers from schools in Kwinana and Rockingham to create integrated science, technology, engineering and maths (STEM) lesson plans.

Kleenheat General Manager Mark Gadsby said the program supports teachers and the vital work they do in facilitating a greater understanding of STEM subjects.

“Teachers who participate in the program will leave with additional knowledge to develop STEM lesson plans to share with generations of students as they pass through the primary school education system.

Mark added there were obvious benefits to students. “Students that have a sound knowledge of STEM subjects and skills have access to a greater number and variety of career options,” he said.

The program will conclude with a challenge day in November, where participating teachers and students will use their newly-acquired STEM skills to create solutions to real-world problems.

In addition, Kleenheat employed STEM professionals will be on hand to provide expertise and insights into STEM-related careers and opportunities.

Synergy

Synergy is proud to be Western Australia’s largest integrated electricity generator and energy retailer. Our objective is to utilise our diverse energy generation portfolio to supply reliable and affordable energy to more than one million residential and business customers.

Synergy owns and operates electricity generating assets, including thermal power stations, spanning from Kalbarri in the north, Kalgoorlie in the east and Albany in the south – an electricity network known as the South West Interconnected System.

Owned by the State Government of Western Australia, Synergy continues to develop innovative and user-friendly energy solutions for its customers and plays an active role in the communities in which it operates.

As a proud supporter of the Kwinana region, Synergy and its predecessors have been part of the local industrial landscape for more than 50 years. In FY2019-20, works continued on the construction of new a gas turbine and distributed generation administration building, information data centre and the offsite assembly of the new water treatment. A range of plant decommissioning activities also continued at Kwinana Power Station.

Synergy’s purpose is clear – to lead Western Australians to their intelligent energy future. Our people are committed to driving performance, as well as embracing new technologies and market changes. As one of the state’s most essential organisations, Synergy continues to ensure its business is adaptive to the evolving energy landscape.

Tianqi Lithium

Tianqi Lithium is developing a lithium hydroxide plant in the Kwinana Industrial Area to meet rapidly growing global demand for rechargeable batteries driven primarily by the electric vehicle and energy storage system industries.

The Kwinana plant, based on two individual production trains, will produce 45,000 tonnes of battery grade lithium hydroxide per annum. This will be the largest lithium hydroxide plant in the world and will supply customers in Asia and Europe. It will also supply the highest quality product available in the world, meeting the increasing demands for product purity from global battery producers.

Although Tianqi has only been present in Western Australia and Kwinana for four years, Tianqi is already an active partner in the Western Australian community and making a significant contribution and impact to the local community in Kwinana. Our Corporate Social Responsibility program has a high focus on improved educational opportunities for children with 90% of our programs delivered within the Kwinana area.

Tianqi has supported KIC and RkCC initiatives including the Diversity and iMen programs. We sponsor the WASO Crescendo Program in two local primary schools and Barking Gecko Theatre school excursions to performances at the State Theatre Centre of WA. We also fund a Mandarin language and culture program for all students at Calista Primary School.

Tianqi is also committed to making a significant contribution at the state level and we have made a $5 million sponsorship partnership for the new WA Museum under construction in Perth and due to open in November 2020.

Tronox

Tronox is the world’s largest vertically integrated titanium dioxide producer. We manage the whole value chain – mining and processing mineral sands, producing TiO2 pigment, managing the supply chain and logistics and marketing directly to our customers. We have operations on six continents, 7000 global employees, with 1300 employees across Australia. Our Kwinana Pigment Plant has been operating for 29 years and employs 350 people – 35% of which live within a 10km radius. Every year we spend approximately $150 million on Western Australia supply contracts.

Although we are global in scope, Tronox operates with a local mindset. We are proud to continue our long-term community partnerships, including the Fremantle Dockers AFLW, Western Shield, a robust apprenticeship and traineeship program, university scholarships, and a number of local schools and community groups.

We believe that encouraging STEM education (particularly amongst girls and women) is critical to ensuring a healthy future for Australian industry. To support this, we are continuing our long-term sponsorship of the Perth Zoo’s education program, and we are a major sponsor in the KIC Bright Sparks program.
Water Corporation

Water Corporation is the principal supplier of water, wastewater, drainage and bulk irrigation services in Western Australia to hundreds of thousands of homes, businesses and farms. Our purpose is the sustainable management of water services to make WA a great place to live and invest.

We manage $37 billion of assets to deliver water services across 2.6 million square kilometres, directly and through alliances with the private sector.

In the Kwinana area, we have a number of significant water and wastewater assets, which service surrounding industry and community.

The first large-scale plant in Australia, Perth Seawater Desalination Plant (PSDP), began producing drinking water in late 2006. PSDP can produce up to 45 billion litres of drinking water per annum.

Woodman Point Wastewater Treatment Plant (WWTP) is the largest wastewater treatment plant in WA. Recently upgraded to treat 180 million litres of wastewater per day, this plant services more than 900,000 customers in Perth’s southern suburbs.

Kwinana Water Reclamation Plant (KWRP) takes secondary-treated wastewater from Woodman Point WWTP, and applies further treatment to produce high quality, fit-for-purpose supply to large industrial customers. Producing up to 6 billion litres of water per annum, KWRP is an important contributor to sustainable water management through recycling. Water Corporation recognises the importance of the Kwinana precinct and values our relationships with industry and community in the area.
Our Team
The KIC operates with a formal structure consisting of the Board, an Executive Committee, specialist committees, and three full time staff.

KIC Board
The business of KIC is overseen by a Board comprising a senior representative from each of the Full Member companies. The Board meets every two months and its roles are to provide strategic direction for the KIC and make decisions that fall beyond the delegations of the Director.

Executive Committee
The Executive Committee comprises the President and three Vice Presidents. The Executive, together with KIC’s Director, provides advice and recommendations to the Board.

The Executive meets routinely every two months and on additional occasions if there is urgent business to be conducted.

Committees
The majority of the work carried out by KIC transpires through its specialist committees:
- Infrastructure and Planning;
- Environment;
- Kwinana Industries Public Safety;
- Public Affairs and Communications Advisory Group.

Committee representatives are Full Member company employees with appropriate experience, technical expertise and skill set, and authority. Members strive to improve industry operating practices, and KIC acknowledges the voluntary involvement of the many Member delegates over the years.

