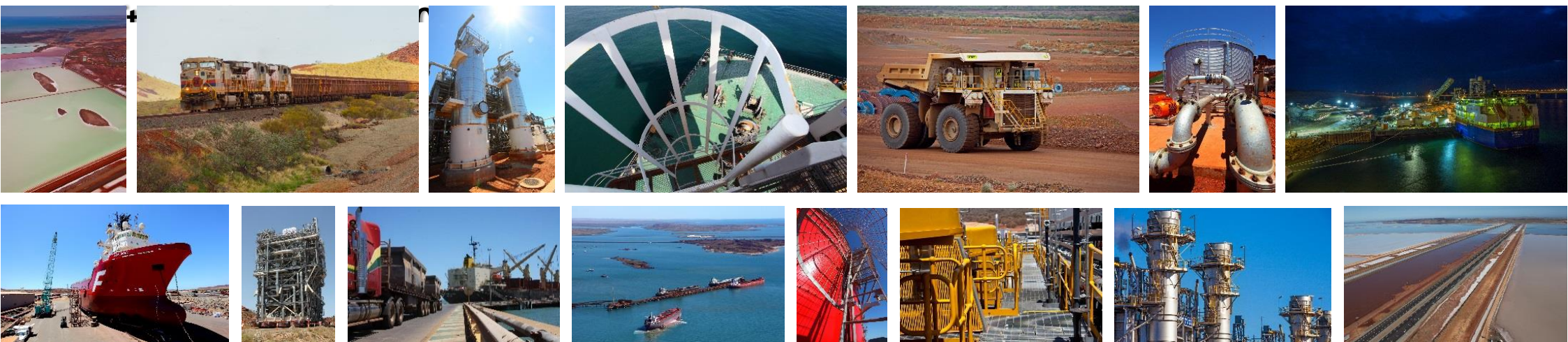


# OPERATIONAL ECONOMIC DEVELOPMENT STRATEGY 2014 -2016



## Key Economic Development Actions

The City of Karratha Operational Economic Development Strategy to 2016 provides the direction for the key economic development strategies and tasks to be undertaken by the Economic Development Unit in collaboration with internal and external stakeholders that will drive the diversification of the City's economy.



## Foreword

The City of Karratha Operational Economic Development Strategy to 2016 provides the direction for the key economic development strategies and tasks to be undertaken by the Economic Development Unit in collaboration with internal and external stakeholders that will drive the diversification of the City's economy.

In the context of this document:

- a) the use of the term "City" refers to the entire Local Government Area of the City of Karratha encompassing Dampier, Karratha, Wickham, Roebourne, Point Samson and Cossack.
- b) the use of the term "City of Karratha" refers specifically to the Local Government, which consists primarily of the Council, the staff employed by the municipality and the assets directly under the control of the Council.



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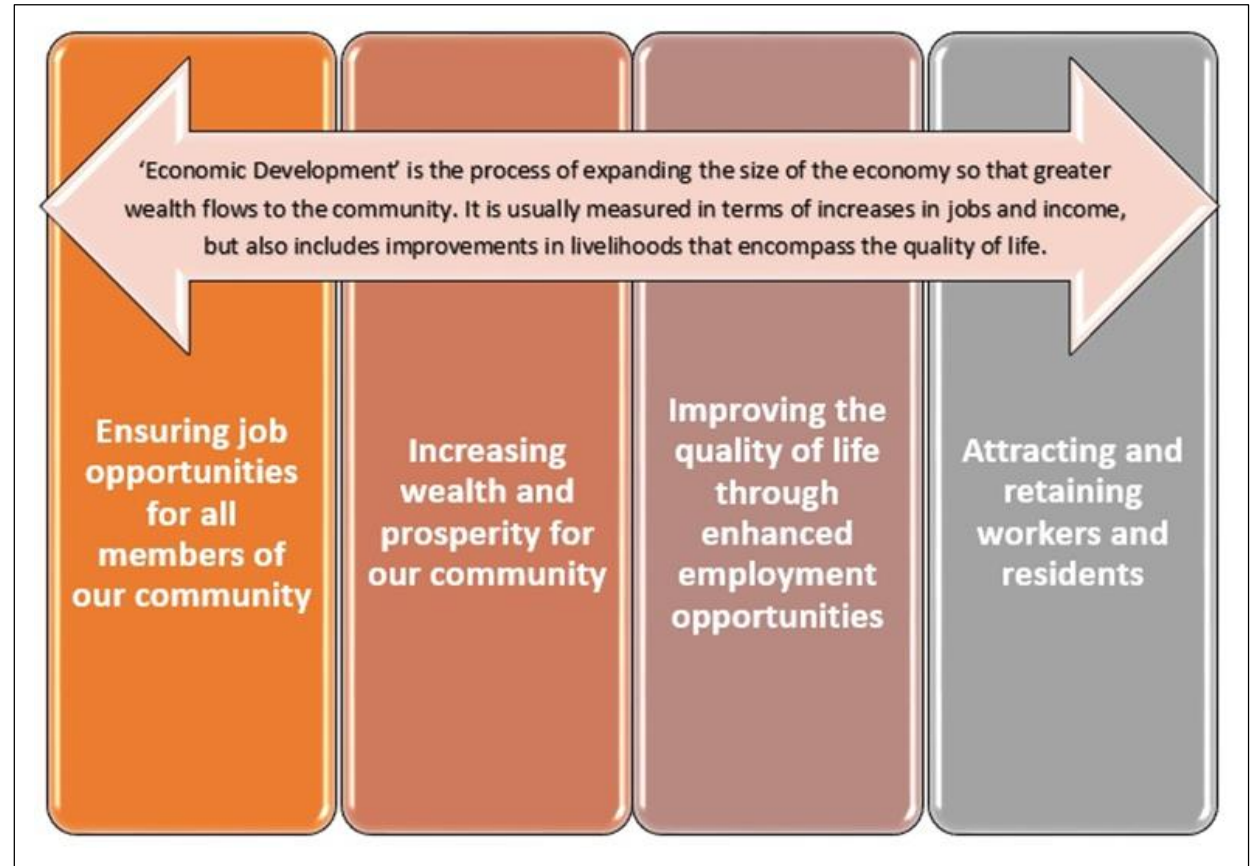
## 1.0 What is Economic Development?

'Economic Development' is the process of expanding the size of the economy so that greater wealth flows to the community. It is usually measured in terms of increases in jobs and income, but also includes improvements in livelihoods that encompass the quality of life (education, health, lifestyle, culture and environment) and overall community wellbeing<sup>1</sup>

Economic development is a dynamic process and must be distinguished from the current status of the overall economy (national, state or local).

Economic development requires actions and making choices based on a shared understanding by the stakeholders on the benefits and outcomes.

At the local government level, economic development is about delivering positive outcomes for communities in line with their wants, capacity and requirements.

