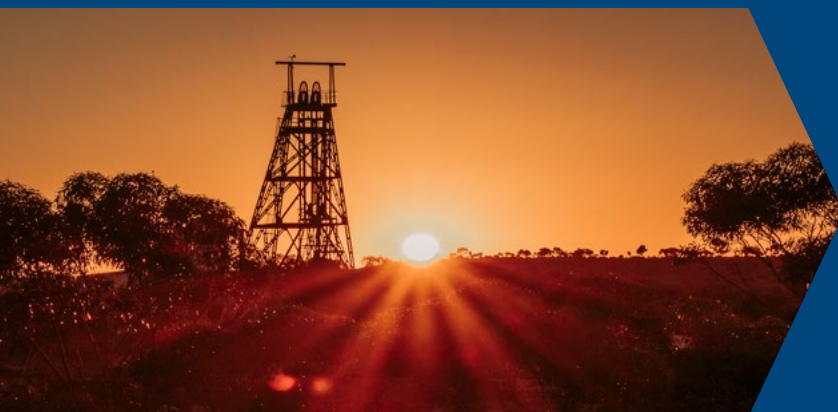




# 2019

**GOLDFIELDS**  
BUSINESS REPORT





## INTRODUCTION

The 2019 Goldfields Business Report is compiled to reflect business trends. This is not an economic assessment of Goldfields business. By producing the report in raw form, it is intended to reflect many conversations held with managers and owner operators in the Goldfields business network in the period after 2018/2019 End of Financial Year. From the information contained within the report, the region is on positive footing for growth, subject to residential population increasing and skilled labour supply.

The past year has had strong collaboration between key stakeholders from Local, State and Federal Governments, Kalgoorlie–Boulder Chamber of Commerce and Industry Inc (KBCCI), Chamber of Minerals and Energy (CME), Regional Development Australia Goldfields Esperance (RDAGE) and Goldfields Esperance Development Commission (GEDC).

With the introduction of the State Government's WA Jobs Bill renewing their focus on creating a more vibrant and diversified economy during a time of transition in resource development and a slow residential building sector, more opportunities for regional businesses have opened up.

The State Government's target for jobs growth over the next five years is 150,000, with regional jobs growth of 30,000 and a strong focus on workforce development, Aboriginal economic development, economic diversification and maximising local content. There has been a significant number of programs and initiatives which have provided a base for local stakeholders to be able to collaborate.

On 31 October 2019, a reduction in payroll tax was announced which will bring relief to around 70% of payroll tax-paying businesses in WA. As of 1 January 2020, the State Government agreed to raise the payroll tax threshold to \$950,000, before shifting further to \$1 million on 1 January 2021. Around 1,000, small and medium businesses in WA will no longer pay any payroll tax and a further 11,000 businesses will have their tax burden reduced.

As activities in the resources sector continue to pick up and expand, the increased demand for skilled labour is front and centre. Many companies have implemented initiatives to address the issue of attraction and retention of qualified, motivated staff.

Leading the list of job vacancies most in demand are fitters, drillers, mechanics, engineers, geologists, chefs, welders, accountants, administrators, electricians, child care educators, health professionals and teachers.

To assist our members with the labour shortage, in March 2019, KBCCI hosted the second Kal Jobs Expo in Perth, a well-attended one stop shop for jobseekers to meet with companies operating in the Goldfields looking to fill their vacant positions with just under 1,000 job seekers through the doors.

Promotion of the benefits of regional living and liveability and salary packaging has opened new opportunities for local consultants to supply human resources, migrant, orientation and relocation services.

Viability of flexible and affordable childcare continues to be an issue, however 40 new places were made available this year when an existing centre constructed a new building. All schools in Kalgoorlie–Boulder are now independent schools allowing principals to have more freedom to make decisions about important matters that impact student education such as student support, staff recruitment, financial management, governance and accountability.

Local businesses that have adopted long term thinking strategies by employing apprentices and trainees have reaped the benefits and are able to ramp up their activities and grow their business without having the burden of active recruitment slowing them down.

Skilled migration initiatives such as the Goldfields Direct Area Migration Agreement (DAMA) has been adopted as another avenue to alleviate the issue in the short term. With 34% of the local population born outside of Australia, Kalgoorlie–Boulder is already recognised for its multiculturalism and ethnic diversity.

A recurrent conversation thread throughout the year is the cost of transport, which is affecting the end price of products and services in the Goldfields, with the biggest concern still being the cost of airfares even though we have seen the airlines implement discounted fares. KBCCI attended the Regional Airfares Workshop which was held in the Goldfields, raising the issues that the cost of airfares were impacting on the region. Local businesses reported that costs were affecting their ability to send their staff on training and attendance at meetings, seminars and conferences in Perth. As a result, resident airfares and capped prices introduced by Qantas have assisted to alleviate some of the costs, particularly for Goldfields residents who need to fly to Perth for medical treatment and specialist appointments.

The Australian Government Productivity Commission sought submissions and conducted a consultation session in May 2019 in Kalgoorlie–Boulder for their review into Remote Area Tax Concessions and Payments. Surveyed KBCCI members provided feedback with an overwhelming response that *“the current rules with respect to the FBT remote Area Housing concessions remain overly complex and produce unfair outcomes as the rules apply differently to different employer employee circumstances, therefore not applying equally to all remote area employers and employees”*.

A 300 page draft report from the Productivity Commission released called for the Commonwealth to reduce the existing 100 %FBT exemption for remote area housing owned or leased by an employer to a 50% concession, a recommendation not received well in the Goldfields considering that FIFO and DIDO has had an adverse effect in the region with the local population in Kalgoorlie–Boulder alone estimated to have dropped under 30,000.

West Kalgoorlie Industrial Area has experienced strong activity with all 41 lots in the Anzac Drive Industrial Estate now sold. The 37.5ha estate is the first purpose–built general industrial development that has been created in the Goldfields region and has been specifically designed to accommodate the needs of large lot users, in particular transport and transport–related industries operating in the Kalgoorlie area, and to support economic growth in the region.

Adjacent to the estate, road transport safety and efficiency will be improved once the State funded \$15.8m upgrade to a dual carriageway of a 2.43 km section of Great Eastern Highway between Anzac Drive and Gatacre Drive is completed in early 2020. Several mining service suppliers and manufacturer companies have also moved into larger commercial premises, expanded, renovated or built within the area, a reflection of growth in staff, client numbers and business.

Although the retail sector in the Goldfields has been struggling (a trend shared globally), activation activities and other initiatives such as collaborative leasing and pop up shops will assist the vibrancy of the CBD. Seven day trading was introduced in March 2019 and was welcomed by the community, however there were mixed reviews with retailers.

The \$16m Kal City Centre project is now at the detail design stage and is set to bring life back into the central business district in Hannan Street and public spaces and return them to a thriving heart of economic, cultural and physical activity. A planned \$16m construction investment by Coles to be located

adjacent to the Target Shopping Complex is expected to be completed by first quarter 2021. With Coles as the anchor, the centre will be supported by a major discount department store and a variety of smaller speciality stores.

Some landlords in the Kalgoorlie CBD and the Coles Boulevard complex have taken the initiative to offer, low-cost short-term leases for local community groups and small businesses to fill vacant stores.

Following on from June 2018 Economic Forum, focus on liveability has steamrolled on. With collaborative efforts from many bodies, a number of initiatives to promote local engagement have assisted to deliver the message that the Goldfields lifestyle is fantastic. Drawing on extensive bodies of research and practice in the public and private sector, identification of key issues and strategizing how to overcome them has been a common point of discussion.

Enquiries have increased in residential sales while prices have increased slightly. Residential rental vacancy rates are low with few rentals available for lease. Retail leasing remains slow, however the commercial and industrial rental market is strong.

The \$25m Golf Course Resort development is also moving to ahead and will boost business and leisure tourism as well as provide a place for locals to enjoy a drink and a meal in picturesque surrounds. Public opinion and cost savings are encouraging more Australian mining operators to assess an invest in renewable energy like solar power and battery storage. Sustainable mining is a way for the industry to ameliorate its poor reputation environmentally. Gold Fields Australia has begun construction of a 20,000 solar panel installation at Granny Smith which will be one of the largest renewable energy grids in the world. Gold Fields are also constructing a high penetration renewable microgrid at its Agnew Gold mine which will be the first to be the first Australian mine to be powered by a wind solar battery and gas microgrid.

On compiling this report and speaking to our members there are a number of issues that came through that the KBCCI will continue to advocate for:

- Labour shortage continues to be an ongoing issue.
- FIFO is hindering growth, however while there is a lack of skilled workers residing in the town, businesses are forced to choose FIFO or not grow their business in the Goldfields.
- Businesses, State Government and Federal Government need to increase the weighting on local content when calling for quotes and tenders.
- Marketing liveability in Kalgoorlie–Boulder needs to be targeted.
- Health services decline, FIFO specialists, lack of general practitioners, sufficient mental health services and extensive wait times.
- Increase in Payroll Tax threshold.
- Reduction in prices of airfares, although prices have reduced, the cost of flights is still hindering business and residents.

## MINERAL EXPLORATION AND MINING

The mining industry, specifically gold is the major player in the Goldfields with re-emergence of nickel and lithium exploration development to mining waiting in the wings.



## GOLD

Gold has continued to retain its mantle as the chief source of mineral exploration in the region, with gold prices rising from \$1635.07oz on 26 August 2018 to \$2,278.84oz on 26 August 2019.

Among the significant number of gold mines operating in the Goldfields region, Kalgoorlie's Northern Star Resources and Evolution Mining along with Laverton's Regis Resources have together generated \$631.7m in profits in 2017 – 18 with shareholders receiving \$253.9m in dividends.

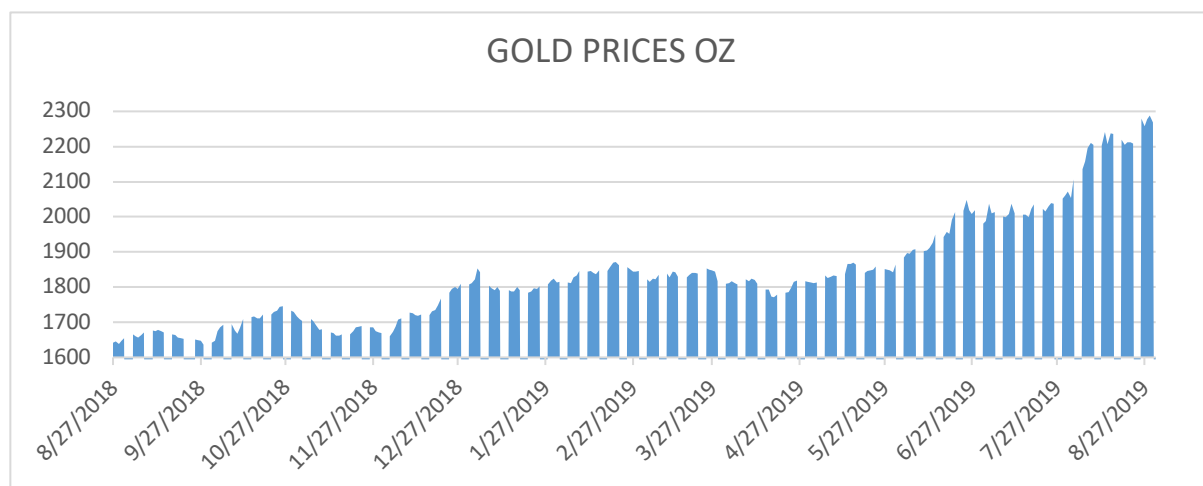
The drilling industry is experiencing a welcome ramp up in exploration in response to strong gold prices. In contrast to struggling to survive five years ago, drilling companies are now constantly recruiting for experienced personnel because of significant growth and project commencements. Offering enticements for local employees, daily metre bonuses, attractive FIFO 2/1 rosters with wage offers of \$53.75 flat, the industry is highly competitive.