KIC Staff
KIC is staffed by a dedicated team:
Director, Chris Oughton; Executive Assistant, Yvonne Noack; and Education Development Officer, Debbie Hoey.
EXECUTIVE COMMITTEE

Albert Romano (Kleenheat)
President

Dr Grant Lukey (Coogee)
Vice President

Brett Swayne (BP Refinery, Kwinana)
Vice President

Russell Austin (Tronox)
Vice President

KIC STAFF

Chris Oughton
Director

Yvonne Noack
Executive Assistant

Debbie Hoey
Education Development Officer


Committee Objectives
The Committee’s objective is to provide technical information and advice, based on rigorous scientific research, in support of KIC’s objectives, to proactively influence the community and government agencies on environmental and planning matters.

The areas of focus are:
- Maintenance and enhancement of buffer zone between industrial and residential areas.
- Regulatory liaison and engaging on draft legislation and guidelines.
- Industrial emissions including: liquid and solid waste; air; and noise.
- Surface and groundwater quality.
- Nutrient discharge into Cockburn Sound via historic groundwater contamination.
- Responsible use of water resources, including groundwater.
- Ongoing investigation and management of legacy waste issues.
- Visual amenity.
- Engage with government decision-makers to achieve preservation of the industrial buffer zone.

Achievements and Challenges

Buffer
KIC lodged a Metropolitan Scheme Amendment to continue its efforts to have the buffer zone protected through the creation of a Special Control Area. We await the outcome of this process. In the meantime, a statutory land use process entitled IP (Improvement Plan) 47 was initiated by the WAPC, and the focus of this process is the Mandogalup area.

Air Quality
Ambient air monitoring over many years has confirmed that all target pollutants within the Kwinana air shed are well below (better than) accepted health criteria. In particular, SO2 levels have reduced considerably over the last decade. Some members have sought to have their environmental licences amended to reflect reduced emission profiles, however the Department of Water and Environmental Regulation (DWER) advised that a redetermination of the maximum permissible quantities of sulphur dioxide under the Environmental Protection (Kwinana) (Atmospheric Wastes) Policy (EPP) 1999 was required before this could be progressed.

This review was successfully completed during the year. More broadly, KIC’s ultimate goal is to have the EPP removed completely as it is no longer relevant, and this work is now clear to proceed.

Cockburn Sound
The latest ‘State of Cockburn Sound’ report confirmed that in general terms, the health of the Sound remains good with environmental quality guidelines being consistently met for various monitoring parameters. However as in previous years, Jervoise Bay Northern Harbour, near Woodman Point, and Mangles Bay to the south continue to perform poorly across each of the five key marine health metrics.

Importantly, mapping has shown an increase in seagrass coverage as a whole, however there has been some thinning in parts, which makes it vulnerable to any future decline in water quality.

Noise
The KIC Cumulative Noise Model has been updated to reflect current state. Predicted sound levels have not materially changed since the last update, however there was a minor increase in Calista/East Rockingham due to commissioning of the East Rockingham Waste Water Treatment Plant.

Data is available for use by member companies or organisations planning to move into the KIA.
**Water Supply**

Water security remains a critical business risk for KIC members and there is increasing pressure on groundwater availability. Regional aquifers are fully allocated, meaning new industries do not have access to groundwater and must source more expensive water supply options, including the reliance on scheme water. It is probable that over time, existing groundwater allocations will be reduced or removed completely.

Some KIC members are actively searching for new water sources to meet long term needs and there is potential for collaboration in this area, however companies have varying degrees of urgency, making it difficult to generate a suitable level of interest to progress collectively.

The Water Corporation has indicated it has the capacity to materially increase its supply of KWRP water, albeit at a significant per unit cost and questionable reliability at times.

**Industrial Symbiosis**

KIC has engaged Murdoch University to update the schematic showing industrial symbiosis in the Kwinana Industrial Area, focusing primarily on products and by-product synergy. The schematic was last updated in 2013. An enhancement on previous versions is that the schematic will be recreated in an interactive digital platform. As well as allowing a degree of data interrogation, the digital platform will also make it easier to make regular amendments to the schematic as interconnections and synergies change over time.

**Cooperative Research Council (CRC) for Thriving Coasts**

The ‘Thriving Coasts CRC’ is a national partnership with the objective being to secure and ensure long-term growth in productivity, profitability and the health of Australia’s coastal industries and ecosystems, including the development of tools and processes to resolve land use compatibility issues.

Unfortunately, the initial application didn’t receive Federal government support in this year’s funding round, the application will be reviewed and resubmitted next year. KIC has nominally allocated $100k pa over 10 years in support of this initiative, and the unspent money will be carried forward.

**Environmental Advisors Networking Group**

This forum provides an opportunity for Environmental Advisors in the industrial area to share information and experiences in dealing with issues that may be common for many of the industries in the area. The Group meets on a casual basis.

**Environmental Regulation**

Regulatory reform continue during the year, with KIC making submissions on proposed changes to the following:

- Waste Regulations
- EPA greenhouse gas assessment guidelines
- DWER compliance and enforcement guidelines

**New Environment Committee Chair**

After five years as Chair of the Environment Committee, Trevor Naughton from CSBP has resigned from this position. KIC welcomes Tony Baker from BHP Nickel West, Kwinana Refinery into the Committee Chairperson role.
KWINANA INDUSTRIES
PUBLIC SAFETY GROUP
Chair: Bob Gregorovich (WesCEF)

Committee Objectives
To address strategic public safety issues.

• Facilitation of communication between members, neighbours and the local community on any perceived or real threats to public safety.

• Ensuring that KIC member companies are managed at the safest practicable level.

• Maintaining a high level of preparedness to cater for any emergency event having the potential to threaten the safety and health of employees and adjacent industries.

• Ensuring that neighbours are aware of the appropriate responses and know how to respond to hazards from major hazard facility sites.

• Reviewing drafts or proclaimed legislation, regulations and similar codes, which could impact on major hazard facility sites and to give appropriate advice to management; and commenting to original source on regulatory impacts.

• Shared learnings and information to continuously improve the Members’ process safety and operations.
Achievements And Challenges
2019-2020 has been challenging due to the impact of COVID-19. Many KIC member companies have been impacted with key personnel having limited capacity to influence and act on KIC areas. The following represent the key achievements for 2019-2020.

Emergency Alert
Emergency Alert is fully implemented and functional to address community advice regarding potential dangerous and catastrophic events. Exercises and drills continue to be undertaken as a means of ensuring on-going effectiveness of the process.

KIMA Manual
The KIMA Manual is fully implemented with our Member organisations. Emergency response drills and engagement of local LEMC's have been undertaken in order to demonstrate its on-going effectiveness.

KIMA Route
The management of the KIMA route system is on-going with the alteration of route access points under constant review and an assurance process that requires complying and relevant signage. The KIMA route is audited by Member companies. Local council LEMC's have also been active in increasing knowledge of the KIMA route.