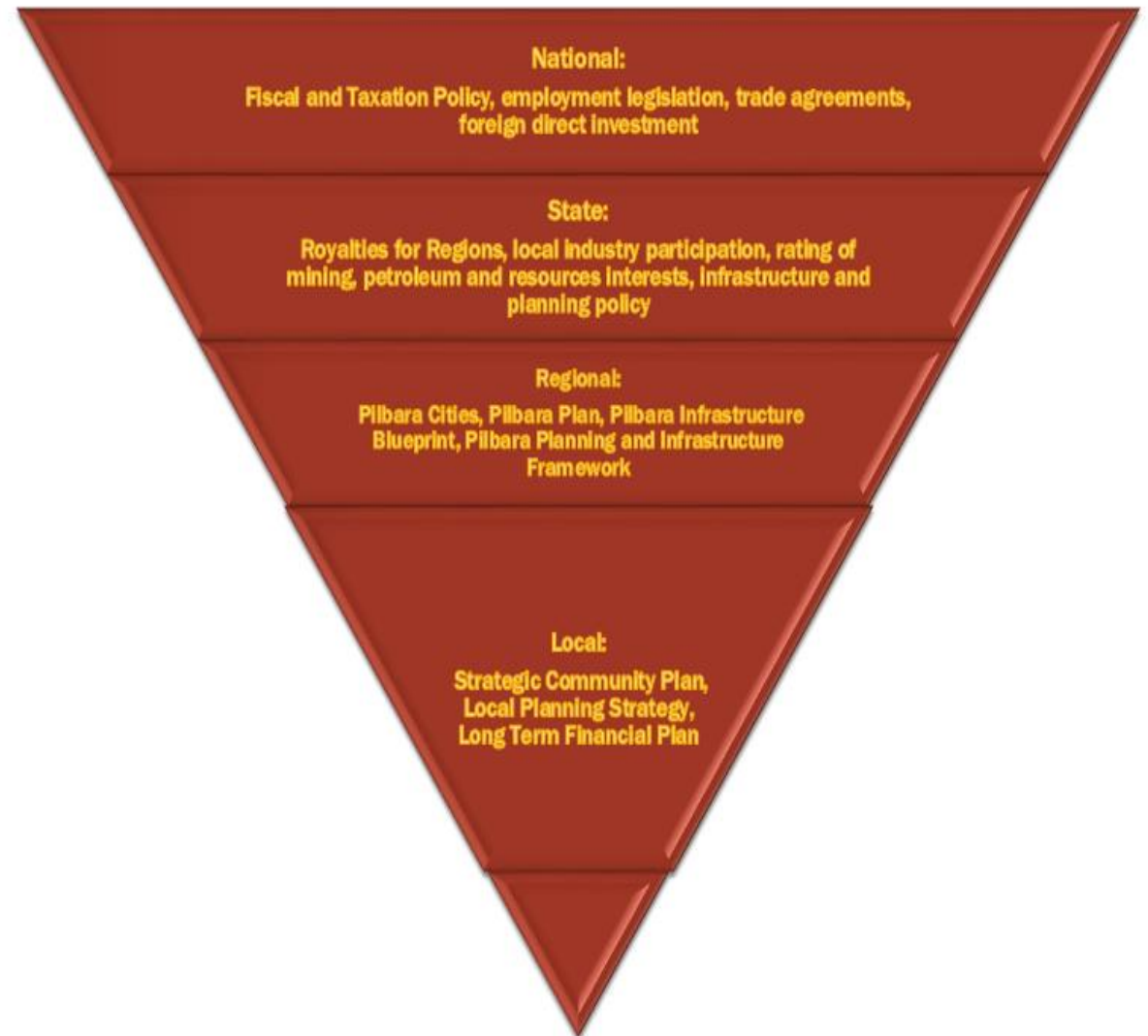




## 1.1 What is the relationship between Federal, State and Local Government in relation to economic development?

Economic development cascades down from National economic policies and strategies (such as on foreign direct investment, trade agreements, employment legislation, taxation etc) to State policies and actions (such as R4R, infrastructure investment, education and health) to Local Government (such as Lobbying, Business Attraction, Engendering Partnerships, Planning, Research, and Land Development).

Economic development is also both competitive and collaborative. It requires both promoting the advantages of our area compared to another, but also collaborating with potential competitors for a share of a growing economic pie.