The demands of mining companies for greater cost efficiencies and more exacting levels of output is placing a huge emphasis on mining industry contractors to become more creative in machinery design. Companies with the in-house skills to modify plant to make it better suited to the harsh, extremely dusty conditions of mining industry can mean fewer breakdown problems and increased competitiveness of the individual company.

Across the global mining industry, there is also an ever increasing uptake of smart technology, gone are the days where miners worked in isolation, digging up earth and hoping to strike pay dirt. Now every stage of the mining process is jam-packed with technology designed to improve the mining process and safeguard mining personnel. Autonomous technology is going into every mine, so the technology is becoming part and parcel of new mine infrastructure.

Three lucky strikes at Kambalda's Beta Hunt gold mine made global headlines and revived Kambalda's mining industry hopes over the last 12 months. The Fathers Day Vein found in September 2018 motherlode produced more than 27,000 ounces, making Canada's RNC minerals more than \$40m and saved the mine from closing. In June 2019, another rich pocket contained about 987 ounces of coarse gold in 238kgs of rock – worth about \$2.2m followed by another 1750oz of coarse gold has been recovered from 274kgs of rock in September 2019.

## GOLD PRICES



## NICKEL

In August 2019, Diggers and Dealers Forum nickel presenters gained international attention from investors interested in the technology metals needed to power electric vehicles. Electric mobility continues to grow rapidly. In 2018, the global electric car fleet exceeded 5.1 million, up 2 million from the previous year and almost doubling the number of new electric car registrations. Nickel which is on a “watch and wait”, has become one of its most interesting commodities thanks to its extensive use in lithium-ion batteries.

With BHP expanding its production of nickel sulphate and hoping to obtain more ore to feed its processing facilities, small nickel explorers and miners are becoming very interested and optimistic. The production of specialty nickel products at BHP’s Kwinana refinery south of Perth is creating opportunities for small miners such as Mincor which is in the process of renewing an ore supply deal with BHP. With nickel in battery demand expected to impact the market in the mid-late 2020’s, BHP is making investments to position Nickel West for this future opportunity, laying the foundations for a widespread revival of nickel mining in a region of Australia best known gold production.

BHP’s five mine and mineral processing sites, (some over 50 years old) located at Leinster, Mt Keith, Cliffs, Yakabindie and Venus, combined with the Kalgoorlie Nickel Smelter are to benefit from the investment and it is anticipated that the first nickel sulphate will be produced in the new Kwinana Nickel Sulphate Plant which commenced construction in 2019.

## LITHIUM

With lithium being hailed as the next big thing in Australia’s mining industry, there are concerns of lithium oversupply in the short-term. Looking to the medium and long-term, a deficit is more of a concern to the industry’s stakeholders as producers continue to secure supply. Thanks to a number of new hard-rock lithium mines and expansions at existing operations in Western Australia, Australia is now the number one producer of the white metal. Currently, less than half the lithium produced around the world ends up in rechargeable batteries.

Global lithium demand is forecast to increase ten-fold by 2025, driven by greater use in households, as well as increased adoption of electric vehicles. Capturing down-stream processing activities with Australia leading in the development of technology, logistics processing and skills around lithium research and development into products that integrate lithium battery technology, Australia remains the largest producer of lithium, in producing an estimated 18,700 tonnes, higher than Chile, which produced 14,100 tonnes.

Construction is underway at what is expected to be the world's largest lithium refinery at Kemerton, near Bunbury in Western Australia, which will process ore extracted from Greenbushes, 300 kilometres south of Perth. Kemerton is expected to have an initial capacity of 60,000 to 75,000 metric tons of LiOH, with an ability to expand to 100,000 metric tons over time. The commissioning of the Kemerton site is expected to start in 2021.

Value of Minerals and Petroleum by Region by Commodity	
Goldfields–Esperance Region	2018–19
Gold	\$ 7,721,098,751
Silver	\$ 26,300,105
Nickel and Cobalt	\$ 2,574,143,204
Copper and Zinc	\$ 210,564,809
Spodumene and Tantalum Pentoxide	\$ 642,347,960
Gypsum and Limesand Limestone	\$ 9,844,711
Construction Materials and Granite	\$ 16,833,585
Other	\$ 384,328,209
<b>Total</b>	<b>\$ 11,585,461,334</b>

Value of Minerals and Petroleum by Region by Local Government Area	
Goldfields–Esperance Region	2018–2019
Coolgardie	\$ 3,418,087,046
Kalgoorlie–Boulder	\$ 2,051,269,360
Leonora	\$ 1,919,979,840
Laverton	\$ 2,605,983,116
Ravensthorpe and Dundas	\$ 883,284,841
Menzies and Esperance	\$ 706,857,131
<b>Goldfields–Esperance Total</b>	<b>\$ 11,585,461,334</b>

<http://www.dmp.wa.gov.au/About-Us-Careers/Latest-Statistics-Release-4081.aspx>

## CHAMBER OF MINERALS AND ENERGY (CME)

- \$1.3b was paid directly into the region through business purchases, community contributions and local government payments.
- Gold production has grown modestly over the past three years, with relatively strong gold prices and demand. New projects are expected to partially offset the reduction in production from existing mines.
- Exploration investment is also on the increase, in an effort to discover new deposits that will be critical to maintaining production levels and averting a softening demand for employees in the gold sector.
- Lithium is anticipated to be a key growth area, reflecting the demand for lithium-ion batteries, which is expected to increase strongly over the coming years.
- The demand for other core battery minerals, including nickel in particular, are also expected to increase. This is good news for the Goldfields region following a number of years of depressed nickel demand and prices.
- Nickel production is expected to grow modestly over the next ten years, with the increase in demand for lithium-ion batteries for powering electric vehicles.
- According to the WA Department of Mining, Industry Regulation and Safety, in 2018 the mining industry employed 120,327 workers in Western Australia.



- In the recently published Resources Sector Outlook 2018 – 2028, one of the major constraints of the growth of the resources sector, particularly in the Goldfields–Esperance region, remains the ability to attract and retain appropriately skilled personnel.
- Over \$22b worth of investment and expansion projects are planned for the region, attracting and retaining employees will be key in delivering this growth.

## **GOLDFIELDS VOLUNTARY REGIONAL ORGANISATION OF COUNCILS (GVROC)**

- Region Mineral Production was \$11.5b of commodities mined, the top four commodities mined are gold \$7.4b, nickel and cobalt \$2.8b, \$561m spodumene and tantalum pentoxide, \$216m copper and zinc.
- Priorities:
  - Improving health services: \$1.6m local government subsidisation into General Practice and Primary Health Services
  - Minerals Industry Infrastructure strategy, planning for the Goldfields – assess the capacity of existing hard and soft infrastructure in the region, identify the growth trajectory of the region’s mineral industry, including battery minerals.
  - Local Road Networks – Identify priority routes, mining exports – issues of substantial increase in the size and number of road trains carting materials on state and local government roads.
  - Formation of a GVROC Working Group to assist to grow regional businesses and communities (taxation incentives).
  - Feral Herbivore Management – long term management proposal, installation of water bores and self-muster yards throughout the region with a consideration of mobile processing facilities, including a strategy for continued aerial and ground shooting initiatives.
  - Financial Assistance Grants – support motion that Shire of Dundas request that the Hon, Minister of Local Government and communities assist all local governments to lobby the Federal Government to retain the Financial Assistance Grant at 1% of the Commonwealth Taxation Revenue.
  - Establishing a Memorandum of Understanding with Goldfields Nullarbor Rangelands Biosecurity Association.

## **LOCAL GOVERNMENT (CITY OF KALGOORLIE–BOULDER)**

### **The 2019–2020 Local Budget Includes:–**

- \$4.5m commitment this financial year towards the \$16m Kal City Centre project, which focuses on the long-term economic transformation of the Kalgoorlie Central Business District.
- Capital Works Program will feature more than \$25.7m invested in infrastructure, including parks, ovals, footpaths, land, plant and equipment and includes \$6.6m for the City’s annual Roads Program, which consists of work on sealed and unsealed road works within the City.

### **Additional Funding:–**

- The City has contributed \$4m to the development of the Kalgoorlie Golf Course hotel, on top of a \$3m commercial loan to Pacifica to be repaid.

### **Supporting the Local Economy:–**

- Launched Kalgoorlie–Boulder Funding Finder, a dedicated online portal to help businesses and community groups access grants and funding opportunities.
- Hosting quarterly grant writing and project planning workshops in 2019.
- Launched Kalgoorlie–Boulder Means Business E-newsletter.
- Introduced ShopLokalWA Rewards.

- Launched Small Business Over Coffee.
- Workshop Series – How to do Business with City of Kalgoorlie–Boulder.
- Goldfields Designated Area Migration Agreement (DAMA).

#### **Proposals and Initiatives:–**

- Rail Realignment:
  - \$70m proposed rail realignment and intermodal hub concept proposes to remove the existing railway track east of the Super Pit and build a new east–west track looping south of Kalgoorlie–Boulder from an intermodal hub to be built in West Kalgoorlie.
  - The proposal would see an intermodal transport facility built just west of the City, and the re–routing of east–west freight trains along a line which loops south of Kalgoorlie–Boulder.
  - The existing track to Kalgoorlie Railway Station would remain, as would the track heading north.
- Kalgoorlie–Boulder's Own Airline:
  - EOI's have been called from commercial and private airlines to supply flight services for the Kalgoorlie–Boulder community.
  - The City will use the EOI process to shortlist suitable respondents to call for a restricted Request for Tender to those determined as acceptable tenderers.
  - The City has put the call out for other aviation operators to consider Kalgoorlie–Boulder, in an effort to increase the competitiveness of the market and make flights more affordable for residents and tourists to travel to Kalgoorlie–Boulder.
- Lot 500 Great Eastern Highway Industrial Site:
  - Planning for the 347 hectare strategic industrial site under the control of the City has progressed to completion of a Local Development Plan following Ministerial final approval to rezoning of the site in April 2019.
  - The Local Development Plan has been finalised setting out arrangements for large scale industrial development. This includes an anticipated lithium hydroxide plant, along with other potential resource processing activities.
- Feasibility and Options Study Hannans North Tourist Mine:
  - The City on behalf of the Kalgoorlie–Boulder Tourism Advisory Board sought proposals for a feasibility and options study for the creation of an identifiable tourism product at Kalgoorlie's Hannans North Tourist Mine (HNTM) and Australian Prospectors and Miners Hall of Fame (MHof).
  - The study will be the first part of a two–phase project exploring the creation of discernible and saleable tourism products for Kalgoorlie–Boulder. Scope for phase two is currently in development and will explore the holistic overhaul of Kalgoorlie–Boulder's tourism industry, attracting new visitors and leveraging marketing potential of the City on a local, state, national and international scale.
- Feasibility Study for 5G and Associated Services Across the Goldfields:
  - A request for a quote was sought for a feasibility study into 5G and associated services across the Goldfields, and potential benefits upgrades the service would offer.
- Commission of a Research Report to Investigate FIFO in the Goldfields:
  - The purpose of the report is to prepare the City to negotiate alternative solutions and approaches to FIFO workforces with industry, relevant stakeholders and Government. It is the intention of the City to utilise the acquired data and the practical recommendations produced in the report to reduce FIFO employment arrangements in Kalgoorlie–Boulder, aiming to boost the local population, economy and sustainability of the Regional City.