Legislation Review
Following on from the legislative review activities that occurred in 2017, the Western Australian Government 2018 Model WHS Act Review was completed at the end of 2018.

Following on from the Model WHS Act, DMIRS Releases WHS Package for Public Comment – August 2019, with the intent of combining three areas of existing State safety and health law into a single WHS Act, based on the Model WHS Act.

The three proposed new WHS Regulations representing various industry sectors are:

- WHS Regulations (General). Applicable to all workplaces but mainly general (non-resource) workplaces.
- WHS Regulations (Mining). Only applicable to workplaces on WA mines.
- WHS Regulations (Petroleum). Only applicable to WA petroleum workplaces including in coastal waters.

The reviewed legislation is anticipated to be in place by late 2020.

DMIRS Guidance Documents
DMIRS held a forum in February 2020 to discuss draft guidance material covering Safety Report content. Feedback was provided by a number of member companies in order to have the guidance better reflect the existing legislation. The draft guidance were subsequently released with minimal alterations. Ongoing development of guidance material is an important step for DMIRS and KIC supports their development. Improved consultation and involvement of KIC member companies may have resulted in a better and more acceptable documents.

Buffer Zone
Issues involving the buffer zone around the Kwinana Industrial Area are still sitting in the background. This will likely be an area of significant involvement over the next few months as industry attempts to ensure limitations are not imposed on their activities as a result of poor planning decision and residential encroachment.

Shared Learnings
KIC facilitated a Shared Learning session in August 2019 covering a range of topics. Speakers from three Western Australian MHF presented, with a wide and diverse audience participation. A further session was planned for April 2020, however due to COVID-19 related issues, it was postponed until a more suitable time.
Committee Objectives
To provide strategic advice to the KIC, and a link to member resources, in the areas of public affairs, communications and stakeholder engagement.

- Understanding stakeholders’ perceptions of the Kwinana industries.
- Developing and implementing plans to influence stakeholder perceptions.
- Providing support and advice to the KIC strategic communications including issues management, media, community relations and stakeholder engagement.

Industry Working Together
The PAC group comprises Full Member company representatives. With a suite of government, communications and community specialists, members actively contribute to monthly meetings enabling the committee to provide advice and direction to KIC. Throughout the year PAC supported KIC activities to ensure a good common ground was maintained with key stakeholders by:

- continuing to build relationships with state and local government representatives;
- developing strategies to mitigate non-technical industry risks;
- promoting key industry activities;
- identifying relevant media opportunities and analysis of coverage; and
- supporting local corporate social responsibility initiatives.

Community
The KIC is committed to giving back to the communities in which all of its member companies operate. To this end, KIC continues to undertake social investment focussed on the communities in Kwinana and Rockingham.

Through this committee, KIC sponsors a number of environment, education, and community health and lifestyle initiatives. In the 2019/20 financial year KIC invested over $40,000 into local activities.

KIC has the following 3-year sponsorships:
- The Koorliny Arts Centre, supporting their performance season and theatre events from talented actors.
- The Cruising Yacht Club of WA, sponsoring their annual Cockburn Sound Regatta for sailing enthusiasts.
- CoastCare in the KIA, supporting our local environment.

KIC also partners with:
- Rockingham Community Fair
- KIC Youth Art Awards, showcasing a vibrant collection of art and creativity from students attending the KIC’s Partnership Schools.
- The City of Kwinana’s 2019 Symphony in the Park, an evening for family and friends to singalong, dance and enjoy the musical repertoire performed by Perth Symphony Orchestra.
Engagement and Communication

**Community Forum**
The KIC holds regular Community and Industries Forums (CIF), the purpose of which is to provide the opportunity for industry, government representatives and community members to meet and share information regarding upcoming developments, projects or general site-specific updates.

**Advertorials**
Throughout the year KIC provided proactive industry information sharing via local media advertorials. The “KIC Community Update” focusses on providing information related to KIC’s involvement in topical industry issues, environment and community initiatives, education development program initiatives as well as member company key initiatives.

**Industry**
The industrial area has welcomed new entrants into this diverse business sector during the past year. KIC continues to highlight the benefits of an industry protection area and this will continue to be a focus until a framework is in place that will ensure the security, prosperity and future growth of the industrial area for both industry, the community, and the thousands of workers.
KIC ANNUAL REPORT 2020

KIC FORUMS

On one hand, KIC can be described as a group of companies however the spirit and intent of KIC moves beyond the borders of a constitutional definition.

KIC Women’s Networking Forum

The Women’s Networking Forum provides an environment for representatives from KIC member companies to network and receive information from guest speakers and peers. It continues to go from strength to strength with the number of attendees continuing to increase at each Forum. Whilst the informative and great networking system is aimed primarily at women working in the KIA more males are starting to attend the Forums and they have been warmly welcomed by attendees.

At the Forum held in November 2019 the two guest speakers (pictured below) spoke about their career pathways: Dr Vanessa Guthrie an experienced Executive and Director with a career spanning thirty years in the resources sector, in a variety of diverse minerals and energy resources; and Ms Robyn Miller, Principal of Kolbe Catholic College in WA who has taught in Catholic schools for over 30 years.

Participant feedback indicates that they are eager to develop their networking and personal development skills, learn from the experience of others, share their stories, and develop their careers in industry. Meetings are now focused jointly on building the networks and professional development for the participants.

We were unable to hold a Forum in May 2020 due to the COVID-19 situation, however we are hoping that the Forums will resume in late 2020.

Human Resources Forum

This Forum provides an opportunity for Members to network professionally in their respective fields of management. Forums are scheduled twice a year and will continue in the future.
KIC Education Partnership

KIC has a formal partnership with 17 of the high schools that are located in the Cities of Rockingham, Kwinana and Cockburn. This is known as the KIC Education Partnership. KIC obtains formal feedback from the school Principals which helps KIC to enhance and develop programs that we deliver into the schools. The Award Winning programs are regarded as being highly successful, and have been carefully expanded over time, and within the same staff resource level.

The KIC Education Partnership continues to build and strengthen the connection between Kwinana industries and regional education providers through enhancing existing projects and continuing to explore further opportunities for mutual benefit. The Partnership acknowledges the involvement and the role both industry and education play in building the capacity of local students to take their place in the workforce.

KIC continues to work with Principals and VET Coordinators of our Partnership schools to gain clarity on projects, programs and timing of activities within the schools to identify areas of mutually advantageous support.

We also work to reaffirm the partner commitments and build the reliance to assist with achieving the outcomes we have set as our targets.