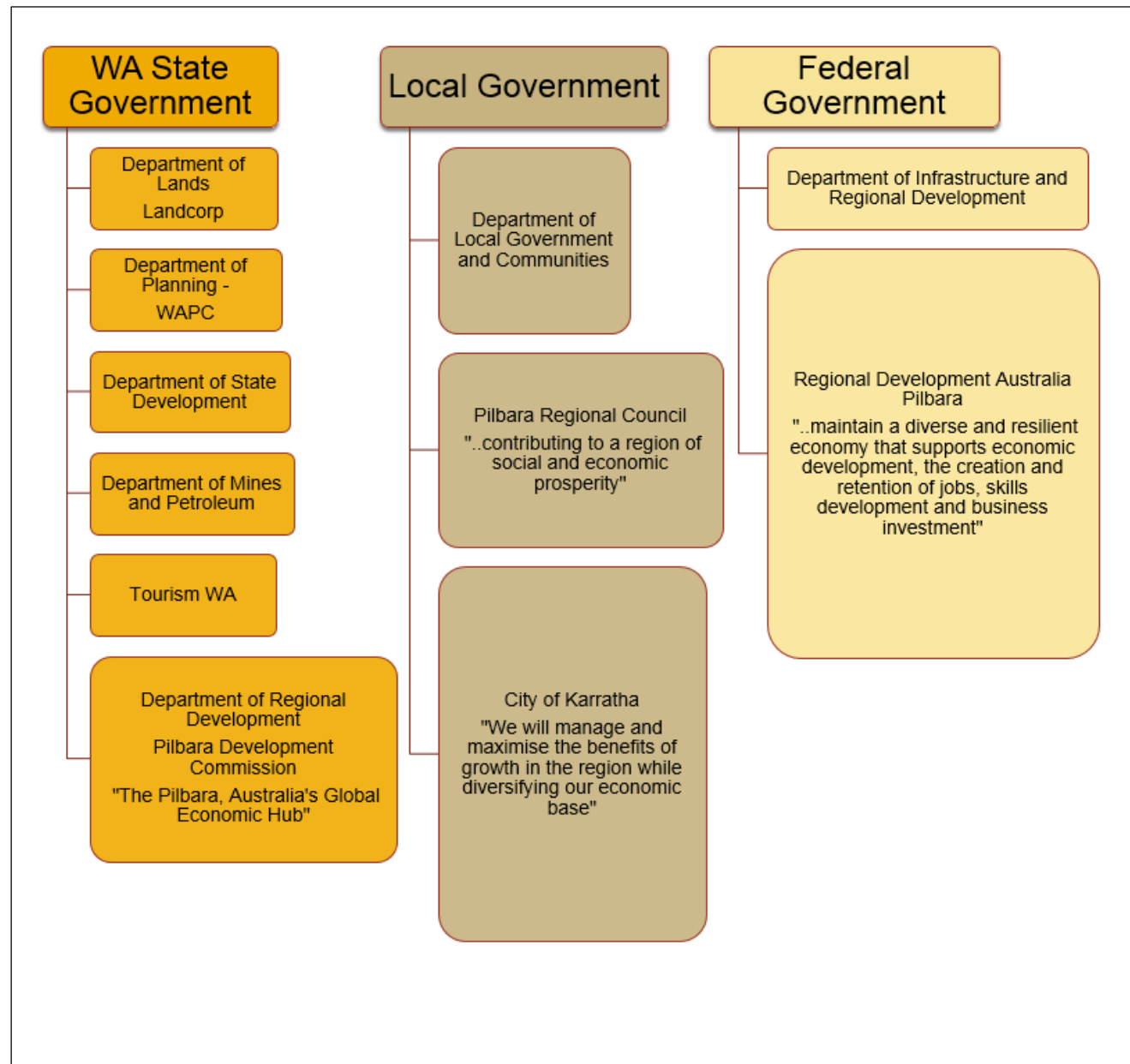


## 1.2 What Government Agencies are involved in economic development?

It is important to acknowledge that there are numerous actors and stakeholders involved in leading, facilitating and advocating for economic development in the region. The following charts present most of the key players with whom the City of Karratha has a direct and regular relationship. This usually means that the City either has a formal reporting relationship (such as to the Department of Local Government and Communities), a partnership or a stakeholder relationship.

In the latter case this often means the City either is represented on the agency's committee(s), is invited to participate in relevant projects or task forces or is invited to respond to various policies, positioning papers or project proposals.

There is no single agency that is solely responsible for the entire theme of economic development. The Pilbara Development Commission (PDC) places the most emphasis on this theme across the Pilbara, as its Key Objective is Economic Diversification, within its overarching mandate of leading and supporting sustainable development of the Pilbara region.





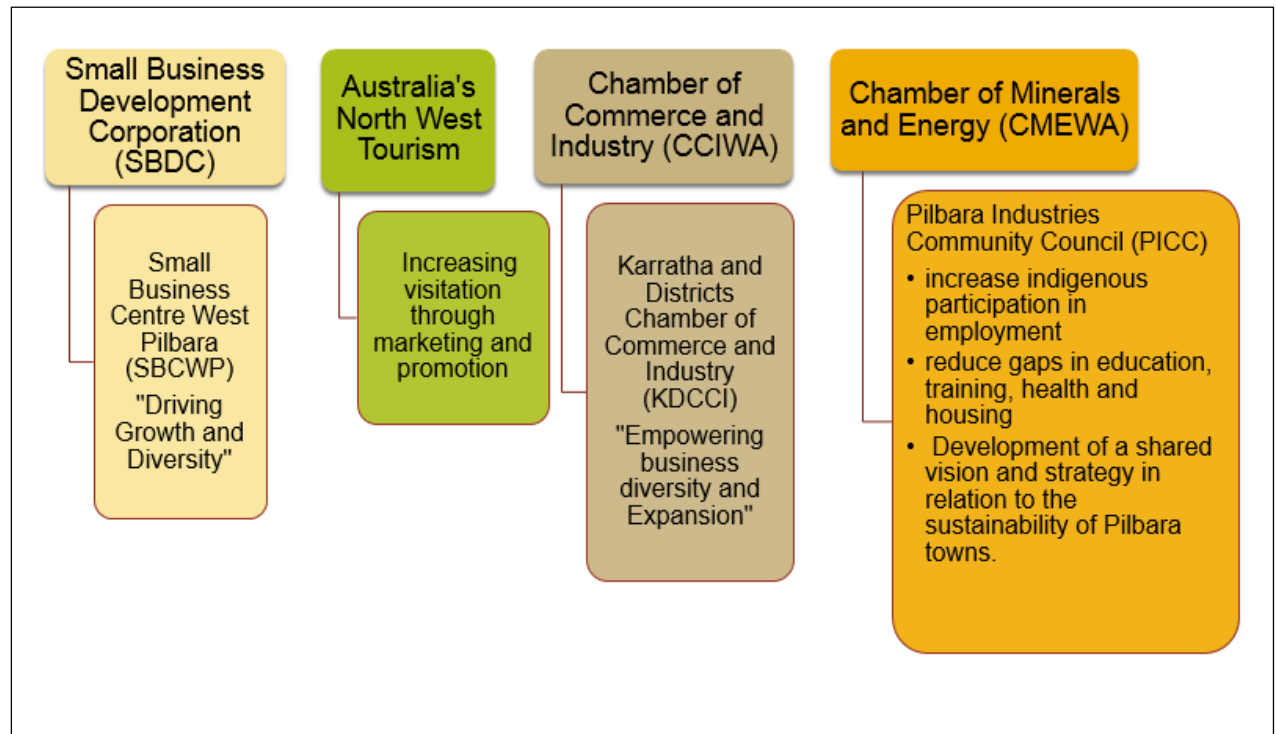
### 1.3 What other agencies are involved in economic development in the region?

In addition to the three tiers of government and their respective agencies, there are a number of membership based business, industry, tourism and commerce organisations that all contribute to economic development in the region through a range of membership services and projects.

However it is worth noting that the institutional structures detailed provide the enabling environment within which the real drivers of economic development operate – that being the private and public companies that invest in the region in general and the City of Karratha in particular.

It is also important to realise that while each of the agencies shown in the charts has a formal mandate (usually derived from legislation) that governs its areas of responsibility, the operational side is a dynamic environment that at any moment in time may or not intersect with the aspirations of the City. Most of the economic development activity is project driven, and if there is a major project such as the Gap Ridge Industrial Estate then a number of the stakeholders come together in the planning and implementation, in this case Landcorp, PDC and the City of Karratha.

In this environment the City of Karratha needs to maintain a fluid and flexible economic development model that at different times will lead, facilitate or advocate specific programmes and projects in collaboration with those other agencies and organisations involved.





## 2.0 Why does the City of Karratha need an Operational Economic Development Strategy?

### 2.1 Our Economy: Well Managed and Diversified

The City's Strategic Community Plan (SCP) 2012-2022 outlines the future of our municipality and how we will work together towards building a sustainable, attractive, stable and liveable community. One of the four core Strategic Themes of the SCP is Strategic Theme Two: Our Economy: Well Managed and Diversified with the following goal:

We will manage and maximise the benefits of growth in the region while diversifying our economic base.

### 2.2 The City faces unique issues and challenges which in turn present opportunities for development.

The following table highlights the issues and challenges facing our community raised in a wide range of economic oriented studies and assessments undertaken in recent times. They highlight opportunities that present themselves as potential strategies and initiatives for action.