## STATE GOVERNMENT

The 2019–20 State Budget includes \$4.2b in Royalties for Regions funding across Regional WA. More than \$5.6b will be invested in Regional infrastructure over the next four years.

### Creating Jobs and Supporting the Economy

- \$40m to upgrade the Coolgardie to Esperance Highway.
- \$12m state-wide injection to Tourism WA to expand promotion on Western Australia overseas.
- \$131.5m additional expenditure to support agriculture in WA, grow export markets and create long-term jobs, including \$39.6 m for the Boosting Biosecurity Defences, Asian Market.
- Success and Grains Research and Development support programs (In addition to the \$45m for Grains Research and Development in the 2018–19 budget).
- \$182.4m state-wide funding for a new Employer Incentive Scheme and training delivery, including \$45m for Regional WA. The scheme will help WA employers with the costs of employing apprentices and trainees.
- \$24.1m in ongoing funding for the 'WA Open for Business' program to promote export opportunities for Regional businesses.

### Health and Community Services

- \$6.3m for the Kalgoorlie Health Campus MRI suite which is expected to be installed in 2020.
- \$6m for the Kalgoorlie Renal Hostel scheduled for completion in May 2020.
- \$42.5m in additional funding for the Methamphetamine Action Plan, including \$914k to increase training for Aboriginal staff in Alcohol and other Drug (AOD) services.
- \$11.7m for two Family and Domestic Violence Hubs, including one in Kalgoorlie.
- \$2.3m package to combat elder abuse, including continued funding for the WA Elder Abuse Helpline.
- \$11.3m to support and expand sustainable service delivery of PCYCs across the State to reduce juvenile offending and improve community safety.
- \$6.5m for the Aboriginal Community Connectors program to improve community safety and reduce community consequences of Alcohol and Other Drugs and related 'at risk' behaviours.
- \$34.6m for the rollout of personal issue mobile smart tablets for police officers.
- \$15.4m towards the rollout of personal issue multi-threat body armour to frontline police officers.
- \$4.8m for enhanced driver training and education for regional and remote communities.
- Investing an additional \$713k to maintain regional bus services.
- \$19.9m for the Regional Arts and Cultural Investment program.
- \$8.1m for the Suicide Prevention Strategy.
- \$4m towards the new Laverton Hospital project.
- Introduction of the new Regional Taxi Transition Fund.
- \$5.63m in funding towards the 10 bed Step Up/Step Down mental health facility in Kalgoorlie on schedule to be built and operational in 2020.

### Projects Underway or Completed in the Goldfields Region

- \$8m investment into the economic transformation of the Kalgoorlie City Centre project.
- \$4m funding for the Laverton Community Hub project, including a new Aquatic Facility.
- \$9.8m towards construction of Pringle Independent Living Village in Kalgoorlie–Boulder.
- \$1.7m for the Norseman Airfield Upgrade project.
- \$10m a year from 2019–20 to continue the Exploration Incentive Scheme.
- \$1.2m for much needed maintenance work for the Goldfields Arts Centre.
- \$15.8m towards upgrades to Great Eastern Highway between Anzac Drive and Gatacre Drive in Kalgoorlie–Boulder.

- \$59.8m for sealing priority sections of the Outback Way.
- \$12.5m in funding towards the Step Up, Step Down mental health facility in Kalgoorlie.
- \$500k for the Goldfields Solar Feasibility Study.
- \$18.7m state-wide for the Aboriginal Rangers Program to provide jobs looking after State parks and protected areas.
- \$2m for the Kalgoorlie Pastoral Alliance Cell Fence.
- \$65m across Regional WA to continue to support Community Resources Centres.
- \$170.5m across Regional WA to continue the Country Age Pension Fuel Card
- \$5.1m for the Volunteer Fuel Card.
- \$260k towards a \$1.04m project value for a Road Train Assembly area for heavy vehicles located at a point on Coolgardie–Esperance and Great Eastern Highways.

#### **Post Budget Additional Funding**

- \$3m for Kalgoorlie–Boulder, \$224k for Laverton – State Black Spot funding.
- \$700k funding for the reconstruction of the Kambalda Swimming Pool.
- \$50k towards Kalgoorlie Motor Sports Precinct planning.
- \$724k funding towards four Goldfields projects through the first round of the Regional Economic Development (RED) grant program.
- \$60k funding for wild dog control research and \$50k for feral pest control programs.
- \$1.6m investment in the Woodlands Cultural, Community and Visitor Centre.
- \$1.3m to upgrade the Great Beyond Visitor Centre at Laverton.
- \$588k (Lotterywest) to WA Ballet bringing professional dancers to the Goldfields and Pilbara during the next three years.
- \$166k Regional Economic Development Grant to undertake a study on current and future education and training needs of the Goldfields resources sector, a first step towards establishing an Aboriginal Mining Academy.

## **FEDERAL GOVERNMENT**

#### **2019 Federal Budget**

- \$100m for regional airports.
- \$72m for roads of strategic importance throughout the Wheatbelt.
- \$4m for the Esperance tanker jetty replacement project.
- \$1m for restoration of Coolgardie’s historic post office.
- \$2m to complete the State Barrier Fence to protect agricultural areas from wild dogs, and further funding to control foreign weeds and pests.
- \$128m to extend the cashless debit card’s current trials until July 2020.
- \$16.4m for Laverton Hospital upgrade.
- \$1.5m for Goldfields Rehabilitation Services.
- \$287k Community Sport Infrastructure Grant for the Kambalda Aquatic Facility.
- \$76.5m State allocation to upgrade the 2,720km (the Outback Way) highway from WA to QLD.
- \$520k towards a \$1.04m project value for a road train assembly area for heavy vehicles located at a point on Coolgardie–Esperance and Great Eastern Highways.

## EDUCATION

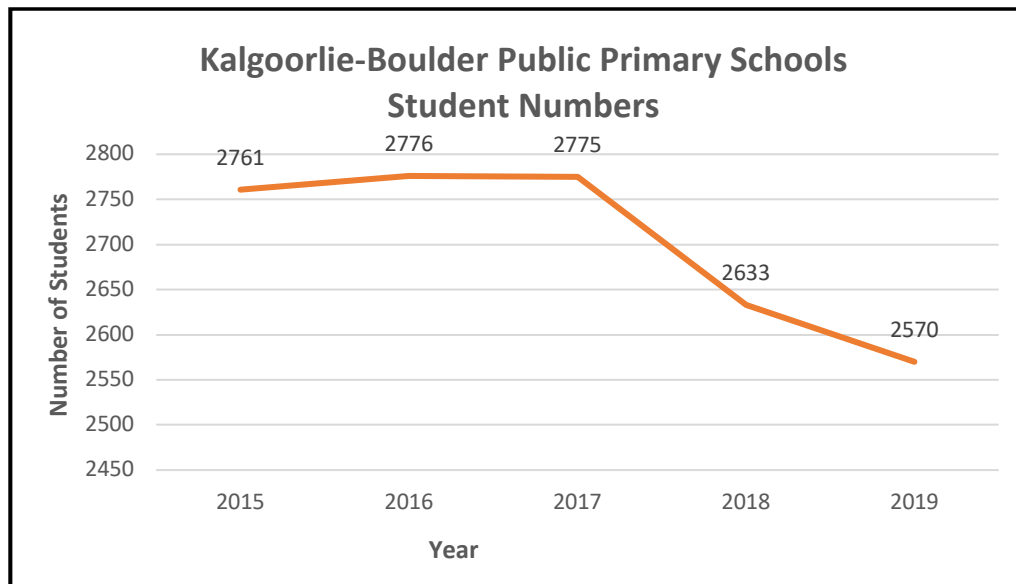
### Child Care

- In the 2018–2019 financial year, fees grew by 12%.
- 40 new places at a new facility.
- Staff development crucial.
- Extreme shortage of places for children under two years across Kalgoorlie–Boulder.
- People are turning to carers and babysitters on Facebook because they don't have another option.

### Primary

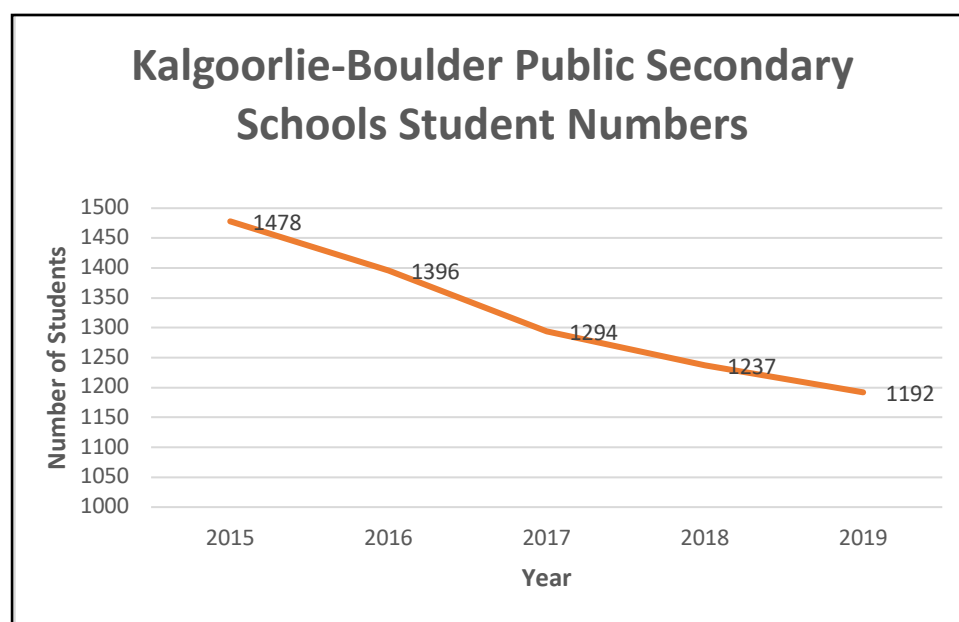
- 10 primary schools (3 private, 7 public).
- All public schools in Kalgoorlie–Boulder are independent schools whereby the principal has been given increased flexibility and responsibility to make local decisions across a range of school operations to enhance education outcomes for students.
- Independent schools are Boulder, East Kalgoorlie, Kalgoorlie, North Kalgoorlie, Hannans, O'Connor and South Kalgoorlie.
- Boulder Primary runs a specialist arts program in partnerships with Goldfields Arts Centre, the West Australian Ballet and Stage Left.
- East Kalgoorlie Primary has a strong established partnership with Edith Cowan University's Teach Learn Grow rural program, providing intensive one-on-one tutoring for students annually.
- East Kalgoorlie Primary has an average enrolment of 150 students, 99% of whom are Aboriginal.
- Hannans Primary has a diverse student population from 21 different nationalities, including 6. 5% who are Aboriginal.
- Kalgoorlie Primary has integrated digital technologies allowing students to access a modern tech lounge, maker spaces, interactive whiteboards, Apple TV's and iPads.
- North Kalgoorlie Primary has a focus on STEM (Science, Technology, Engineering and Maths) as an area of distinction.
- O'Connor Education Support Centre offers teaching to children with disabilities through Planning in ABLE WA.
- O'Connor Primary places an emphasis on the attraction and retention of staff and routinely attracts high achieving graduates through strong links with West Australian universities.
- South Kalgoorlie staff members tailors learning to meet the needs of every child with an aim to ensure that every child achieves his or her potential and becomes a lifelong learner.
- St Joseph's Primary (private school with 240 students as at August 2019) and has a strong focus on literacy with at least one education assistant or extra teacher to assist at literacy time.
- St Mary's Primary (private school with 460 students as at August 2019) and has a strong emphasis on literacy and numeracy development.





