

SHIRE OF ASHBURTON



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All communications to be
addressed to Chief Executive Officer

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Joint Select Committee on Northern Australia
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Inquiry into the Development of Northern Australia

The Shire of Ashburton is pleased to provide a submission to the Committee for consideration in its development of a white paper for the Inquiry into the Development of Northern Australia. At nearly half the size of Victoria (covering an area of 105,647 square kilometres), the Shire has a population of around 10,500 and has a Gross Regional Product estimated at \$15.03 billion. This represents 6.2% of the state's GSP (Gross State Product) and is 3rd only behind Perth and the Shire of Roebourne.

The Shire has been undergoing unprecedented resource sector growth since 2012. Two of the world's largest LNG projects, Chevron's Gorgon and Wheatstone LNG plants are being constructed on the western coast, while inland Rio Tinto is continuing with its expansion project which will see it increase production by 50% by 2015. FMG's Solomon Hub is also being developed just north of Tom Price. Including further developments by the smaller mining companies, investment is currently over \$96 billion. The Shire is also home to immense cattle stations, and a sustainable fishing and tourism sector. Despite these incredible outputs, minimal investment has been made at a state or federal level toward the critical economic and social infrastructure needed to support the region.

The Shire has identified that the development and growth of the region's industries is reliant on the sustainability and support of the communities that service these sectors. In particular the following are key priorities requiring state and federal support:

1. Upgrade road and transport services: The Pilbara covers a vast area with hundreds of kilometres between towns. The Tom Price – Karratha Road is currently a gravel/natural surface road (of differing standards) and recommended for travel by 4WD. Sealing this road would provide access to health, government, education and business services in Karratha for communities including Tom Price, Paraburdoo, Wakathuni, Bellary and Newman. A sealed, direct road would also open up the access to Karijini National Park, Millstream-Chichester National Park and surrounds, supporting a developing tourist sector.

Other road and rail networks require significant upgrade to mitigate the effects of wet weather events on the transport industry which connects the northern region with ports and export trade points. This would be a critical factor for all northern regions of Australia, particularly as the economy grows.

2. **Diversification of Economic Base:** Despite a GRP of over \$15 billion, the Shire supports only 222 businesses. Structural reform that supports and fosters new industries north of the Tropic of Capricorn is required. This should include deconstraining land for business/commercial activity, access to affordable workers accommodation, and a regulatory and taxation environment that encourages private investment.
3. **Investment in Existing Infrastructure:** Three of the four towns located in the Shire were developed around 40 years ago as private mining towns. Due to the expected short life span of the mining operations the infrastructure including drainage, roads, power, community facilities etc were not constructed in a sustainable manner. This is a common problem throughout the Pilbara and northern regions where many towns have exceeded their expected lifespan but are now faced with aged infrastructure that cannot support the communities. Investment in the replacement and upgrade of utilities (and normalization where these are still provided by mining operations), community infrastructure, hospitals and schools is now needed urgently to support the growing residential population.

The Shire of Ashburton strongly believes that investment in existing communities to foster growth, sustainability and diversity is the key to developing the northern regions of Australia. We welcome the opportunity to provide further information and detail as the white paper is developed.

Yours sincerely

 Neil Hartley
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