Issue/Challenge	Opportunity
<b>Disproportionate small business sector</b> , which does not provide the full range of services that would normally be expected in a community of this size.	<ul style="list-style-type: none"> <li>Undertake further map &amp; gap analysis to determine what additional services are required</li> <li>Undertake a range of strategies to improve local supply chain opportunities</li> </ul>
<b>High development costs</b> (Karratha factor 50% +) - due to skilled labour shortages, cyclone rating, transportation costs for materials, high costs of contractors, expensive base materials	<ul style="list-style-type: none"> <li>Investigate feasibility of local manufacturing and prefabrication to minimise transportation and labour costs</li> </ul>
<b>Investment risks</b> – for all levels of public and private sectors. Banking sector views the region as a mono-economy	<ul style="list-style-type: none"> <li>Minimise risk through thorough provision of quality research, information and market analysis</li> <li>Advocate with financial institutions to develop understanding of local conditions</li> </ul>
<b>Pilbara time</b> – the additional time taken to plan, seek approvals and implement projects	<ul style="list-style-type: none"> <li>Enable thorough planning and consultation with relevant authorities</li> <li>Educate proponents on the unique Pilbara climatic and economic conditions</li> </ul>
<b>Infrastructure capacity</b> constraints with power, water and waste water which impact on timely release of land for development	<ul style="list-style-type: none"> <li>Enable and advocate for collaboration between public and private sectors to advise of, plan for and implement utility infrastructure in a timely manner to facilitate development</li> </ul>
<b>Housing affordability</b> – still 41.5% more expensive than Perth (Regional Prices Index 2013). However down from 102% in 2011	<ul style="list-style-type: none"> <li>Monitor supply and demand for housing and land</li> <li>Advocate and plan for timely release of housing and land developments</li> </ul>
<b>Skilled workforce</b> - The ability to attract and retain skilled workers. This is particularly impacting on the government, non-government and small business sectors.	<ul style="list-style-type: none"> <li>Create an amenable city with quality services and facilities, with diverse opportunities for work, recreation and entertainment</li> </ul>
<b>Cost of Living</b> - Karratha is the second most expensive town in regional WA to live and work after Port Hedland, (18.8% higher than Perth - 2013 Regional Prices Index).	<ul style="list-style-type: none"> <li>Address issues of affordability, particularly in the housing area</li> <li>Provide packages for employees which compensate for the high cost of living</li> </ul>
<b>Tyranny of distance</b> – dislocation from markets and major locations	<ul style="list-style-type: none"> <li>Undertake a supply chain analysis to determine what local economic opportunities are feasible</li> </ul>
<b>Lack</b> of business and industry diversification	<ul style="list-style-type: none"> <li>Stimulate economic diversity</li> </ul>



## 2.3 The City has undergone revitalisation and renewal.

Significant infrastructural and service investments have taken place in the City of Karratha over the last five years. Large housing developments have made considerable headway into stabilising the local property market currently demonstrated by a wider range of stock on offer, price and product differentials. In the retail and commercial sector there are similar developments such as Pelago offering new office opportunities.

On the industrial front the impact of Gap Ridge Industrial Estate is now being felt with space opening up in the old Karratha Industrial Area and significant new space currently available in Gap Ridge. Again product and price differentiation is re-entering the commercial and industrial market.

There remain challenges however for small businesses in terms of affordability of work space, labour costs and housing which has underpinned the call for a small business incubator to encourage new start-ups to plug the gaps in the retail and commercial sectors.

The community/social area has had equally significant developments with more still in the pipeline. The Karratha Leisureplex and new Karratha Senior High School have created a new first class precinct that not only significantly improves the education and recreation offering but also the facilities that can support business and entertainment events.

The planned new health campus and cultural precinct will both provide a level of service and offering that the town has long aspired to. Pipeline developments such as a new up-market hotel in the city centre and the re-development of the golf course precinct, when completed, will give Karratha most of the major assets one would expect to see in a liveable and stable mid-sized town in WA.

Utility upgrades such as water, roads, power and air transport – some completed, some underway, some under development - will all support the vision of Karratha as a regional capital befitting of its inclusion in the W.A Regional Capitals Alliance (WARCA).

Within the rest of the municipality the most significant recent development has been the residential and community services construction in Wickham, which is transforming what was a hamlet into a small town with some high-quality accommodation and recreation facilities.

Roebourne and Dampier will also, to a smaller extent also benefit from the new cultural centre being built in the former and the community centre that is planned for the latter. For Dampier there is the potential for significant revitalisation particularly in the boating and marine sector. For Roebourne the mobilisation and leverage of the Aboriginal Corporations resources in particular has potential to inject new life back into the town.

The historic town of Cossack also presents opportunities with Council considering a range of options with a preference for developing it as a primary tourism destination, focussing on the natural, indigenous and built heritage elements with possible opportunities for the development of a low impact eco-village or something similar with associated improvements to the local amenity.

Overall the developments to date have been aimed at overcoming the significant gap that had developed during the mining boom between the needs of the community and businesses residing in the municipality and what was on offer. The stimulus package that was driven by Royalties for Regions has laid the foundation for economic diversification. The next phase will be to continue to transform the municipality from the perception of it being a mono-economy into one that has a number of sustainable economic pillars.



## 2.4 The City of Karratha is well positioned for the Future via the Local Planning Strategy

A major local planning process is underway which will result in not only a long term physical planning strategy for the City as a whole but also specific local structure plans for each of the urban centres in the City. Once complete, these plans will provide the strategic blueprint for urban development in the City of Karratha for the next 20-30 years.

Building on the backbone of The City of Karratha's Local Planning Strategy (LPS) sets out the long-term planning direction for our City and guides Council, investors, developers, infrastructure providers and the community on where growth can occur and how it will be managed. It provides a strategic framework for future development and the rationale for land use zoning defined within the Local Planning Scheme.

The LPS will serve as a 'blue print' to guide growth, development and capital investment in the municipality over the next 20 years. It will be reflective of the unique character of the City of Karratha. It will address the need to plan for population and economic growth, and the associated demand for a range of housing options, employment opportunities, recreational, leisure, entertainment, retail and community facilities.

Operationalisation of the plans will be driven by local government budget allocations, and state and federal funding. It will be implemented by private sector investment, particularly by urban developers and the major resources companies. The speed at which private development takes place will be determined by market conditions but the planning process establishes the guidelines for such development.

## 2.5 The City of Karratha has transitioned from the City of Roebourne

The move to city status was the next logical step in the municipality's evolution from a predominantly mining and port community to major regional centre.

"This is a milestone day for the people and local government of this area, as it signifies a change in status from a City to a city. This positions the local government area for the future, from its mining focus to a regional city and home for people and businesses wanting to take advantage of its strategic importance"

The Hon. Tony Simpson MLA, Minister for Local Government

"The transformation from a City to City marks a significant milestone in the City of the North vision to grow Karratha into a thriving regional city of up to 50,000 people.

We're starting to look and feel much more like a city with the Karratha Leisureplex and Sharpe Avenue opening in 2013 and the Karratha Airport upgrades kicking off in 2014 as well as the GP Super Clinic and The Quarter.

The change will also allow us to market ourselves at a higher level across the country and internationally and obtain more funding set aside for major centres, promoting investment, jobs and long-term economic sustainability across the region."

Cr Peter Long, Mayor – City of Karratha



## 2.6 The City is at the crossroads of its next phase of development.

The scene has been set with revitalisation, planning and transition to City status to position the municipality for the next phase of its development. A key question that needs to be debated and answered is how interventionist the City should be with regard to Economic Development.