#### Secondary

- 4 secondary schools (2 private, 2 public).
- 90% average high school completion rate.
- ATAR Course results placed in the top 30% of schools in WA.



#### Kalgoorlie-Boulder Community High School

- Independent public school catering to 765 students in years 7 to 10.
- 39 teaching staff plus 41 ancillary staff.
- Upgraded the Kalgoorlie Girls Academy classroom, removing a wall and installing a new microwave, furniture and carpeting.
- The expansion will allow local businesses and foundations to run personal development programs for the students.
- First three year business plan endorsed by school board September 2019 with focus on three areas of school culture, systemic curriculum and differentiated teaching and learning.

**Eastern Goldfields College**

- Independent public school catering to 427 students in years 11 and 12.
- 45 teaching staff plus 27 ancillary staff.
- College co-located with Central Regional TAFE and allows students to access ATAR (university), TAFE, apprenticeship, traineeship and employment pathways.
- Eastern Goldfields Education Support Centre caters for 29 students with special needs in years 11 to 13.
- Support Centre students participate in weekly work placement to enhance their independence and prepare them for future employment and/or community engagement.

**Goldfields Baptist College**

- Fully staffed, with staff base remains stable with very little movement, despite the transient nature of Kalgoorlie–Boulder.
- It can be very difficult to attract specialised staff to the Goldfields, such as teachers. Generally, our staff have skills that equip them to teach in a variety of specialist learning areas in addition to core subjects.
- 5% new students in the year to date and an additional 100 students over five years.
- New students are predominantly from families that have relocated to Kalgoorlie for employment, many are on a visa.
- The majority of students that have left our school have moved out of the area.
- Have made a significant investment into solar panels using a local contractor.
- Plans to build an additional five learning areas, breakout area, staff workspace and canteen upgrade have been approved and will be completed in 2020.

**John Paul College**

- Fully staffed however maths and design technology teachers are in high demand.
- Young staff stay for 2/3 years then often return to Perth.
- Recruitment strategies are speaking to university graduating classes, accepting teachers on practicum, currently working on a new recruitment video.
- Enrolments slight decline of 4% from last year due to families moving to Perth for FIFO.
- ATAR and VET pathways offered.
- JPC Trade Training Centre completion August 2019.
- Canteen area converted to self-serve canteen Term 4, 2019
- In 2020, major refurbishment of old Design and Technology building to allow for a robotics room, updated textiles room, new multipurpose room and new special needs area.

**Central Regional TAFE**

- Demand for TAFE services is seeing an increase this year, particularly in the apprentice areas of mechanical and engineering trades, automotive and auto-electrical, fitting and machining, and mining. Additional areas of growth include nursing, community services, education support and business administration. These trends are expected to continue into 2020.
- Mining companies are seeing an increase in demand for training and articulation arrangements with WASM providing students a clear pathway from TAFE into higher education in mining programs.
- Traineeships have increased overall and it is anticipated to see continued growth with the implementation of the Jobs and Skills WA Employer Incentive.
- Cost of training is still seen as high, reference made to childcare, where the cost of diploma level training is excessive considering the wage return on employment.
- Education precinct links between EGC, WASM and CRTAFE are positive and provide local career pathways from school to TAFE to higher education.

- Local industry has been very supportive of the local TAFE through generous donations of specialised equipment, which will result in targeted, localised training outcomes for the region.
- Opportunities may also present for the TAFE to provide targeted value adding training to support local businesses through the Goldfields DAMA initiative.

### **Curtin Medical School**

- Curtin Medical School commenced in 2017 with 60 undergraduate domestic students and will grow to 110 entrants by 2022.
- The Bachelor of Medicine, Bachelor of Surgery (MBBS) program has a strong emphasis on primary care to position graduates well for rural/remote practice and outer suburban locations, where there is a shortage of doctors.
- Curtin Medical students complete a wide range of rural placement opportunities. This includes an on-country experience, a wheatbelt immersion experience, a week-long third year placement, the option of a year's rural placement in the fourth year and shorter rural placements in the fifth (final) year of the degree.

### **Rural Health Campus**

- Curtin Medical Staff commenced on the Kalgoorlie Health Campus in 2019.
- By 2021 Rural Health Campus facilities will be established on the campus, including:
  - A simulation clinical ward.
  - Four rooms for clinical skills development and simulated clinical activity/assessment.
  - Staff work areas.
  - Access to classrooms, computer labs and boardroom.
- The Rural Health Campus Kalgoorlie will support the Curtin Medical School to:
  - Ensure the Measurable Outputs of the Rural Health Multidisciplinary Training (RHMT) funding, specific to Kalgoorlie, are successfully completed.
  - Ensure the fulfilment of the approved RHMT Research Strategy and Research Plan. Engage with key bodies and stakeholders to support the measurable outputs of the approved RHMT Activity Work Plan.
  - Work in close collaboration with Rural Clinical School of WA (RCSWA) in the provision of medical student placements and to identify locations in WA where medical student placements are potentially possible and not in conflict with RCSWA.
  - Provide training facilities on campus for the use of students and the broader local health workforce.
  - Provide access to high-quality residential student accommodation.
  - Determine and facilitate the potential for multidisciplinary student placements, from Schools within the Faculty of Health Sciences, which could be of benefit to students, Curtin, and the local community.
  - Work to increase the number of rural origin entrants to medicine.

## **ACCOMMODATION AND FOOD SERVICES**

### **Hotels/Motels/Serviced apartments**

- 100% increase on profit.
- Revenue has increased.
- Noticed decrease in tenders.
- Mining and exploration companies buying and using their own accommodation big effect towards end of year.

**Cafes/Restaurants/Takeaways (Private)**

- Business numbers, profit and revenue increased.
- Offering external catering is lucrative.
- Customer service is key to return customers.
- Important to meet the market such as diet conscious people: vegan, gluten free, vegetarian.

**Cafes/Restaurants/Takeaways (Franchise)**

- Population is a big factor on profit, hence the labour shortage affects the bottom line.
- Income increased with population growth, business steady at the moment.
- Challenging to develop management team as all training is based in Perth.
- Cost of flights is an issue.

**ADMINISTRATIVE AND SUPPORT SERVICES****Pest and Weed Control**

- This financial year has seen us lose significant work to out of town and multi-national companies – can't compete with the mum and dad operators who do not have the same overheads as an SME; nor can compete with the buying power of multi-nationals.
- Saw an increase of 15% in Pre-Purchase Timber Pest Inspection Reports being carried out; a good indication on the level of activity in the housing market.
- Vacate flea treatments rose by 10% indicating either more people have pets when they vacate a property or more people moving in and out of rentals in town.
- Bee treatments increased 50% for the 2018/2019 financial year. They decreased by 55% for the 2017/2018 financial year, so programs to educate the public about protecting bees was only effective for a short period of time.
- Pigeon proofing increased by 10% highlighting the continued problem these pest birds are causing in town.
- Bed bug treatments increased by 85%. An indication our town is still of a transient nature.
- Secured large local tender with a strong focus on local content.
- Overall, pre-construction revenue decreased by 9%. Changes to the Australian Standards regarding termite work has seen builders and architects reduce the level of termite protection being installed on new buildings.
- We lost a significant weed spraying contract which was worth 20% of our total annual turnover but ended up with a reduction of only 45% in weed spraying revenue for the 2018/2019 financial year so have managed to make up some of the loss.
- Mine site work has remained steady – we have lost some sites to Perth based companies but picked up new sites.
- Decrease of 3% due to the loss of a major contract to an out of town operator which was worth 20% of our annual turnover.
- The business trades in all vehicles at least every 3 years so each year will purchase at least two or three new vehicles. All vehicles are purchased locally.
- The low interest rates make changing over vehicles more frequently more attractive. Due to the very remote distances we travel having new, reliable vehicles is a must.
- Invested in new GPS and mapping technology to ensure technicians working remotely are contactable and tracked at all times.
- Quoting for State and Local Government agencies has remained the same. But slowly less and less of the routine type work is being awarded to true local businesses.

**Gardening Services**

- A small number of small based business in town, not franchises.
- Many shift workers operating under an ABN as a job when on week off.
- Work depends on the client, could be anything from tree and hedge trimming to garden clean ups, mowing, lawn care, landscaping, irrigation and lawn restoration and turf laying.
- Establishing connections with real estate agents for maintenance/in between tenants/putting house on market great for regular income.
- Larger clean-ups can be cost prohibitive to clients if including tip fees.
- Water savvy clients creating opportunities (high water bills end of year) in auto retic installations.
- Diversified into decking installation.

**Human Resource Services**

- The difficulty in attracting and retaining employees has forced some small and medium-sized enterprises to revisit their people related strategies seeking proactive measures to address the issues.
- Employers need to think outside the square to attract residential employees such as offering additional benefits as a drawcard.
- Having an online presence to build a positive brand is becoming more and more imperative as prospective employees turn to social media to research business' reputation and values.
- Recruitment focus needs to move away from a "warm bodies" mentality towards recruiting for specific behaviours and values to build positive workplace cultures.
- 25% of employee turnover occurs in the first 6 months, a greater focus towards quality processes, particularly towards new employees, will help to combat this.
- Big national consultancy businesses still have a firm grip on a large percentage of businesses despite locally owned consultants offering a similar service experience.