The Principals Group continues to meet twice per term and the VET Coordinators Network Group convenes once a term. Updates on the KIC iProjects and KIC Career Pathways programs are provided in these meetings by the Education Development Officer. Meetings include sharing and exchanging ideas and initiatives to continue the excellence in the cooperative relationship that exists for the betterment of local students and the industries within the KIC. A number of KIC members hosted the meetings of the Principals Group and VET Coordinators Network Group during 2019/20.
The KIC Education Development Program is about showing our Partnership high school students the types of careers that are available in industry and working with the students in a practical sense as to how they might aspire to these careers. This is achieved through our Education Partnership that we have developed with the region’s high schools and industry members.

There are two streams under the Education Development Program; the first is the iProjects stream, and the second is the Career Pathways Programs stream. The structure of the Program is depicted in the table below. A summary of the Programs undertaken by students during the year are provided on the following pages.

## iProjects
- **iWOMEN (Year 10)** - Terms 1 & 3
  - Metals and Engineering
- **iMEN (Year 10)** - Term 2
  - Business
- **iSCIENCE (Year 10)** - Term 3
  - Work Placements (Years 11 & 12)
- **iDIVERSITY (Year 10)** - Term 4
  - Plant Mechanic (heavy diesel) Pre-Apprenticeship
- **Bright Sparx Club (Year 9)** - Terms 2 & 4
  - Introduction to Careers in Industry (for females) Pre-Apprenticeship
- **iCONFERENCE (Year 10)** – Term 4
  - Work Experience (Year 10)
- **ITEACHER – as required**
  - Facilitated on a per school/ per student informal basis

## Career Pathways Programs
- **School Based Traineeships (Years 11 & 12)**
- **Work Placements (Years 11 & 12)**
KIC iPROJECTS

A series of annual KIC iProjects have been developed to promote career pathways into industry. All iProjects include industry site visits and provide an opportunity for students to further explore possible career pathways available in the Kwinana Industrial Area.

The iWOMEN, iMEN and iSCIENCE iProjects are endorsed by the School Curriculum and Standards Authority (SCSA). Successful completion of one of these KIC iProjects, and attendance at the annual iCONFERENCE (a total of 55 hours) will provide the equivalent of 1 unit, a C grade towards the WACE completion requirements. This will be reported on the student’s WA Statement of Student Achievement that is issued at the end of Year 12.

Thank you
A special word of “thanks” to our Members who volunteer their time, share their knowledge and advice with the students about their future career possibilities during the iProjects. Thanks also to the non-member organisations who support and participate in KIC’s suite of education programs.
In July 2019, in response to KIC member requests to increase female engagement in industry, a second iWOMEN Project was held.

Thirty Year 10 female students from the KIC Education Partnership high schools were selected by their schools. The program covered seven days of workshop activities for the girls and gave them the opportunity to explore and understand the types of industries in the Kwinana Industrial Area.

The Partner for this iWOMEN Project was BHP Nickel West and we would like to thank them for their support and involvement in the program.

During the program the students visited KIC member companies BHP Kwinana, and Crushing Services International.

They were given a tour of the sites and had the opportunity to meet and talk to employees from a range of roles. The students also visited the Construction Futures Centre at Belmont and Tianqi Lithium Kwinana.

During the program students were guided through a series of workshops which covered research into industry, career choices and education pathways, the use of social media, resume writing, mock interviews, health and wellbeing, and mental health prevention and promotion.

Proud parents, family, teachers and industry representatives attended the iWOMEN Presentation Evening where KIC Director, Chris Oughton acknowledged and thanked the KIC Education Partnership schools and KIC Members for making the additional project a success.
In August 2019, KIC held its iSCIENCE Project in partnership with Murdoch University and Alcoa, together with sponsor BP Refinery Kwinana. We would like to thank Murdoch University for their continued support of the program and the additional opportunities the partnership brings to the students on the program.

Thirty two Year 10 students were successful in their application to join the program. These students are intending to follow ATAR Science, Math and/or Technology subjects during Years 11 and 12 and may consider entering University at the end of Year 12.

Over seven days students visited a range of working environments within the KIA, including Alcoa Kwinana Refinery, to meet current employees in a range of science based roles.

They also visited the Construction Futures Centre (Belmont) and Gilmore College Trade Training Centre where they participated in some STEM hands-on activities. Students spent a full day at Murdoch University, South Street Campus, where they participated in science activities and received information about career pathways.

During the program students had the opportunity to apply for a KIC scholarship for the ConocoPhillips Science week held in December. The program is designed to provide students with an opportunity to engage in a wide range of fascinating science activities under the guidance of scientists who love their work.

Thirty two students graduated the iSCIENCE Project on 5 September 2019.
The KIC iDIVERSITY Project is designed specifically for students with special learning needs. It aims to provide students with an overview of industry and information regarding career pathways.

This year Covalent Lithium came on board as the Partner and KIC would like to acknowledge and thank them for their support of the program and championing our local youth. The iDIVERSITY Project was held in October and November 2019.

The six day program catered for fourteen Year 10 students and included: a visit to the Construction Futures Centre (Belmont) and a tour of the Alcoa Kwinana Refinery. Workshops were held on career pathways, and employability skills covering teamwork, dress code, communication and presentation skills.

Students participated in one day of work experience with a local organisation. We would like to thank Autobahn (Kwinana), Coastcare in the KIA, Media Engine and The Sound Telegraph for hosting the students on work experience.

During the program students had the opportunity to apply for a KIC scholarship for a voyage on The Leeuwin. The student selected completed the five day voyage in February 2020.

The program concluded with a presentation ceremony hosted by the students. KIC was delighted that all students graduated the 2019 iDIVERSITY Project and sincerely hopes that the experience and information gained from the program will be of great benefit to the students.
The Bright Sparx Club is a partnership between KIC and Murdoch University. It is an After School Club for Year 9 students and held one night per week after school in Term 2 and 4 each year.

The program is for students with mid-level academic ability in Maths and Science. The purpose being to raise their confidence and aspirations while building their awareness of Science, Technology, Engineering and Maths (STEM) careers.

In November & December 2019, over ten weeks, students participated in a range of STEM based activities including excursions to Tronox Kwinana site and Murdoch University, South Street Campus.

KIC coordinates the program and Murdoch University Student Ambassadors organise the weekly activities. Industry representatives are invited to the Club to talk about their career pathways and offer advice to the students.

Twenty eight students graduated on 12 December at a presentation evening hosted by the students.

We would like to take this opportunity to thank Tronox and Murdoch University for their support of the program.
In December 2019, KIC held its annual iCONFERENCE. Invitations were extended to all students who had participated in the 2019 iWOMEN, iMEN and iSCIENCE Projects. Around 120 students attended the full day conference held at Murdoch University South Street Campus.