While the resources construction boom of the last five years was underway and the Royalties for Regions funds came rapidly on stream there was little time or even need for such esoteric reflection. It was a period of rapid growth as demonstrated by all the GRP and demographic data, and a time of crisis management to ensure the available utilities, physical and social infrastructure could carry the burden.

As predicted, the recent construction phase of a number of resource projects has now tailed off and there is a shift from construction to operations with some record production levels being achieved, especially in the iron ore sector. The current focus is of normalising the market and making sure our municipality is development ready for future growth demands that are likely to eventuate from major projects such as the Anketell Strategic Industrial Area and Port and other projects further down the pipeline.

Employment growth is vital for the City if it wants to achieve the aspirational population targets that are contained in the major strategic papers such as Pilbara Cities Vision and Karratha City of the North. Employment growth will be facilitated by economic diversification and workforce development both of which the City needs to adopt a leadership position.

**The City of Karratha's Local Planning Strategy will guide the long term planning direction for the municipality whilst the Economic Development Strategy prioritises the programs and projects to stimulate jobs and diversification.**





### 3.0 What should the City of Karratha Focus On?

To affect economic development our municipality has three instruments at its disposal:

It can **implement** a project or activity that will have an economic development impact using its own assets or in partnership with another party or parties.

It can **facilitate** economic development by creating a conducive regulatory or planning environment and,

It can **advocate** for economic development by engaging with prospective investors (public and private) that may bring assets into the Municipality or lobby with the relevant authorities to enhance the necessary infrastructure.

The strategic focus of the City's Operational Economic Development Strategy is:

**Retaining Jobs:** focus on ensuring that current employers in the local economy do not leave the Municipality.

**Creating Jobs:** focus on the existing economic actors growing their operations and/or attracting new players into the local economy.

**Workforce Development:** focus on creating opportunities for the existing workforce to have the skills and be adaptable to any changes in the local economic environment.

The jobs and workforce development focus will be addressed via the achievement of the three major goals:

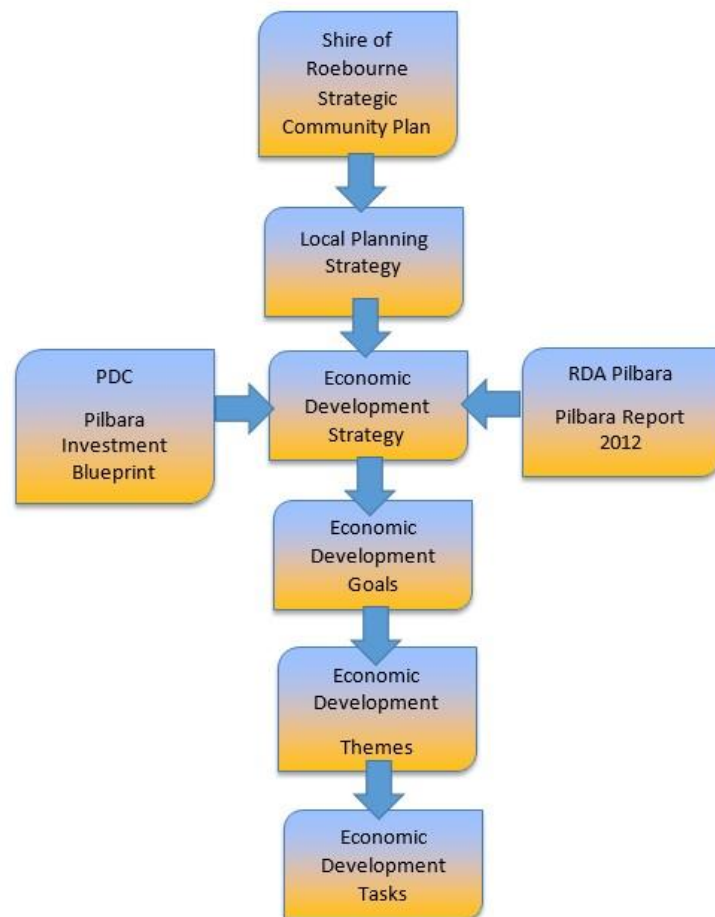
1. **Diversify the Economy**
2. **Enhance the Reputation of the City**
3. **Enable businesses to Thrive**



Major Goal	Focus Area	Rationale
1. Diversify the Economy	<ul style="list-style-type: none"> <li>Micro and Home Based Businesses</li> <li>Small to Medium Enterprise</li> <li>Franchises</li> </ul>	<p>Development of the SME sector is critical to mitigate structural flaws in the local economy i.e. :</p> <ul style="list-style-type: none"> <li>half the number of businesses per capita compared to the WA average;</li> <li>the vast majority of businesses are either resources based or servicing the resources sector leading to a lack of economic diversity;</li> </ul> <p>The small business sector nationally contributes 35% of the GDP and employs approximately 50% of all employment. Clearly that is not the case in our municipality and there is a strong case for a major focus in this area. A gap analysis will assist in identifying potential areas that the community wants in terms of retail, commercial and light industrial business. A key strategy here is linking up identified retail and commercial space, potential opportunities with interested parties to effect an outcome.</p>
	<ul style="list-style-type: none"> <li>Investment Climate</li> </ul>	It is important to articulate accurate market conditions to financial and banking institutions so that local investors are not disadvantaged by broad regional policy on lending requirements.
	<ul style="list-style-type: none"> <li>Tourism</li> </ul>	The potential for tourism based enterprise development is widely acknowledged. Changes to the local economy including improved availability/affordability of accommodation and changes to the job market making it easier to attract workers into tourism and hospitality combined with calls for greater economic diversity make it an ideal time to capitalise on the regions' iconic tourism assets. The City can work closely with relevant stakeholders in government and the Tourism industry to enhance tourism product and provide effective visitor information services.
	<ul style="list-style-type: none"> <li>Industry Development and Diversification</li> </ul>	A range of economic studies prepared in the Pilbara including the Karratha City of the North Plan point to the need to develop a more robust, flexible and adaptable local economy that effectively services the needs of local and regional industry and population.
2. Enhance the Reputation of the City	<ul style="list-style-type: none"> <li>Communicate the City's assets, advantages and aspirations</li> <li>Investment Attraction</li> <li>Global Linkages</li> <li>CBD Activation</li> </ul>	<p>The City of Karratha at the cross roads of the next phase of investment having recently:</p> <ul style="list-style-type: none"> <li>Undergone significant revitalisation and renewal of civic infrastructure providing an enhanced level of amenity</li> <li>Achieved City status with a raised profile Australia wide</li> <li>Commenced an international relationship with a port city in China</li> </ul> <p>Now is the time to build on this profile and actively market the City both nationally and internationally.</p>
3. Enable businesses to thrive	<ul style="list-style-type: none"> <li>Knowledge and Information Provision</li> <li>Innovative Business and the Growth of the Digital Economy</li> <li>Resource Utilisation</li> <li>Infrastructure Planning</li> <li>Workforce</li> </ul>	<p><b>Knowledge and Information Provision</b> - The provision of authoritative information sources enhances decision making, planning and development outcomes by internal and external stakeholders.</p> <p><b>Digital Economy</b> - World's best-practice shows that regions that can innovate and are technologically ready for what the future holds are most likely to experience continued economic growth. Digital technologies, including the National Broadband Network (NBN), present great opportunities to advance the City's prosperity, social capital and sustainability. A digital strategy will articulate the strategies and initiatives that the City of Karratha can undertake in collaboration with its stakeholders to leverage the NBN for Council, community and business.</p> <p><b>Workforce</b> – Council can play a strategic role in advocating and facilitating for a diverse, skilled and adaptable local workforce which is required to meet the needs of industry, commerce and business and to fulfil the vision for Karratha: City of the North.</p>