**Apprenticeship Services**

- School based traineeships and apprenticeships are up on last year.
- Competitive industry as an Australian Apprenticeship Support Network provider.
- Companies are finding it more valuable to have them in your workplace and it is a good introduction to the workplace.
- There has been an increase in every trade area at TAFE, 25% are females.
- Good mix on latest apprentices, plant mechanics, light vehicle mechanics, electricians and auto electricians.

**Labour Hire**

- Quite a good year, achieved budgeted profit and revenue.
- Recruitment is mainly focused on mining through to administration.
- Main issue is finding staff for clients – need more people to relocate to the region.
- Finding people that are coming in at the moment are very choosy and have unrealistic expectations.
- Finding it difficult to source applicants that can pass drug and alcohol tests.
- Have been advertising in other states, however out of ten applicants shortlisted, only one relocated to the Goldfields and passed all tests required.
- Have increased number of employees in own business.
- Invested in a systems upgrade.
- Business has increased staff by 2 over the last 12 months due to shut down work.
- Loyal clients but no locals to fill positions.
- FIFO has had a huge effect on business and profits.
- FIFO staff are used for most shut down work due to lack of locals.
- Have seen a definite increase of work coming through, however don't have the labour to fill positions.



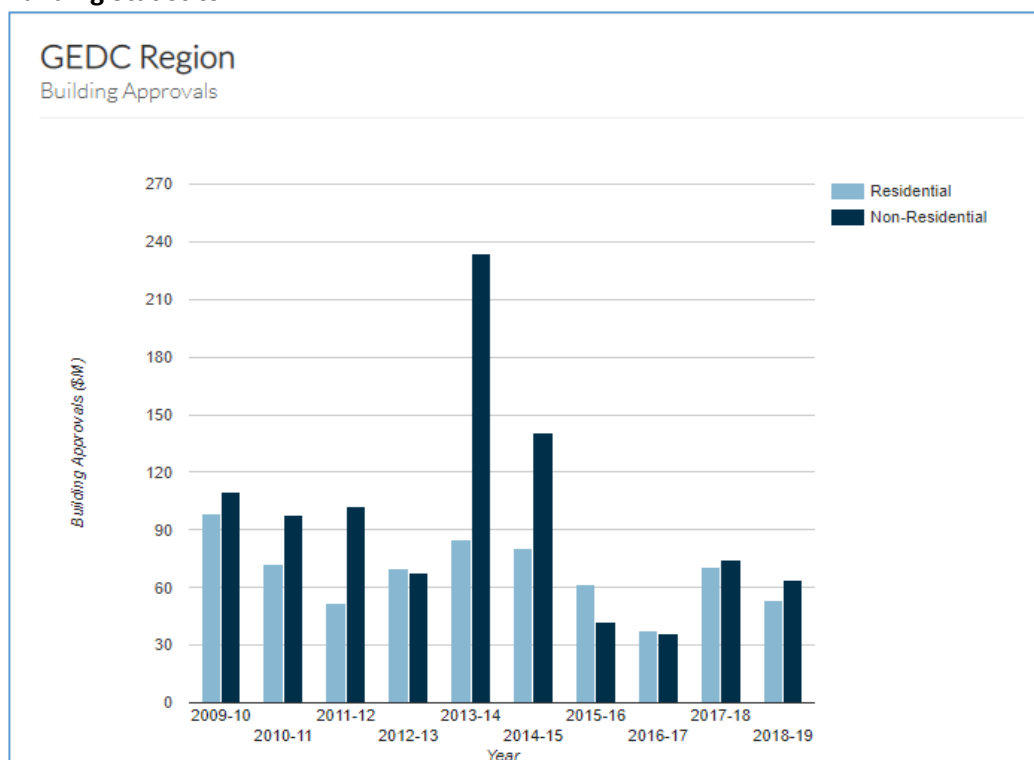
- Have started to redirect work to other branches as the labour shortage is affecting capacity to take on work.
- Around 20–30 backpackers come in for work daily, most put on for shutdowns or hospitality work.
- One client has started a 3 month FIFO trial and after 3 months must relocate or not accept position, to date working well and have relocated people.

### Small Business Development Services

- Business Centre fully leased September 2019 – rise in business confidence and reasonably priced rents.
- Business Centre is home to a variety of businesses from psychology and kinesiology to events planning and electrical trades.
- Inquiries from two years ago now have turned into signed leases at the Business Centre.
- Business Local Advisor Clients during period of January to June have increased from 136 in 2017 to 240 in 2019. This reflects the one-on-one and face-to-face delivery service only amongst the services that we provide to small business owners throughout our region.
- Business Local Advisory average 55 clients per month, 10 digital workshops, 3 general business workshops with an average 12 attendees at each workshop.
- Industries are mainly mining service and retail with a few in hospitality.
- Aboriginal business capacity is improving.
- Clients are mostly new business or small business wanting to expand.
- Have seen less start up appointments than last year.
- Most businesses have remained sustainable and are on point with their projected growth.

## BUILDING AND CONSTRUCTION INDUSTRY

### Building Statistics



### Registered Builders

- Steady, with plenty of work and new leads.
- Profit increase of 20%.
- Revenue increased.
- Invested in commercial shed and vehicles.
- Increased staff by two.
- Labour shortage is affecting business to some extent. Have relocated 2 new employees to Kalgoorlie from other areas in WA.
- Local businesses need to value local content high on their criteria.

### Heavy Engineering

- Overall in a good position at the end of the 2018/19 financial year.
- Profit remained the same as previous financial year.
- Well positioned for the year ahead.
- Increased staff levels by 10%.
- Changes made going into new year. Changed growth strategy, targeting other Regional jobs, does not have the capacity in the Goldfields to take on anymore work due to labour shortage.
- Has started to knock back work in the Goldfields.
- Labour shortage affecting growth.
- Finding it hard to get young apprentices. Has started putting on mature age apprentices.
- Does not have a FIFO workforce.
- Total number of blue-collar staff is 120. (150 staff in total)
- 40 jobs currently vacant which are mainly in the trades, fitters, boilermakers, carpenters, concreters, trades assistants.
- Looking to utilise DAMA.
- Has advertised vacant positions in Adelaide, Newcastle, Hunter Valley, Canada, UK, South Africa, Eastern Europe and Papua New Guinea. The only place they have had success is Papua New Guinea where they received 250 applicants. Bringing over 12 new starters who have excellent skills and written and verbal language. Has also put on staff from the Philippines and Singapore on 418 Visas.
- Have incentive schemes for staff which includes relocation and a welcome pack and tour for new staff.

### Civil Engineering

- The 2018/2019 financial year has been mixed. Whilst overall our revenue has stayed the same, the source of that revenue is substantially different from previous years. Fortunately, we have a broad client base and a wide range of skills, so we have been able to adapt to the changing landscape. It is this flexibility that is key to remain viable.
- Last financial year made a 9% profit and are looking to increase this slightly in the next financial year.
- The recruitment of suitably skilled and experienced staff is one of the largest problems we face both in the Goldfields and WA generally and prevents growth of business.
- Currently have 30 vacant positions in trades.
- Increase in quotes but very competitive.
- Looking to expand and build new premises but must secure more staff.
- Noticing that companies are using Perth based businesses in favour of those located in the region.
- Local businesses can offer high quality with an understanding of the Regional context.

**Steel Fabrication**

- Have grown in profit by 5% in comparison to last financial year.
- Very busy, always very busy at the end of the year.
- Have established a solid client base with repeat business.
- We have negotiated with all clients around 30 days and due to the importance of supply and rigor around collection we maintain this.
- We are operating with the latest technology.
- Have invested in new equipment in the last financial year.
- Labour shortage is affecting business, cannot get boiler makers to fill positions.

**Main Roads**

- Our region did have a substantial increase (\$50m) in capital works in 2019/20 to the funding allocated to the Great Eastern Highway (Anzac Drive – Gatacre Drive) dual carriageway construction, sealing the Outback Way and reconstructing Coolgardie – Esperance Highway (Emu Rocks) projects, which are all scheduled to be delivered or commence in the current year.
- The funding allocated in 2019/20 to major road projects are: Outback Way – \$22.5m, Great Eastern Highway – Anzac Drive to Gatacre Drive – \$12.1m, Coolgardie Esperance Highway – \$10m.
- Permanent staffing numbers including Contractors is around 50 full time employees. This number can increase significantly by between 50–100 contractors/sub-contractors engaged specific capital works projects.
- Labour shortage does have an effect. Due to an increased road construction budget in 2018/19 onwards suitably qualified technical staff in road project, road asset management and works supervision were sought for short and long term (1–3 years) road maintenance and construction projects.
- In our case there is more road construction and maintenance work being tendered, but not necessarily an increase in the number of tenderers applying for that work. This could be due to the capacity of the local civil construction industry and the competition with providing services into the mineral and resource sectors.
- Attracting a suitably skilled workforce long term should be prioritised.

**Traffic Services**

- Business continues to grow in the Kalgoorlie Region. Our area of responsibility covers from Merredin in the West to Wiluna in the North, Norseman in the South and across to the South Australian border.
- Growth continues with six branches in the state with Corrigin, Esperance, Geraldton, Narrogin, Northam and Kalgoorlie.
- Undertake all types of work ranging from new road construction, repairs and replacement of road verges, water leaks in roads, safeguarding fallen high voltage wires, vehicle crashes and dangerous goods roll overs.
- The industry is about to undergo a positive change, with the accreditation process for Traffic Controllers, Worksite Traffic Managers and Advanced Worksite Traffic Managers as well as three other levels to be included, to be recognised on a national basis.
- Our business currently has twelve people based in the Goldfields, eight vehicles and four trailer mounted electronic message boards kept on site.
- Increased our long-term lease of our business premises.
- As a company we invest a large amount of funding into training our people, with initial traffic control and management.

## FINANCIAL AND INSURANCE SERVICES

### Banks and Credit Unions

- Home and investment loans picking up in Kalgoorlie.
- Home loans picking up for Perth purchases as families have advised that they are moving to Perth, however investment loans for Kalgoorlie residents purchasing investment properties in Perth is picking up as well.
- Good year in general.
- Labour shortage has not affected our business, although it is difficult and takes time to fill vacancies when they do arise.
- We have an Indigenous program to train a local student to obtain a certificate within 2 years.
- The closure of small businesses is an issue.

### Mortgage Broking

- A difficult year due to legislation changes.
- Following the two recent rate reductions, rates in Kalgoorlie–Boulder are at an all–time low.
- It is approximately 8–9% less to pay a mortgage on a home in Kalgoorlie–Boulder compared to renting.
- Challenge to purchasing a home is saving the deposit.
- 70% of clients are first home–owners.
- The Boulder residential property market is incredibly strong. It is cheaper to purchase a home here because of the location, although the resale value is not as strong as Kalgoorlie.
- Property valuations for residential properties is also a major issue, although prices are not expected to drop any further. Valuers are from out of town, flying into Kalgoorlie on Tuesday and leaving Thursday.
- The residential rental market in Kalgoorlie–Boulder is also really strong, attractive to investors.
- 120% increase on growth over the last year.
- Business increased 27% profit compared to last financial year.
- Overall gross revenue increase by 35% compared to last financial year.
- General increase in enquiries flowing through to more people buying houses.
- Most lenders stopped 5% lending to Boulder postcode a few years ago.
- It would be beneficial if reports showed that Boulder is improving as this will assist with providing evidence for lending policy change.