The aim of the iCONFERENCE is for students to build on their learnings from their participation in their iProject, and take them one step further.

The KIC Director opened the event and welcomed the students giving an overview of the planned activities and workshops for the day.

The iCONFERENCE is an annual event for all iStudents as attendance at the conference provides the students with the last 6 hours required for accreditation towards their WACE.

ENDORSED PROGRAM BY THE SCHOOL CURRICULUM AND STANDARDS AUTHORITY (SCSA)

The iWOMEN, iMEN and iSCIENCE Projects are Endorsed Programs.

Attendance and successful completion of a 7 day iProject (49 hours) plus attendance at the iCONFERENCE (6 hours) is a total of 55 hours which gives students a C grade towards their WACE.

Due to the Corona Virus situation, the above programs could not be held in the first half of 2020 and will be held in the second half of the year. The iWOMEN and iMEN Projects will be held in Term 3 and the Bright Sparx Club in Term 4 (2020).
CAREER PATHWAYS PROGRAMS

KIC continues to assist schools in developing suitable school based VET pathway programs for students in the KIC Education Partnership.

School Based Traineeships (SBT)
KIC directly employs the School Based Trainees for the duration of their Training Contract.

**KIC Metals and Engineering SBT**
(Cert II Engineering)

15 students are selected annually for the two-year program and are enrolled full time at Gilmore College. They receive training one day per week at South Metropolitan TAFE (Rockingham Campus) and spend two blocks of 5 weeks (each year) in work placements. On successful completion of the Units of Competency at TAFE and Year 12, trainees receive their WACE and a Certificate II in Engineering. Trainees are ‘work-ready’ and this reduces the time needed to complete an Apprenticeship in an associated industry.

**KIC Business SBT**
(Cert II/III Business/Business Administration)

This is a one-year program for Year 12 students who are enrolled full time at one of the KIC Education Partnership schools. Students spend one day a week at a host employer where they do their on-the-job training. On successful completion of the Units of Competency and Year 12, trainees receive their WACE and a Certificate II or III in Business Studies/Administration. We would like to thank the City of Kwinana who host two Year 12 students each year.

**2019 SPONSOR**
Rotary Club of Kwinana
Work Placements

**KIC Plant Mechanic (heavy diesel) Pre-Apprenticeship**
Cert II in Automotive Servicing Technology (heavy vehicle servicing) Pre-Apprenticeship

This program takes 15 students each year who are interviewed and selected for the program. Students are enrolled full time at one of the KIC Education Partnership schools, spend one day per week at South Metropolitan TAFE (Thornlie Campus) and complete 110 hours of work experience each year of the two-year program.

On successful completion of the Units of Competency at TAFE and Year 12, students receive their WACE and a Certificate II in Automotive Servicing Technology (heavy vehicle servicing Pre-Apprenticeship). Trainees are ‘work-ready’ and this reduces the time needed to complete an Apprenticeship in an associated industry.

**KIC Introduction to Careers in Industry (for females) Pre-Apprenticeship**
Cert II Engineering Pre-Apprenticeship

The program was introduced in February 2020 and was in response to KIC member requests to increase female engagement with industry through greater gender diversity programs. The content gives students exposure to a range of apprenticeship pathways into industry.

The program includes; Health & Safety, use of hand tools/hand held operations, use workshop machines for basic operations, technical drawing and engineering measurements, manual handling, routine oxy fuel gas welding and metal arc welding, terminate and connect electrical wiring.

Students complete the two-year program during Year 11 and 12 alongside their school studies. The program intake is 15 students per year and applicants are interviewed and selected by KIC for the program. Students remain enrolled full time at their current school, receive training one day per week at South Metropolitan TAFE (Rockingham Campus) and complete 110 hours of work experience each year of the program. Students are currently in work placements at BP Refinery, Tronox, Cockburn Cement, CSBP and Kleenheat.

During the program, students have a mentor who works in industry. The mentor aligns the students work experience with their current area of TAFE study and offer ongoing career support to the student.

On successful completion of the Units of Competency at TAFE and Year 12, students receive their WACE and a Certificate II in Engineering Pre-Apprenticeship. Trainees are ‘work-ready’ and this reduces the time needed to complete an Apprenticeship in an associated industry.
KIC Representation
The Director represented KIC on several external committees and project working groups:

- Perth Air Quality Coordinating Committee
- Cockburn Sound Management Council (CSMC)
- Local and South Metro Emergency Management Committees
- Rockingham Kwinana Chamber of Commerce
- Westport Taskforce Reference Group
- Westport Work Streams (Environment, Supply Chain, Port Capability, Opportunities and Constraints, and Trade Task)
- Improvement Plan 47 (IP47) land use planning for Mandogalup
- KIC’s Education Partnership Schools

On behalf of its members KIC coordinates the production of technical submissions where public comment is sought by Government. Submissions during 2019-20 included:

- Environmental Protection Authority, Department of Water and Environmental Regulation: EPA Greenhouse Gas Emissions Assessment Guidance, Consultation.
- Department of Water and Environmental Regulation: Waste Not, Want Not: Valuing Waste as a Resource
- City of Kwinana Council Meeting September 2019, Item 15.3 Adoption of Amended Local Development Plan Albero Estate, Lots 2 and 3 Anketell Road, Anketell North.
- Western Australian Planning Commission Special Control area Application (2019).
- City of Rockingham Town Planning Scheme No.2 Amendment No.178 East Rockingham Industrial Zones.

Reports
KIC contributed to the following reports:

- Regional Development Australia: Perth Lithium Valley – Establishing the Case for Energy Metals and Battery Manufacturing in Western Australia. Enabling the Western Trade Coast (strategic plan).
- Dr Caitin Cain, Fullbright Industry Fellow Curtin University: Accelerating Global Competitiveness: Special Economic Zones.

Communities & Industries Forum (CIF)
CIF - A forum for communication between industry, government departments and regulators, and the community.

The CIF has been operating for around 20 years. These Forums are coordinated through KIC with the aim of maintaining the bridge of understanding between local industries and the community. KIC continues to source presenters to speak on various topical issues for industry and the community. The CIF promotes:

- Open communication between all stakeholders.
- Informed discussion of issues to identify the problem.
- An environment that fosters mutual respect and understanding.
- Trust and openness between industries, government agencies and the broader community.

Presentations
The Forums are held twice a year, being May and October.