## 4.0 Local and Regional Economic Development Policy Alignment



## 5.0 Guiding Principles for Economic Development Facilitation

⇒ The City of Karratha has a leadership role to play in implementing, facilitating and advocating for job attraction and retention to underpin the planned population growth.

⇒ The City of Karratha's Local Planning Strategy will guide the long term land use planning direction for the municipality whilst the Economic Development Strategy prioritises the strategies and task to stimulate jobs and business diversification.

⇒ The City of Karratha's Economic Development Strategy will enable appropriate strategies and initiatives to address the unique issues, challenges and opportunities that exist within our region.

⇒ The City of Karratha will focus its resources and energies on activities where there are measurable outcomes and long term strategic economic benefits.

⇒ The City of Karratha will collaborate with other regional stakeholders (in government, institutions and industry) in the pursuit of economic prosperity and the development of local employment opportunities.



# Key Operational Economic Development Actions for 2014/15-2016/17

## Strategic Goal 1: Diversify the Economy

EDA = Economic Development Advisor

Area	Objectives	ED Tasks		Who	Budget	Priority	KPI	14/15	15/16	16/17
<b>1.1 Small to Medium Enterprise Development including Micro, Home based Businesses &amp; Franchises</b>	1.1.1 Strengthen microbusiness and SME outcomes via the facilitation of business support services, education programmes, networking and targeted business development	1.1.1.1	Work with stakeholders to match up vacant retail/commercial spaces with appropriate business identified in the map and gap analysis: i) Investigating opportunities and target gaps in local business market including franchise opportunities. ii) Marketing agent for vacant spaces iii) Leveraging supply chain opportunities for local business iv) Maximise procurement opportunities for local business to support city building projects	EDA KDCCI SBCWP	KDCCI \$20k/yr SBCWP \$20k/yr	High	Reports from KDCCI and SBSWP	Ongoing	Ongoing	Ongoing
						High	Survey results	Q1, Q3	Q1, Q3	Q1, Q3
						High	Project Updates	Quarterly meetings	Quarterly meetings	Quarterly meetings
						Medium				
						Medium				
						Medium				
						Medium	4 breakfasts annually	Q1 Quarterly meetings	Q1 Quarterly meetings	Q1 Quarterly meetings
						Medium				
						Medium	%increase in number of businesses within the city	Q2 Q1 Q1	Q1	Q1
						High		Q1		
		1.1.1.2	Work with key agencies to progress business case for a business incubator							
		1.1.1.3	Manage funding partnerships with KDCCI and SBCWP							
		1.1.1.4	Sponsor and support the SBCWP in the delivery of a home based business network and provision of business start-up statistics							
		1.1.1.5	Implement a business confidence survey							
		1.1.1.6	Facilitate small business breakfast briefings							
		1.1.1.7	Sponsor KDCCI's Business Excellence Awards – Best Home Based Business category							
		1.1.1.8	Sponsor KDCCI Pilbara Pulse Economic Summit 2014							
		1.1.1.9	Facilitate a trade stand at the Karratha Business Expo 2014 to promote the City's economic development initiatives							
		1.1.1.10	Sponsor KDCCI in delivering the 2014/15 Business and Community Directory							
<b>1.2 Investment Climate</b>	1.2.1 Facilitate improved understanding of local economic conditions & investment opportunities with financial institutions in order to Increase financial investment opportunities	1.2.1.1	Provide up-to-date, accurate local economic information in the form of briefings and tours, prospectus documents, reports and other data	EDA	\$5k	High	No. of meetings held per annum	Ongoing	Ongoing	Ongoing
		1.2.1.2	Build relationships with key personnel from finance companies, banking institutions and valuation businesses.			Medium		From Q1	Ongoing	Ongoing



## Strategic Goal 1: Diversify the Economy (Cont)

EDA = Economic Development Advisor

Themes	Objectives	ED Tasks	Who	Budget	Priority	KPI	14/15	15/16	16/17
<b>1.3 Tourism</b>	1.3.1 Elevate The City of Karratha's reputation as a premier Pilbara tourism destination enhanced through the development of quality tourism infrastructure, visitor information services and product development	1.3.1.1 Formulate a comprehensive tourism strategy addressing attractions, activities, access, amenity, advocacy and accommodation with strong linkages to the Pilbara Tourism Product Development Plan	Tourism Advisory Group	\$50k	High	% increase of: • tourism businesses • tourism jobs • visitors	Q2	Ongoing	Ongoing
		1.3.1.2 Develop promotional materials specific to local attractions	EDA	\$10k	Medium		Q2	Ongoing	Ongoing
		1.3.1.3 Manage visitor information services partnerships		TBD	High	\$ value of grants received for tourism			
		1.3.1.4 Seek out and apply for appropriate tourism grants to support product and program development			High		Q1	Ongoing	Ongoing
		1.3.1.5 Investigate smart phone applications to promote local tourism product		\$5k	Medium		Q1	Ongoing	Ongoing
		1.3.1.6 Facilitate the City's Tourism Advisory Group			Medium		Q2	Ongoing	Ongoing
		1.3.1.7 Represent the City on the Pilbara Tourism Product Development Plan and Pilbara Railway Museum Steering Committees			Medium		Q2	Ongoing	Ongoing
							Ongoing	Ongoing	Ongoing
<b>1.4 Local Industry development and diversification</b>	1.4.1 Increase opportunities for industry development and diversification	1.4.1.1 Investigate opportunities for industry development and diversification with a particular focus on the following sectors: 1.4.1.1.1 Oil, Gas and Marine Services 1.4.1.1.2 Sport and Recreation 1.4.1.1.3 Arts and Culture	EDA	\$30k/yr	High	1	Q2	Ongoing	Ongoing
		1.4.1.2 Promote investment in LNG & Marine sector through provision of quality research, information and market analysis			Medium		Q2	Ongoing	Ongoing
		1.4.1.3 Lobby for the expansion of strategic marine industry infrastructure e.g. Dampier Marine Services Facility			Medium		Q1	Ongoing	Ongoing
		1.4.1.4 Implement "Film Friendly" status for Karratha and promote.			Medium				
		1.4.1.5 Develop strategy for economic analysis of events			Medium		Q2	Q3	
								Q3	