### Financial Planning

- Challenging with a lot of changes internally but also externally, the industry has had to evolve at a rapid rate in light of the findings from the Royal Commission into banking.
- Made a profit mainly through reengaging existing clients.
- Heightened interest into the function of financial planning has increased client engagement and a desire for education into areas such as superannuation, has driven more enquiries.
- Education is key. People in general need to improve their financial literacy.
- People are seeking more information and are in turn more engaged in their financial goals. This is a big positive for the business and the industry in general here in the Goldfields. However, with the increased education and compliance requirement, in the short term there may be a shortage of advisers in the industry.
- Client engagement and education – most people still don't understand the role of a financial adviser.

### Settlement Services

- Very good. A year of strong sales and good profits.
- Significant increase on profit compared to last financial year.
- Revenue increased but not as much as profit.
- Staff number has doubled.
- Labour shortage is affecting business to the extent that people aren't coming to Kalgoorlie–Boulder to fill the positions and requiring housing, which is our business.
- FIFO replacing residential workforce. Last time we had such 'boom' conditions characterised by severe labour shortages, the property market was massively more active and buoyant.
- Kalgoorlie–Boulder is a mining centre, and the mining industry is very strong at the moment and for the foreseeable future and we are consequentially seeing very large investments by businesses to cater for that demand. Businesses that do not understand this are doomed to failure or flatlining as they miss the opportunities. We are ALL IN MINING in Kalgoorlie–Boulder whether we know it or not and the trick to succeeding in business here is to find a market for your product or service.

### Tenement Services

- Recently launched new software product.
- Turnover has increased by 28% in the last 12 months.
- Invested funds in the last 12 months into new software product.
- Expanded and invested in new premises in the last 12 months.
- Expanded business overseas.

### Business Operations Consulting

- Increased income and profit in the 2018/2019 financial year.
- Invested in training.
- Diversifying into agriculture technology.

### Insurance

- A year of positive growth.
- Main issues are a lack of experience and qualifications within the financial services industry.
- Have to devote a lot of time and money into training staff so they can obtain the relevant qualifications to do the required tasks.
- The new business/quote requests are still flowing through at an encouraging rate, with both contractors to the mines and new start up retail businesses requiring insurance quotes.
- On the flip side to this, are still seeing retail businesses closing and many property owners insurances increasing in premium (while generally decreasing in cover) due to having to insure unoccupied properties.
- Growth within companies servicing the mines is extremely encouraging with turnover and wage figures showing strong growth.
- Asset figures are also increasing, showing confidence in the future economic state.
- Yet again bracing ourselves as the storm season is almost upon us but can confidently say that the previous years' storm events have only placed more confidence in the industry with majority of the claims paid in full and without delay.
- There was some fear after last years' events that the premium rate (particularly for the 6430 & 6432 postcodes) would increase substantially but can safely say the rates have remained fairly steady, so far, even with those policies that sustained prior losses.
- There has been a surprising decrease in growth of the online insurers which could be a result of individuals and business putting more emphasis on service than price.



- The relationship between brokers and small business has strengthened in the last 12 months with 60% of small businesses claiming to buy up to 89% of their insurance from a broker, up 42% from last year, which also reflects the decreasing growth trend with online markets.

## **PROFESSIONAL AND TECHNICAL SERVICES**

### **Accountants**

- Business more depressed due to more businesses closing than opening.
- Labour shortage has meant that professional employees are impossible to recruit to Kalgoorlie, our clients are not able to expand their business or deliver proper services.
- Difficult to attract experienced and qualified accountants but not difficult for support staff unskilled/unqualified.
- Currently addressing the shortage by leveraging advances in technology to improve our efficiency and utilising lower Full Time Equivalent with a higher number of people who are able to work remotely ie: mums with young children etc. People wanting to leverage full-time income with additional work.
- Main issues facing business are rapid change in technology and cyber security – more education needed for all businesses for cyber security.
- FIFO is reducing the people living in Kalgoorlie which is affecting business.
- Would be beneficial if more organisations could work more on making Kalgoorlie more attractive for residential employees.
- Purchasing in Kalgoorlie is generally very challenging.

### **Lawyers and Solicitors**

- Business has been fair but no increase to profit or revenue.
- Upgraded computer system \$25k.
- More permanent people in town would broaden client base – FIFO is the biggest factor holding the towns progress back.

### **Veterinary Services**

- The practice has steadily been getting busier and to meet the increasing demand a second consult room and treatment room was required.
- Had a decrease in profit due to the need to purchase equipment to facilitate the new rooms in the extension and increased cost of staffing.
- Revenue increase by 15.5%.
- Considerable investment made in new equipment this financial year plus the extension.
- Difficulties with finding staff. To assist with this, we have trainees doing Certificate III in Animal Care through the school-based program and trainees doing Certificate IV in Veterinary Nursing. Employ graduate veterinarians who are mentored by our experienced veterinarians.
- Work has increased over the last 12 months.

## **RENTAL, HIRING AND REAL ESTATE SERVICES**

### **Motor Vehicles**

- 5% increase in profit in the 2018/2019 financial year compared to previous year.
- Increased fleet size in the 2018/2019 financial year by 35%.
- Increased our staff with 100% local workforce.
- 3 large leasing clients.
- Revenue airport hire of vehicles performing to budget.
- Main clients are mine sites and shut downs.
- Invested in additional trucks and buses.

- Diversified into sale of used vehicles.
- Labour shortage not directly affecting business, however have noticed quality of applicants has declined.

### **Residential Real Estate**

- Residential rental vacancy rates between 1.2% and 3.5%.
- House prices on the rise from 9.4% – 15.2%.
- Revenue is up.
- Starting to see investors coming back into the market for strong returns on investment.
- It has been a challenging year with changes in trends for client flow, increased competition within the market and the impact of FIFO.
- Labour shortage affecting sales overall and also for hiring qualified property managers.
- Since May Federal election we have seen a huge uplift in enquiries through home opens and buyer appointments.
- A lot more optimism and confidence now in the market and buyers seem keen to get on with their lives and housing plans.
- Have noticed an increase in residential property sales.

### **Commercial Real Estate**

- Has remained steady over the past 18 months.
- All lots sold in ANZAC industrial estate. Purchasers willing to sink teeth into nice development in West Kalgoorlie properties.
- Commercial properties in Boulder and South Boulder have the highest occupancy rates as the properties are most affordable (owned by long-term investors).
- Commercial (non-retail) rents have seen some upside, and commercial property owners are offering fewer leasing incentives to secure tenants in the current market.
- More confidence coming off Diggers and Dealers
- General uptake in industrial properties. Developed properties selling and leasing, prices increasing
- \$16m Coles development in Egan Street set to commence 2021.

### **Land Development**

- Vacant residential lot sales in Kalgoorlie peaked in 2012–13 and then trended down to the start of 2017, since then have noted a slight recovery.
- Further positive sentiment in Kalgoorlie and a tightening of rental vacancies will help this sector of the market improve further.
- The median house price was \$300,000 in 2018–19, providing an affordable starting point for Kalgoorlie's existing population and future ones.
- Total residential building approvals (new houses and other residential buildings) have increased 129% from 2016–17 to 2018–19.
- Building approvals are used as a leading indicator of the general level of residential development, economic activity, employment and investment.
- 11 vacant industrial lots sold in Kalgoorlie in the past 18 months
- State Government and the City of Kalgoorlie–Boulder working on the next tranche of development at Lot 500 Anzac Drive.

## RETAIL AND WHOLESALE TRADE

### Food and Grocery (Private)

- As far as business goes, we have made a lot of process changes and made decisions in regard to where the business is headed in the next three years. Some slow months.
- No increase from last year – revenue remains around the same marker as last year.
- Receive countless number of resumes for counterhand work.
- Only one tender for this industry comes out every three years.
- Main issues – Constantly increasing rental and overheads with limited negotiating margins.
- The business was running at 2% increase in profit till March, Sunday trade kicked in and reduced my profitability by 12% for the year.
- Sunday trading was a massive blow to business.
- Have reduced staff by 30%.

### Food and Grocery (National)

- Introduction of seven-day trading has created a great opportunity for students looking for work with 12 juniors employed.
- Existing staff volunteer to work on Sundays for the extra increase in pay rate.
- More people coming in to shop from Leonora and spending the weekend in town, before used to drive in and out on Saturday.
- Approximately 1,000 – 1,600 customers through the doors on Sundays, Saturday's have dropped by 10 % however that is a welcome relief.
- Overall trading has increased 50% over the weekend, taking into account a drop on Saturday trade.
- Seven days trading has meant less food being wasted.
- Fruit and vegetables are freighted from Perth via truck, however the quality is impacted if they are not refrigerated on the seven-hour trip.
- Bread that is not baked in store and comes from Perth is sometimes baked the day prior which is not optimal.

### Fuel

- New building and tanks for roadhouse in Kambalda opened late 2018.
- Unmanned Menzies Roadhouse fuel supply ended June 2019.
- There are 15 petrol stations in Kalgoorlie offering Diesel and ULP91.
- LPG only available at Twin City Cabs.

### Furniture, Housewares and Speciality

- Profit and revenue decrease by 5%.
- We have stopped trying to employ anyone as we are a specialty business and the time required to get personnel trained is not paying off as they are averaging four months then leaving for higher paying jobs based around mining.
- Work levels are fairly consistent with last years and we have collected a new contract and expanded an existing one. However, the first 5 months of the year we have had to lower prices as the customers were not committing to purchases.
- The ability to expand our business beyond the current level is dependent on good reliable staff.
- Changes in our industry and average yearly price increases near 10% which we have not successfully been able to pass onto our customers and the inability to source and retain staff are hampering our ability to expand our market and move into new markets.
- FIFO affects business as there are less people living in town so less customers.
- Internet shopping competitive. We need businesses to embrace and compete on line.
- The freight costs and flight costs are expensive.

**Newsagencies**

- Continue to increase profit year after year.
- Diversifying into other products to offer as well as gift lines.
- New products and local products selling well.
- Increased profit in the 2018/2019 financial year by 50%.
- Looking at going to online sales.

**Office Supplies**

- Stayed quite strong but minimal growth with a 5% increase.
- Have invested in new vehicles.
- Increased staff levels by one.
- Our business finds it difficult to get the right people for the roles, most are looking for mining wages.
- Main issues are national accounts, FIFO, staff retention (retail/warehouse).

**Retail and Commercial Paint Supply**

- Financial year quite positive with a small increase on profit 5%.
- Labour shortage indirectly affecting business, contractors having difficulty getting quality staff to complete projects where we provide product.
- Noted a slight increase in tenders.
- Main issue would be projects being pushed back for a variety of reasons out of our control.

**Travel**

- Business has picked up over the last 12 months.
- Increasing sales by 50%.
- Picking up more corporate clients.
- Recently won company's state retailer award.