October 2019

- BP Refinery Kwinana - Industry Update
- KIC - Local update

May 2020

- This CIF for May was cancelled due to pandemic restrictions.
Kwinana Industries Council continues to engage formally with elected government representatives, public sector regulators and authorities, private sector organisations, and the community. The Director meets with key stakeholders and senior representatives on behalf of KIC. From time to time the President, Vice Presidents or a Committee Chair will accompany the Director.
COMMITTEE MEMBERS
The names of Executive Committee members at the date of this report are:

- Albert Romano – President
- Grant Lukey – Vice President
- Russell Austin – Vice President
- Brett Swayn – Vice President
- Chris Oughton – Director
- Vacant – Casual Director

PRINCIPAL ACTIVITIES
The principal activities of the Association during the financial year are as follows:

- to promote a positive image of Kwinana industries;
- to facilitate community access to Kwinana industries;
- to promote high standards of business ethics and practices;
- to promote and advance the common interests of Kwinana industries;
- to liaise with stakeholders in relation to the environment, public health, safety and industrial development, either as an association or on behalf of its members, to ensure cost efficiency and protection of members’ interests;
- to detect, determine and collate data relating to the environmental emissions as a result of industry activity.

SIGNIFICANT CHANGES
No significant change in the nature of these activities occurred during the year.

OPERATING RESULT
The surplus from ordinary activities after income tax amounted to $151,129 ($77,586 in 2019).

Signed in accordance with a resolution of the Members of the Committee.

Mr Albert Romano
President

Chris Oughton
Director

Dated this 17th day of September 2020
The Executive Committee has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee:

- The special purpose financial report as set out on pages 3 to 8 presents a true and fair view of the financial position of Kwinana Industries Council Inc. as at 30 June 2020 and its performance for the year ended on that date; and
- At the date of this statement, there are reasonable grounds to believe that Kwinana Industries Council Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Executive Committee and is signed for and on behalf of the Committee by:

Mr Albert Romano  
President

Chris Oughton  
Director

Dated this 17th day of September 2020
## INCOME AND EXPENDITURE STATEMENT

FOR THE YEAR ENDED 30 JUNE 2020

<table>
<thead>
<tr>
<th>NOTE</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>INCOME</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full Member Fees after Discounts</td>
<td>876,009</td>
<td>759,115</td>
</tr>
<tr>
<td>Associate Member Fees</td>
<td>135,715</td>
<td>160,254</td>
</tr>
<tr>
<td>Contributions</td>
<td>84,447</td>
<td>94,235</td>
</tr>
<tr>
<td>Recharges SBT’s</td>
<td>3,669</td>
<td>13,970</td>
</tr>
<tr>
<td>SBT Subsidy</td>
<td>41,340</td>
<td>34,751</td>
</tr>
<tr>
<td>Interest</td>
<td>10,849</td>
<td>16,824</td>
</tr>
<tr>
<td>Awards</td>
<td>8,000</td>
<td>7,500</td>
</tr>
<tr>
<td>Other Income</td>
<td>67,045</td>
<td>5,045</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td><strong>1,227,074</strong></td>
<td><strong>1,091,694</strong></td>
</tr>
<tr>
<td><strong>LESS: EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounting and Bookkeeping</td>
<td>13,823</td>
<td>13,586</td>
</tr>
<tr>
<td>Advertising</td>
<td>7,383</td>
<td>15,160</td>
</tr>
<tr>
<td>Audit Fees</td>
<td>3,210</td>
<td>2,600</td>
</tr>
<tr>
<td>Employment Expenses</td>
<td>565,067</td>
<td>565,678</td>
</tr>
<tr>
<td>Financial Contributions</td>
<td>1,240</td>
<td>17,404</td>
</tr>
<tr>
<td>Functions and Advocacy</td>
<td>25,063</td>
<td>9,400</td>
</tr>
<tr>
<td>General Expenditure</td>
<td>20,251</td>
<td>23,790</td>
</tr>
<tr>
<td>Insurance</td>
<td>18,357</td>
<td>18,630</td>
</tr>
<tr>
<td>Meetings, Presentations</td>
<td>41,150</td>
<td>53,703</td>
</tr>
<tr>
<td>Monitoring</td>
<td>122,533</td>
<td>131,496</td>
</tr>
<tr>
<td>Office Equipment</td>
<td>-</td>
<td>546</td>
</tr>
<tr>
<td>Office Rent</td>
<td>26,893</td>
<td>29,653</td>
</tr>
<tr>
<td>Postage, Printing and Stationery</td>
<td>5,431</td>
<td>7,568</td>
</tr>
<tr>
<td>Professional Fees</td>
<td>92,763</td>
<td>37,053</td>
</tr>
<tr>
<td>Publications</td>
<td>5,191</td>
<td>6,673</td>
</tr>
<tr>
<td>Repairs and Maintenance</td>
<td>15,451</td>
<td>15,968</td>
</tr>
<tr>
<td>Sponsorships</td>
<td>3,312</td>
<td>3,373</td>
</tr>
<tr>
<td>Telephone</td>
<td>13,799</td>
<td>-</td>
</tr>
<tr>
<td>Website</td>
<td>1,950</td>
<td>-</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>1,950</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>1,072,990</strong></td>
<td><strong>1,009,508</strong></td>
</tr>
<tr>
<td><strong>Surplus from Ordinary Activities Before Income Tax</strong></td>
<td><strong>154,084</strong></td>
<td><strong>82,186</strong></td>
</tr>
</tbody>
</table>

Income Tax Expense | 2 | 4,600 |
Surplus from Ordinary Activities After Income Tax | 151,128 | 77,586 |
RETAINTED SURPLUS AT THE BEGINNING OF THE FINANCIAL YEAR | 121,692 | 112,533 |
Net Transfer (to)/from Reserves | 8 | (68,427) |
RETAINTED SURPLUS AT THE END OF THE FINANCIAL YEAR | **184,746** | **121,692** |

The Income and Expenditure Statement should be read in conjunction with the accompanying notes.
# Statement of Assets and Liabilities

**As at 30 June 2020**

<table>
<thead>
<tr>
<th>NOTE</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
<td></td>
</tr>
</tbody>
</table>

## Equity

<table>
<thead>
<tr>
<th>Description</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retained Surplus</td>
<td>184,746</td>
<td>121,692</td>
</tr>
<tr>
<td>Reserves</td>
<td>947,476</td>
<td>859,402</td>
</tr>
<tr>
<td><strong>Total Equity</strong></td>
<td><strong>1,132,222</strong></td>
<td><strong>981,094</strong></td>
</tr>
</tbody>
</table>

Represented by:

## Current Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>1,261,129</td>
<td>1,083,098</td>
</tr>
<tr>
<td>Receivables</td>
<td>26,863</td>
<td>107,980</td>
</tr>
<tr>
<td>Other Assets – Deposits held</td>
<td>300</td>
<td>300</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td><strong>1,288,292</strong></td>
<td><strong>1,191,378</strong></td>
</tr>
</tbody>
</table>

## Total Assets

<table>
<thead>
<tr>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>1,288,292</strong></td>
<td><strong>1,191,378</strong></td>
</tr>
</tbody>
</table>

## Current Liabilities

<table>
<thead>
<tr>
<th>Description</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creditors</td>
<td>7,859</td>
<td>18,127</td>
</tr>
<tr>
<td>Tax Liabilities</td>
<td>7,916</td>
<td>10,807</td>
</tr>
<tr>
<td>Accruals</td>
<td>13,100</td>
<td>51,511</td>
</tr>
<tr>
<td>Income In Advance</td>
<td>-</td>
<td>29,000</td>
</tr>
<tr>
<td>Provision - Annual Leave</td>
<td>55,476</td>
<td>43,284</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td><strong>84,351</strong></td>
<td><strong>152,729</strong></td>
</tr>
</tbody>
</table>

## Non-Current Liabilities

<table>
<thead>
<tr>
<th>Description</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision Long Service Leave</td>
<td>71,719</td>
<td>57,555</td>
</tr>
<tr>
<td><strong>Total Non-Current Liabilities</strong></td>
<td><strong>71,719</strong></td>
<td><strong>57,555</strong></td>
</tr>
</tbody>
</table>

## Total Liabilities

<table>
<thead>
<tr>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>156,070</strong></td>
<td><strong>210,284</strong></td>
</tr>
</tbody>
</table>

## Net Assets

<table>
<thead>
<tr>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>1,132,222</strong></td>
<td><strong>981,094</strong></td>
</tr>
</tbody>
</table>

The Statement of Assets and Liabilities should be read in conjunction with the accompanying notes.
NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The Executive Committee has determined that Kwinana Industries Council Inc. is not a reporting entity because in the Committee’s opinion, there are unlikely to exist, users who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These Financial Statements are therefore a Special Purpose Financial Report prepared in accordance with the accounting policies outlined in Note 1 to the financial statements solely to meet the requirements of the members of the Council.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act (WA) 2015 and the following Australian Accounting Standards:

AASB 110
Events after the Reporting Period

No other applicable Accounting Standards or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values, or except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

a. Income Tax
The Association adopts the liability method of tax-effect accounting whereby the income tax expense shown in the income and expenditure statement is based on the operating surplus before income tax adjusted for any permanent differences. Refer to Note 2 below.

Non-member income of the association is only assessable for tax, as member income is excluded under the principle of mutuality.

b. Property, Plant and Equipment
The Association currently expenses all capital purchases in the period in which the purchase occurred. This is consistent with the previous reporting period.

c. Provision for Employee Entitlements
The Association provides for annual leave entitlements accrued by employees plus the associated on costs. These are classified as a current liability.

 Provision is made for long service immediately rather than when the employee becomes entitled to pro-rata entitlement, which is generally after seven years of continuous service.
### NOTE 2: INCOME TAX EXPENSE

<table>
<thead>
<tr>
<th>Description</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prima facie tax payable on operating surplus before income tax at 27.5%</td>
<td>42,373</td>
<td>22,601</td>
</tr>
<tr>
<td>Add Back: Tax effect of non-taxable member income and expenses arising from the Principle of Mutualty</td>
<td>(39,417)</td>
<td>(18,001)</td>
</tr>
<tr>
<td><strong>Income tax expense</strong></td>
<td><strong>2,956</strong></td>
<td><strong>4,600</strong></td>
</tr>
</tbody>
</table>

### NOTE 3: CASH ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cheque Account</td>
<td>561,129</td>
<td>583,098</td>
</tr>
<tr>
<td>Term Deposits</td>
<td>700,000</td>
<td>500,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,261,129</strong></td>
<td><strong>1,083,098</strong></td>
</tr>
</tbody>
</table>

### NOTE 4: RECEIVABLES

<table>
<thead>
<tr>
<th>Description</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade Receivables</td>
<td>3,377</td>
<td>58,943</td>
</tr>
<tr>
<td>Sundry Debtors – Radios</td>
<td>-</td>
<td>44,850</td>
</tr>
<tr>
<td>PAYG - Cashflow Boost</td>
<td>16,654</td>
<td>-</td>
</tr>
<tr>
<td>GST Receivable (Net)</td>
<td>6,832</td>
<td>3,963</td>
</tr>
<tr>
<td>Deferred Income Tax Asset</td>
<td>-</td>
<td>234</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>26,863</strong></td>
<td><strong>107,980</strong></td>
</tr>
</tbody>
</table>

### NOTE 5: CREDITORS

<table>
<thead>
<tr>
<th>Description</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade Creditors</td>
<td>7,859</td>
<td>13,818</td>
</tr>
<tr>
<td>Superannuation Payable</td>
<td>-</td>
<td>4,309</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7,859</strong></td>
<td><strong>18,127</strong></td>
</tr>
</tbody>
</table>

### NOTE 6: TAX LIABILITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income Tax Payable</td>
<td>(2,324)</td>
<td>551</td>
</tr>
<tr>
<td>PAYG Payable</td>
<td>10,240</td>
<td>10,256</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7,916</strong></td>
<td><strong>10,807</strong></td>
</tr>
</tbody>
</table>

### NOTE 7: PROVISIONS

<table>
<thead>
<tr>
<th>Description</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual Leave (Including 9.5% superannuation on-costs)</td>
<td>55,476</td>
<td>43,284</td>
</tr>
<tr>
<td><strong>Non - Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long Service Leave (Including 10% superannuation on-costs)</td>
<td>71,719</td>
<td>57,555</td>
</tr>
</tbody>
</table>
NOTE 9: RESERVES

<table>
<thead>
<tr>
<th></th>
<th>2020 $</th>
<th>2019 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Balance 1 July</td>
<td>121,692</td>
<td>112,533</td>
</tr>
</tbody>
</table>

TRANSFER FROM RESERVES – (REFER NOTE 9):

<table>
<thead>
<tr>
<th>Category</th>
<th>2020 $</th>
<th>2019 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>182,761</td>
<td>55,000</td>
</tr>
<tr>
<td>Air Quality</td>
<td>35,000</td>
<td>35,000</td>
</tr>
<tr>
<td>Noise</td>
<td>16,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Marine</td>
<td>50,000</td>
<td></td>
</tr>
<tr>
<td>Planning &amp; Buffer</td>
<td>50,000</td>
<td></td>
</tr>
<tr>
<td>Public Affairs Group</td>
<td>25,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Public Safety</td>
<td>25,500</td>
<td>20,500</td>
</tr>
<tr>
<td>Workforce and Education</td>
<td>40,000</td>
<td>10,000</td>
</tr>
</tbody>
</table>