## Strategic Goal 2. Enhance the Reputation of the City

Subtheme	Objectives	ED Tasks	Who	Budget	Priority	KPI	14/15	15/16	16/17
2.1 Communicate the City's assets, advantages and aspirations	2.1.1 The City of Karratha is regarded as being 'Open for Business' where new investment is encouraged	2.1.1.1 Develop promotional DVD, prospectus and collateral 2.1.1.2 Develop an "open for Business" program inclusive of a local marketing plan to promote and market the region to potential investors and visitors and a major events, business meetings and conventions strategy 2.1.1.3 Create marketing collateral tailored to Asian markets	EDA Events & PR Team	\$20k	High  Medium  Medium	Feedback via Annual Community Survey plus Business Confidence Survey	Q1 Q2  Q3	Ongoing	Ongoing
2.2 Investment attraction	2.2.1 Businesses, Residents and visitors are attracted to Karratha's lifestyle and opportunities	2.2.1.1 Facilitate viewing of Open for Business corporate video at appropriate meetings, workshops, seminars, forums, expos and conferences 2.2.1.2 Prepare a City of Karratha promo document highlighting the positive data from both Living in the Regions Report and Regional Prices Index	EDA  EDA	\$5k	High  Medium	Residential Population increases	Ongoing  Q2		
2.3 Global Linkages (Engagement with Asia)	2.3.1 The City's official relationship with its Sister City is leveraged for investment and business opportunities	2.3.1.1 Investigate potential for business projects and partnerships as part of the Sister City relationship. 2.3.1.2 Implement identified business opportunities and projects as required	EDA  EDA		High  Medium	Degree to which Economic development opportunities arise from sister city relationship	Q1  Q2		
2.4 Activation	2.4.1 City's retail and commercial zones are activated as engaging spaces for community	2.4.1.1 Investigate and facilitate strategies for place activation in the retail/commercial hubs throughout the City of Karratha 2.4.1.2 Promote the benefits of small bars, cafes and commercial uses that activate the street level 2.4.1.3 Promote alternative options for street level activation that have an indirect economic benefit. 2.4.1.4 Develop and maintain a retail/commercial stakeholder and partnerships database for each retail hub	EDA Events Team	\$5k	High	Level of activation of retail & commercial hubs	Q2	Ongoing	Ongoing



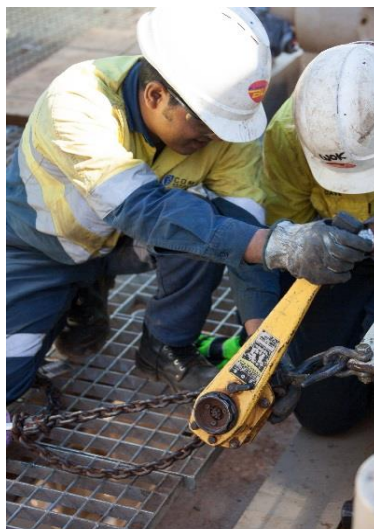
### Strategic Goal 3. Enable Businesses to Thrive

Theme	Objectives	ED Tasks	Who	Budget	Priority	KPI	14/15	15/16	16/17
<b>3.1 Knowledge and Information Provision</b>	3.1.1 Enhanced decision making, planning and development outcomes by internal and external stakeholders through the provision of authoritative information sources	3.1.1.1 Manage, promote and market economic and community profiles to key internal and external stakeholders.	EDA	\$12k/yr	High	Feedback from key stakeholders	Q1	Q1	Q1
		3.1.1.2 Publish a quarterly City of Karratha Projects Update newsletter			Medium	Web analytics	Quarterly	Quarterly	Quarterly
		3.1.1.3 Provide monthly economic updates to Council			High	Monthly reports produced	Monthly	Monthly	Monthly
		3.1.1.4 Manage, promote and market online population forecast solution to key internal and external stakeholders			Medium		Ongoing	Ongoing	Ongoing
<b>3.2 Innovative businesses and the growth of the digital economy</b>	3.2.1 Provide strategic vision for the City of Karratha's future enhanced by broadband access and digital technologies which enable business to flourish, grow market share and improve productivity	3.2.1.1 Project manage the development of a digital strategy to enhance the City's digital economy	EDA IT Manager	TBD \$100,000	High	% take up by businesses of digital broadband to conduct business operations	Q2	Nil	
		3.2.1.2 Implement WIFI services across the Karratha CBD and beyond			High			Nil	
		3.2.1.3 Facilitate digital seminars and workshops in partnership with SBCWP and KDCCI	KDCCI SBCWP		Medium		Q3		
		3.2.1.4 Work with IT Manager to develop feasibility study of Council providing for wider data services provision	IT Manager		Medium	Delivery of Digital strategy and WIFI business case	Q3	Q1	
		3.2.1.5 Investigate feasibility of smartphone applications to promote local businesses and prepare report with recommendations for action	EDA		High		Q1		
		3.2.1.6 Advocate for priority rollout of the National Broadband Network infrastructure to the City of Karratha	CEO Mayor						
<b>3.3 Resource Utilisation</b>	3.3.1 Business opportunities arise from Identification of new sources of building materials to meet local demand	3.3.1.1 Basic Raw Material Study – investigate access to raw material, mining of raw materials and mine rehabilitation.	Planning	\$50k	High	Degree to which new sources of materials are identified	Q2		
		3.3.1.2 Upon completion of report distribute to appropriate stakeholders and investigate business opportunities	EDA				Q3		
<b>3.4 Infrastructure Planning</b>	3.4.1 Land & housing supply and demand well understood 3.4.2 Land available ready to meet market demands 3.4.3 Infrastructure enhanced to reduce impediments to development	3.4.1.1 Monitor housing and land supply and demand.	EDA	\$5k	High	Monthly reports produced and distributed. Number of blocks & dwellings available on the market.	Monthly	Monthly	Monthly
		3.4.1.2 Develop mechanism for aggregating in-house data on housing and land developments			Medium		Quarterly	Quarterly	Quarterly
		3.4.1.3 Publish supply and demand monthly report to Council with analysis and recommendations	EDA		Medium		Ongoing	Ongoing	Ongoing
		3.4.1.4 Establish a City of Karratha Housing and Land Supply/Demand Forum with key agencies	EDA						
		3.4.1.5 Liaise with relevant agencies on infrastructure provision e.g. Landcorp, WaterCorp, Horizon Power							



### Strategic Goal 3. Enable Businesses to Thrive (Cont)

Subtheme	Objectives	ED Tasks	Who	Budget	Priority	KPI	14/15	15/16	16/17
<b>3.5 Workforce</b>	3.5.1 A diverse, skilled and adaptable local workforce is developed to meet the needs of industry, commerce and business and to fulfil the vision for Karratha: City of the North	3.5.1.1 Investigate the implementation of local workforce development strategies	EDA	\$10k/yr	Medium	Network established Minutes of meetings No. of meetings	Q2	Quarterly	Quarterly
		3.5.1.2 Implement a local Workforce Agencies Network consisting of government, commercial and NFP agencies involved in recruitment, training and workforce development	EDA		Medium		Quarterly		
		3.5.1.3 Facilitate and advocate for workforce attraction, retention and development through advocacy with State & Federal Government and Resources Industry	Mayor CEO		Medium		As required		
		3.5.1.4 Advocate for expanded tertiary education and research options in the region	Mayor CEO		Medium		As required		
		3.5.1.5 Advocate for tax reform to assist in attracting workers to the region	Mayor CEO		High		As required		