**Building and Garden Supplies**

- Flat, each month consistent with last year.
- Revenue had decreased with profit staying the same as last financial year.
- Invested in a vehicle and computer.
- Dropped off weekend junior.

**Motor Vehicles and Parts**

- 2018/2019 a struggle, still profitable but disappointing.
- Profit decreased by 17%.
- Revenue decreased by over 10%.
- Invested in plant, equipment and signage.
- Staffing numbers remain the same as last year.
- Labour shortage not really affecting business, however an extra sales person and mechanic would be good. We have 4 apprentices coming through.
- Increase in tenders noted.
- The local people are more conservative than they have been in most of the past decade.

**Pharmaceutical**

- Business was very flat in the past 12 months with similar sales and outgoings.
- Wages equate to 30% of gross profit due to the high service costs of our business and pharmacy professionals.
- Cost of stock on hand remained the same.
- We have reviewed expenses and cut costs.

- Revision of procedures and systems to ensure relevance.
- Work with new innovative technologies to ensure cost control whilst maintaining or increasing offer of care to patients.
- Learning Management Systems platforms and increased use of Webinars to reduce training costs, eg. flight and accommodation to Perth.
- Unfortunately, with the closure of some local businesses in town, the shopping experience in Kalgoorlie is reduced. This will lead to an increase in online shopping however where possible we are trying to fill some of the void that they have left by diversifying our products.

#### **Recreational Goods**

- It has been a tough year of trading.
- Profit down by 4%.
- Online shopping is a growing market and our biggest competition.
- FIFO workers do not have an input in our community and business sector which affects our town.
- Good incentives would mean have more families settling to life in the Goldfields.

#### **Clothing and Footwear**

- Our trade is down 7% on last year and we are having less traffic through our doors with lengthy gaps in trade during the day.
- Decreased staff over the past 12 months.
- Social issues surrounding theft has had a spike, probably due to fewer retailers in Hannan Street to steal from, the impact will be felt more by the remaining stores.
- Our major obstacles at the moment is the lack of foot traffic in our local region, this includes FIFO, DIDO work force, the cost of businesses outsourcing externally to Kalgoorlie.
- Burt Street has a great appeal however don't believe this has increased trade.
- Branched into online sales six years ago to capture the local market but attracts global market.
- We have opened on Sundays and noticed shoppers more relaxed.

#### **Beauty, Hair and Wellbeing**

- Increased profit by 4% in the 2018/2019 financial year.
- Increased revenue.
- Anticipate an increase in profit for the 2019/2020 financial year.
- Investing in staff training.
- Diversifying is important – stock locally made fascinators and candles.
- In the next 12 months will be investing in rebranding and renovations.
- Local collaborations crucial – fashion week.
- Recognises the change in retail and is adapting be competitive.
- Increased staff numbers.
- Labour shortage affecting business as it is hard to find qualified staff with experience.
- We encourage work experience through the local high schools.

### **TRANSPORT, POSTAL AND WAREHOUSING**

#### **Taxi**

- Have started transferring calls to a call centre in NSW as could not afford to pay the operators and had to reduce staff.
- Our staff has decreased due to business loss.
- Taxi industry is going through a very difficult phase due to the new legislation.
- Loss of multipurpose taxis to transport people with disability will impact the town community.



**Air**

- Between July 2018 and March 2019, passenger numbers exceeded expectations, with 230,169 passengers moving through the airport facility compared to a budgeted estimate of 199,612. This result can be attributed to buoyancy of the mining in the 9 months to March 2019.
- The Annual Report to June 2018 anticipated in excess of 300,000 passenger movements in the current financial year and all indications are that that figure will be achieved.
- Aircraft Landing Fees Landing Fee revenue of \$1,033,510 between July 2018 and March 2019 was higher than the same period in the last financial year (\$916,444).

**Flight Services**

- Stable 2018/19, fairly average with a small growth overall.
- Esperance scenic flights have seen a moderate growth, but our primary core business charter has seen very little growth with significant opportunity being lost to Perth based operators.
- Profit up by 2%.
- Purchase of an aircraft for Esperance Based scenic flight operations.
- Purchase of hangar and new flight school building adjacent to existing terminal.
- Request to rent from City of Kalgoorlie–Boulder, the Wallace Kyle Terminal as improved terminal facilities.
- Indirectly affected by labour shortage because less workers in Kalgoorlie–Boulder means less local passengers.
- A regular weekly crew change flight to one of the Northern Goldfields mine sites was cancelled because the mining company couldn't secure the necessary staff out of Kalgoorlie (they now fly direct from Perth to site).
- Competition is Perth based and fly staff from Perth direct to site. Most sites are in Northern Goldfields.
- Not seeing increase in tenders.
- Large business – particularly mining should be encouraged or required to employ a portion of their staff from local sources.
- Looking to increase exposure in Esperance with significant expansion opportunities identified there.
- Looking to further pilot training and would like to be involved in Kalgoorlie securing a large-scale training base for domestic carriers.

**Rail**

- \$2m commercial depot being constructed in Kalgoorlie, including offices, a maintenance shed and a washing plant.
- \$2.3m program to replace over 6,000 sleepers and the upgrade of a further 2,400 sleeper plates.

**Rail (Domestic) – Prospector**

- Positive feedback – service, staff, affordability, timetable (daily), coach backup.
- Issues are no WIFI, no Eftpos in kiosk, punctuality (late/breakdowns), movie entertainment to be changed more regularly, no public service announcement at stations when late and no live digital information.
- Work commenced to improve disability access on the Eastern Goldfields Railway and South West Main with the progression of high-level platforms at Carrabin and Yarloop.
- Changed the way Transwa communicates service delays to passengers, with SMS notifications allowing for automated updates for on-time running information.
- Implementation of the Telstra Genesys Pure Cloud Contact Centre application, delivering improved call queue management, broader reporting, self-managed Interactive Voice Recording (IVR) and agent visibility.

- Trialling a television display system to inform people of the delays at the terminus stations if the train is more than 15 minutes late. The display will be linked to a banner on the Transwa website, which will also show the expected delay.

#### **Bus Domestic and Minesite Charters**

- A year of consolidation. Restructuring of marketplace with competition increasing region.
- Slightly increased profitability compared to the 2018 year.
- Revenue decreased as a major contract outside the Goldfields was completed.
- Bought new buses and extended sheds.
- Staff has decreased overall but staff located in the Goldfields region has increased.
- Moderate increase in tenders 20%.
- More emphasis needed on local content for quotes and tenders.

#### **Freight**

- Our industry has reached a point where companies aren't making money and as a result, we're not able to attract quality staff to our industry.
- We are having issues with standards and compliance.
- In May 2018, the Transport and Infrastructure Council directed the National Transport Commission to review the Heavy Vehicle National Law (HVNL).
- The wide-ranging inquiry will look at pay and conditions, infrastructure maintenance and development, impact of regulations, career pathways, safety and technology, with recommendations to be handed down in April 2020.

## **HEALTH AND FITNESS**

#### **Kalgoorlie Health Campus**

- Kalgoorlie Regional Hospital is actively recruiting medical staff who will reside in Kalgoorlie.
- While FIFO locum staff are used to ensure continuity of services this is not the preferred medical model.
- 64 slice CT scanner for Kalgoorlie Health Campus has been installed and is working.

#### **Bega Garnbirringu Health Services (BEGA)**

- Tender called in August 2019 to design and construct new Environmental Health and Maintenance Facility at 20–24 Boulder Road for BEGA.
- The funding covers about one third of the estimated \$10m project
- The new facility will also allow Bega to grow its current team of about 110 staff members to more than 150 in the future.
- Conducted just over 15,000 consultations in 2018/2019.
- In September 2019, received a \$3.5m grant to help fund a new multi-storey social service and training facility on MacDonald Street.
- There is a massive focus on mental health at the moment and we are seeing more and more demand and we need to be in a position where can meet that demand in the future.

#### **Royal Flying Doctor Service (RFDS)**

- Goldfields base has \$8m state-of-the-art Pilatus PC-12 turbo prop plane "emergency room in the sky" – two stretchers, one medical team.
- The local RFDS base transferred 568 patients from the Goldfields–Esperance region between January and March 31 this year.
- July 2019 – Patients in Eucla will continue to receive important health care from doctors in Kalgoorlie–Boulder via video-link after its successful trial.

- The only WA town to take part, Kalgoorlie–Boulder RFDS doctors used video–conferencing to provide medical advice and care on 57 occasions throughout the 18–month period from October 2017 to March this year.
- In the past decade the RFDS has conducted nearly 12,000 patient retrievals from the Goldfields region, 260 of which were from mine sites.

#### Health Private

- Cannot keep up with demand.
- FIFO specialists service the Goldfields.
- Labour shortage has affected being able to secure qualified staff.
- Health professionals are investing in expanding their businesses to cater for the training and to be able to provide more specialised services for the community.
- Flu season hit the region hard, overloaded GP surgeries.
- It is expected that there will be more doctors on the ground in the future however it is a challenge.
- In July, St John Ambulance announced Kalgoorlie as the trial site of a new pilot which could ultimately see more paramedics deployed to Regional WA.

#### Aged Care

- \$9.8m, 49 unit modern retirement living retirement village opened in May 2019.
- Demand for aged care increasing and the costs rising means the industry is ripe for change.
- The people who work in the industry genuinely care about their customers and they want to do things as best as they can. They understand that there's not millions of dollars to be made in this industry.
- Innovation will come for the benefit of both staff and customers, with the focus on achieving a better customer experience; safer and easier jobs for staff and through smarter building technology.
- Some organisations outside the Goldfields are experimenting with virtual reality in some of its facilities – offers experience to people in the facility despite mobility constraints eg, travel in your armchair.
- Changing the way nurses and support staff interact with customers important.
- Looking to the future, talking to innovators, start–up companies about new gadgets that can help and improve safety in facilities eg. automated, robotic linen trollies.
- Looking at smart sensor technology – can detect movement in a house and so if that deviates from the norm, then it can send messages to their loved ones or to their carers to advise them to check in on them because they are doing something different eg. not out of bed yet.

#### Disability Services

- 2018/2019 can be characterised as an interesting year in that there was uncertainty and confusion around the National Disability Insurance Scheme (NDIS).
- Profit and revenue up.
- Disability support workers are difficult to recruit because of the relatively low wages compared with the mining and manufacturing sectors and competition for labour from those sectors.
- New clients coming on board due to the National Disability Insurance Scheme (NDIS). The Goldfields–Esperance region starting transitioning to the NDIS 01 October 2018.
- As a result of the National Disability Insurance Scheme (NDIS) the disability provider sector is transitioning from a payment in advance system to payment in arrears. This structural change will impact very significantly on provider cashflow and profitability. Indeed, many providers will struggle to survive and are either considering winding up, mergers or acquisitions.
- Expected Goldfields annual demand for services (including GST), by 2023 is \$15,146,700 to \$24,484,400.
- Expected Goldfields number of participants by 2023 is 453 to 622.

- Estimated NDIS workers in each occupation in Goldfields region (full-time equivalent) by 2023 is 131 to 219.