TRANSFER TO RESERVES – (REFER NOTE 9):

<table>
<thead>
<tr>
<th>Category</th>
<th>2020 $</th>
<th>2019 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>(109,887)</td>
<td>(114,455)</td>
</tr>
<tr>
<td>Air Quality</td>
<td>(42,084)</td>
<td>(18,348)</td>
</tr>
<tr>
<td>Marine</td>
<td>(181,599)</td>
<td>(2,431)</td>
</tr>
<tr>
<td>Noise</td>
<td>(13,472)</td>
<td>(31,552)</td>
</tr>
<tr>
<td>Planning &amp; Buffer</td>
<td>(22,722)</td>
<td>(18,673)</td>
</tr>
<tr>
<td>Public Affairs Group</td>
<td>(46,757)</td>
<td>(7,924)</td>
</tr>
<tr>
<td>Public Safety</td>
<td>(23,216)</td>
<td>(15,544)</td>
</tr>
<tr>
<td>Workforce and Education</td>
<td>(72,598)</td>
<td></td>
</tr>
</tbody>
</table>

NET TRANSFER (TO)/FROM RESERVES

<table>
<thead>
<tr>
<th>Category</th>
<th>2020 $</th>
<th>2019 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Year Surplus after Income Tax</td>
<td>151,128</td>
<td>77,586</td>
</tr>
</tbody>
</table>

CLOSING BALANCE 30 JUNE

<table>
<thead>
<tr>
<th></th>
<th>2020 $</th>
<th>2019 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Balance 1 July</td>
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<tr>
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</tr>
<tr>
<td>Payment from Reserve</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Transfer to Retained Surplus</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Closing Balance 30 June 2020</td>
<td>242,269</td>
<td>212,638</td>
</tr>
</tbody>
</table>

NOTE 9: RESERVES

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<tr>
<th>Category</th>
<th>2020 $</th>
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</tr>
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<tbody>
<tr>
<td>Administration</td>
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</tr>
<tr>
<td>Air Quality</td>
<td>205,554</td>
<td>42,084</td>
</tr>
<tr>
<td>Marine</td>
<td>24,239</td>
<td>181,599</td>
</tr>
<tr>
<td>Noise</td>
<td>58,879</td>
<td>13,472</td>
</tr>
<tr>
<td>Planning &amp; Buffer</td>
<td>70,614</td>
<td>22,722</td>
</tr>
<tr>
<td>Public Affairs Group</td>
<td>65,730</td>
<td>46,757</td>
</tr>
<tr>
<td>Public Safety</td>
<td>27,903</td>
<td>23,216</td>
</tr>
<tr>
<td>Workforce and Education</td>
<td>91,340</td>
<td>72,598</td>
</tr>
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</table>

TOTAL Reserves

<table>
<thead>
<tr>
<th></th>
<th>2020 $</th>
<th>2019 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>859,402</td>
<td>208,927</td>
</tr>
<tr>
<td>Air Quality</td>
<td>-</td>
<td>(140,500)</td>
</tr>
<tr>
<td>Marine</td>
<td></td>
<td>87,487</td>
</tr>
<tr>
<td>Noise</td>
<td></td>
<td>25,619</td>
</tr>
<tr>
<td>Planning &amp; Buffer</td>
<td></td>
<td>123,938</td>
</tr>
<tr>
<td>Public Affairs Group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Safety</td>
<td></td>
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<tr>
<td>Public Safety</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Workforce and Education</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
NOTE 10: COMPARATIVES
Kwinana Industries Council has entered into expenditure commitments with external parties over more than one reporting period. We have summarised the material commitments under these contracts below:

- **The Cruising Yacht Club of WA - Sponsorship of Cockburn Sound Regatta**
  Three year partnership agreement to 30 June 2020 for $5,000 per annum ($15,000).

- **Koorliny Arts Centre Incorporated - Sponsorship of the Performance Season**
  Three year agreement to 30 June 2020 for $10,000 per annum ($30,000).

- **Perth NRM - Sponsorship of CoastCare in the KIA Program**
  Three year partnership agreement to 30 June 2020 for $10,000 per annum ($30,000).

The commitments remaining from the above at the reporting date can be summarised as follows:

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cash</td>
<td>In Kind</td>
</tr>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Less than 1 year</td>
<td>20,000</td>
<td>-</td>
</tr>
<tr>
<td>Between 1 and 5 years</td>
<td>25,000</td>
<td>-</td>
</tr>
<tr>
<td>Greater than 5 years</td>
<td>45,000</td>
<td>-</td>
</tr>
</tbody>
</table>

|                  | 2019       | 2019       |
|                  | Cash       | In Kind    |
|                  | $          | $          |
| Less than 1 year | 20,000     | -          |
| Between 1 and 5 years | 25,000 | -          |
| Greater than 5 years | 45,000 | -          |

NOTE 11: COMPARATIVES
Where necessary, comparative information has been amended to facilitate comparison.
INDEPENDENT AUDIT REPORT
TO MEMBERS OF KWINANA INDUSTRIES COUNCIL INCORPORATED
AS AT 30 JUNE 2020

We have audited the accompanying financial report, being a special purpose financial report, of Kwinana Industries Council Incorporated which comprises the income and expenditure statement for the year ending 30 June 2020, the statement of assets and liabilities as at 30 June 2020, a statement of significant accounting policies, other explanatory notes and the Executive Committee Statement.

The Responsibility of the Executive Committee for the Financial Report
The Executive Committee of the Kwinana Industries Council Incorporated is responsible for the preparation and fair presentation of the financial report and has determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the financial reporting requirements of the constitution and are appropriate to meet the needs of the members. The Committee’s responsibility also includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor’s Responsibility
Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association’s preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Council’s financial reporting under the constitution. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
Independence
In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor’s Opinion
In our opinion, the financial report on pages 2 to 8 gives a true and fair view of the financial position of Kwinana Industries Council Incorporated as of 30 June 2020 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis of Accounting
Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting.

The financial report has been prepared to assist the Kwinana Industries Council Incorporated to meet the requirements of the association’s constitution and the Associations Incorporation Act 2015 (WA). As a result, the financial report may not be suitable for another purpose.

2020 Global Pty Ltd

Bruce Donald
Director

Dated this 18th Day of September 2020