## 6.0 What is the Role of the Economic Development Unit within the City?

- ED Portfolio Management
- Implementing and promoting projects that are directly under the control of the ED Unit.
- Assessment and Reporting on economic developments in the City using available data sets and assessment of the economic performance indicators contained in the various project business cases.
- Collating and assessing the monitoring reports for each project.
- Annual impact assessment reporting on the ED Portfolio linking the outputs of the projects to the anticipated outcomes.
- Identifying and assessing project opportunities for approval by senior management and Council within the parameters of the EDS and 3 year budget framework.
- Facilitating the project proponents in meeting the monitoring and reporting requirements, including facilitating the preparation of the project business case to City requirements.
- Undertaking evaluation of the current programme and then design of the next 3-year ED Framework.
- Liaison, advocacy and cooperation with key economic development partner agencies and potential investors.
- In addition the ED Unit would have a key role in facilitation and advocacy with key public and private sector stakeholders in promoting the economic development of the City.

## 7.0 How will the ED portfolio be managed?

The following approach to developing and managing the Operational Economic Development Strategy is recommended:

- Adopt a 3-year planning cycle for implementing its Economic Development Portfolio. Annual reporting supported by ongoing monitoring will inform annual operational budgets within this multi-year framework.
- The 3-year cycle will be aligned to the broader Strategic Community Plan and the Corporate Plan that have longer time frames.
- Six months prior to the end of the cycle a formal evaluation is undertaken to assess cumulative results, comparative impact of each project, lessons learnt and then design the next phase
- Depending on current economic conditions resources will be shifted to influence to a greater or lesser degree each of the core Goals
- A functional approach be adopted that aligns more closely with the assets and comparative advantages of the City.
- Results based monitoring should be instituted that sets and then measures verifiable indicators for each project.





## 8.0 How do we measure success?

The Operational Economic Development Strategy aims to support a strong and diversified economy for the City. To ensure that diversification takes place there is a need to continually measure the changes and improvements. Key indicators of economic development and diversification that could be used for measuring the project's objectives are as follows:

	<b>Indicator</b> (id = Informed Decisions Community and Economic Profiles)	<b>Evidential Source</b>
<b>Social</b>	Changes in selected population demographics over time	ABS/id.
	Reason for living in the area	Annual survey
	Proportion of residents that expect to still be in the city in 3 years' time	Annual survey
	Individual and household incomes	ABS/id.
	Housing affordability (cost of housing as a proportion of earnings)	DRD/id.
	Number of residential lots expected for release in the next 5 years	City data
	Number and value of building approvals	City data
<b>Workforce</b>	Number of people with post-school qualifications	ABS/id.
	Educational attainment	ABS/id.
	Skills in demand	KDCCI survey
	Degree of job churn - whether in same job as they were a year ago	Employment survey
	Proportion of people working on a FIFO roster	ABS/id./CME
	Unemployment and participation rates by age group	ABS/id.
<b>Business, Commerce and Industry</b>	Employment levels by industry	ABS/id.
	Regional revenue by industry sector	ABS/id./NIEIR
	Amount of commercial land released	City data
	Operating costs (labour and other) for small business	RDA (P) annual survey
	Diversity of small business in comparison to larger regional centres	PDC survey



## 9.0 Glossary

ED: Economic Development - At the local government level, economic development is about delivering positive outcomes for communities in line with their wants, capacity and requirements. It is the process of expanding the size of the economy so that greater wealth flows to the community.

EDS: Economic Development Strategy – a high level framework that illustrates the importance of a local economy and the keys actions to undertake to achieve the strategic outcomes of jobs growth and diversity.

FTE: Full time equivalent – a unit that indicates the workload of an employed person equivalent to a full time position in a workplace which is comparable across various contexts.

KDCCI: Karratha and Districts Chamber of Commerce and Industry – membership based not-for-profit organisation providing high quality advocacy, networking, events and business services for the local business community in Karratha and Districts.

LGA: Local Government Area – geographical subdivision of a state governed by a Council. Local Government is the lowest of three tiers of government in Australia. Can be designated a City, Town or City dependent on population size. Sometimes referred to as a municipality.

LNG: Liquefied Natural Gas - natural gas that has been converted to liquid form for ease of storage or transport.

LPS: Local Planning Strategy - sets out the long-term planning direction for the local government and guides Council, investors, developers, infrastructure providers and the community on where growth can occur and how it will be managed. It provides a strategic framework for future development and the rationale for land use zoning defined within the Local Planning Scheme.

PDC: Pilbara Development Commission - a Statutory Authority of the State Government of Western Australia with a mandate to lead and support the sustainable development of the Pilbara region.

RDA: Regional Development Australia - an Australian Government initiative that brings together all levels of government to enhance the development of Australia's regions. A national network of RDA committees has been established to achieve this objective.

RDAP: Regional Development Australia Pilbara – the Pilbara Committee of Regional Development Australia.

REAF: Red Earth Arts Festival - an annual festival of arts and culture organized by the City of Karratha.

ROI: return on investment - is the concept of an investment of some resource yielding a benefit to the investor. A high ROI means the investment gains compare favourably to investment cost. As a performance measure, ROI is used to evaluate the efficiency of an investment or to compare the efficiency of a number of different investments.

R4R: Royalties for Regions – an initiative of the WA Government which uses royalty funds gained from the resource sector to underpin infrastructure enhancement and community programs in regional areas.

SBDC: Small Business Development Corporation - a WA Government agency focused on the development of the small business sector via policy development, practical support, service and program delivery, advocacy and information provision.

SBCWP: Small Business Centre West Pilbara – a not-for-profit organisation based in Karratha and currently working throughout the West Pilbara providing small business assistance.

SME: Small to medium enterprise – internationally recognised term referring to businesses regarded as small to medium in size based on number of employees and in some cases annual turnover. Typically small businesses employ up to 20.

TWA: Tourism Western Australia – Tourism WA is the State Government agency responsible for promoting Western Australia as an extraordinary holiday destination.

VC: Visitor Centre – an organisation providing visitor information services. In WA, visitor centres are variously independent not-for-profits, run by local government or commercially oriented. Sometimes referred to as Tourist Bureaus.

VFR: Visiting Friends and Relatives – term used to describe a visitor market segment referring to friends or family members of residents coming to a region primarily to visit friends and/or relatives.

WARCA: Western Australian Regional Capitals Alliance - represents the major regional capital local governments in Western Australia such as Albany, Bunbury, Greater Geraldton, Kalgoorlie Boulder and Karratha. It aims to encourage more state planning in regional centres and to address the lack of population growth in regional capitals.



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