#### **Community Services Providers**

- Seniors in Wheatbelt, namely the hospitals in Kalgoorlie, Northam and Southern Cross face gaps in connecting seniors recently discharged with support services back in their community.
- A lot of strain is put on St John Ambulance services and the readmission levels to the hospital increase.
- Medical services shortages in the area, forces St John Ambulance to transport seniors in need of services to the nearest hospital to have their ostomies changed, have their daily injections and daily treatment administered.
- Palliative care nurses employed by the hospitals make house-visits to deliver services in the community, thus increasing the burden of staff related shortages in the hospitals.
- As the tendering system is complicated or not available in government hospitals, it is difficult to provide services to clients in community.
- Need to have a better system, where the government hospitals are allowed to reach out to community providers, finding a centralised system where the community population can access ostomy supplies instead of attending to ED.
- Tender WA should include tenders for profit and not-for-profit community care providers to provide services for elderly in community setting in order to prevent readmissions to the hospital.

#### **Chiropractors/Physiotherapists/Remedial Therapists**

- Labour shortage is affecting our profession, collaborating and using visiting practitioners.
- Profit and revenue decreased by 10–15%.
- Sponsoring staff is a big factor.
- Booking ahead is key to increasing appointments.
- Labour shortage means it is hard to get qualified staff.
- Cannot compete with mining industry wages which is enticing.
- Have not seen an increase in work in general over last 12 months.
- Regularly refer to other business that may help our clients.
- It has been a challenging year with changes in trends for client flow, increased competition within the market and the impact of FIFO.

## **TOURISM**

#### **Tour Operators**

- Stock local products
- Collaborate with and promotes other local businesses.
- Increase of 21% for ticket sales in the 2018/2019 financial year.

#### **Tram**

- Average 300–400 passengers per month.
- Tram purchased from grant funds from State Government.
- We are responsible for maintenance for the tram and spend lot of time and effort plus reinvest income in improving it.
- It is difficult to manage the times it can be off the road, however we have scheduled maintenance through local businesses.
- We have employed two people one full time driver and a casual back-up driver.
- The tram maintenance and staff are managed by the Loopline Committee however bookings, tours and the scheduled tour stops are all managed by the Kalgoorlie–Boulder Visitor Centre.
- The tram is offering a taster service to tourists on Kalgoorlie Boulder's offerings.

- Private bookings are not being advertised but are being taken as requested, however we have quite strict guidelines to keep within as we are a registered Department of Transport Service Provider.

#### Racing

- 7,000 people attended Kalgoorlie Cup 2018.
- Average overnight visitor spend \$219 locally per day.
- Estimated \$1. 5m injected into Kalgoorlie–Boulder economy over three main days of round.

## MINING SUPPORT INDUSTRIES

#### Mining Maintenance

- 50% increase in profit and 20% increase in revenue compared to previous financial year.
- Have invested in vehicles, plant and equipment.
- Little staff turnover, however labour shortage makes it hard to gain qualified staff.
- Have definitely seen an increase in tenders over last 12 months – more minesite work and bigger jobs.
- Invested in expanding our workshop.
- FIFO needs to be slowed down and the mining companies should be giving an incentive for people to reside in Kalgoorlie.

#### Mining and Civil Works Contracting

- Revenue increase from \$60k to \$1.6m with new contracts.
- 100% local workforce.
- GPS tracking installed.
- Recent appointed an experienced OHS Officer.

#### Mechanical Repairs: Truck and Road Trains

- A little lighter than the year before but still strong. Plenty of potential for new business. Strong market.
- Profit increased marginally above last year 5%. Could have done better if had more staff.
- Revenue increase 6%.
- Bought new service vehicles, truck hoists, shed extension.
- Same number of staff but less experienced.
- Very hard to find experienced staff. Spent a lot of money bringing staff from overseas.
- Advertise throughout Australia. Use a Queensland firm that recruits from Europe and South Africa.
- Increase in demand for services.
- Employ about 60 staff in Kalgoorlie and Perth.

#### Mining Supply Industry

- Very busy year as the mining industry is buzzing at the moment.
- We are struggling for cash flow like many other businesses.
- Have seen increased demand for services and tender.
- Revenue increased and profit has had a 10–13% increase compared to last financial year.
- Have purchased new vehicles, crane, trucks and forklift.
- Putting more 12 staff on the books internally – good team, retention and upskilling is important to keep great core group to go to next level – now 27 staff.
- Starting people at entry level and training them is crucial

#### Testing

- It has been a good year which has again shown growth in our sector for the requirements for safety related QA/QC services.

- Profit increased by 13%.
- Revenue increased by 16%.
- Invested in property.
- Labour shortage does affect our business. We currently have 4 vacancies and have been advertising for 24 months with only one addition to the team who happens to be on a visa. We are still advertising and are currently forced to use subcontractors from outside the Goldfields Esperance region when we can't man certain jobs ourselves.
- Have noticed a significant increase in tenders.

### Hydraulics

- Very successful, with good growth in the Northern Goldfields.
- 8.5% profit increase.
- Revenue increased.
- We certainly have diversified in employing additional people, we gained new skill sets for instance we now have a full-time auto electrician.
- Invested in new vehicles, machinery and equipment.
- In the gold mining sector, we have seen an increase in quotes and work, tenders not so much.
- We certainly believe we are on the upward cycle of the mining increase, we seem to be seeing success in growing with our existing clients and some new ones. We are hoping with the nickel mining projects we will see some increase of business coming in. Lithium plants and mines got off to a good start with us however the business has reduced once many of them are over the start-up phase.
- A heavily saturated market of hose and fittings competitors sees a very aggressive market place when it comes to quoting, we are lucky to have a strong customer base and offer a wide range of products making us more attractive to clients and potential clients.
- We do find that often when customers are pricing focused rather than quality vs pricing focus we lose business to the "cheaper" competitors only to gain the business back at a later date and have to rectify the issues caused by the customer choosing the immediate saving rather than the long term saving.
- In hose and fittings, we have 26 competitors and in fire suppression there is 25 competitors. Amazingly there appears to be a bit of business for all.
- Travel distances and ensuring staff safety often we travel extreme distances across various parts of the country in remote regions, requiring our staff to be well trained in remote four wheel driving and fatigue management.
- We are constantly developing systems in conjunction with technology to ensure our processes are efficient and provide quality service to our customer base.
- 90 days end of month payment terms will always affect cash flow, but major miners generally have long payment terms, so we've adapted over the years.
- Nationally have diversified into fire suppression and lube equipment. Kalgoorlie is slowly getting there, but these business plans require a large investment and these markets are being occupied by plenty of competitors already.
- We invest into our staff and putting employees through apprenticeship is a good angle. This invests into the individual and keeps them within our network.
- Shortage of staff has been an issue for a long time.

### Modular

- Have a considerable number of projects in the pipeline which could be attributed to the stability of nickel and a strong gold sector.
- Have received a number of inquiries for mining camps for major large mines across the Goldfields.
- Several local sports clubs looking to upgrade change rooms and club rooms.



### Crane Hire

- It has been very good year. The region has really started to pick up.
- Approximate 30% increase on profit.
- Revenue increased approximately 35 %.
- Invested in two brand new pieces of machinery to be able to cope with the increased demand.
- The local labour shortage has really affected our local business. We are lucky that our company is state wide. Due to this we have created our own pool of people who are Perth-based to cope with the ever-growing demand.
- We have had a huge increase for tenders and quotes.
- The main issue we face is trying to get people to relocate to Kalgoorlie or the Northern Goldfields.

### Plant Hire and Contracting

- Excellent, by most measures. Monthly revenue nearly doubled in the financial year.
- 60% profit increase. Mainly due to increased utilisation of equipment as a result of increased employee numbers, which only happened because more people have recently become available.
- 40% overall increase due to increased utilisation of equipment.
- We spent about \$500k on additional machinery and vehicles. Planning about \$600k for the next 12 months, maybe more.
- Doubled staffing levels since last year by hiring four more staff.
- Availability of skilled and willing local residents has been the most critical limiting factor for our business for the last 4 years. I've seen an increase in numbers of people in town, and have been able to sign up 3 new, worthwhile employees in the last 4 months.
- Tender increases seen.
- I've also had enquiries from several nickel mines about work and tendered for several local projects for Perth companies (and won a few).
- Strategy going forward will include promotion of Kalgoorlie as a great place to live.
- Changes to the FBT system would enable me to offer potential employees more tangible financial benefits to living in Kalgoorlie.
- Big companies seem to have learned from the downturn to be much more careful with their money.
- Contractors have to really focus on quality of service and delivering value for money, not just paying lip service to those things.
- Dodgy operators are having a harder time of it. There is no such thing as money for nothing in the gold mining industry any more.

### Auto Electrical

- Small loss in the 2018/2019 financial year due to the labour shortage affecting their capacity to take on new business.
- Currently have 3 vacant positions for auto-electricians.
- Employ 3 apprentices.
- Have noticed the decline in the number of applicants coming through for jobs and now looking at the DAMA.

### Mining Technologies

- Apprentice program is critical – it's our backbone – more sustainable means of employing and training staff and will continue to be in the future.
- Important to move with technology changes – introducing network-based communications systems.
- Always designing and manufacturing components – networks across the globe
- Autonomous technology is going into every mine, so the technology is becoming part and parcel of new mine infrastructure.

**Conveyor Belts**

- Same as last year – steady.
- Revenue increase \$50K–\$100k since last financial year.
- Biggest issue is appointing permanent employees with relevant skills and knowledge of upcoming work in the region.

**Drilling**

- Have noticed that there has been a huge upshift in business.
- Extremely busy at the moment.
- Have increased turnover significantly and anticipate making a satisfying profit this financial year.
- Have purchased new premises.
- Have put on an apprentice and continuing to grow.
- Attrition rate is an ongoing concern – looking at enticements such as salary packaging to entice workers to live and stay in Kalgoorlie.
- Focus on continually implementing the most technologically advanced drilling techniques and maintaining superior innovative fleet.
- Expansion occurred with a focus on employing motivated individuals.
- Drilling services for remote area exploration and camps, water bores, directional drilling, surface diamond drilling and reverse circulation.
- Capabilities for drilling to depth of 2km, supported by workshop and administration offices in local premises.

**Crushing and Screening**

- Crushing and screening work is becoming increasingly specialised with greater flexibility needed. It means that companies can get stuck with outmoded machinery when their client demands change.
- Mining companies are going to require greater capabilities from contractors, the mining companies themselves are going to become far more reliant on capable contractors rather than doing the work themselves.
- Will be the first private operator in Australia to have a Johnsson L160 fitted with a Metso 160 jaw crusher –weighs in at 170 tonnes – ideal mobile solution for open quarries requiring a seriously high capacity, heavy-duty operation.
- Will add to our capacity to deliver what clients want – tonnage produced with absolute reliability at the best price possible.

**Site Concreting Contractors**

- Strong year with 20% growth in turnover.
- 60% profit increase.
- Gross revenue grew.
- Purchased 2 new tipper trucks, another bobcat, 2 excavators, 2 utes, crew cab 3 tonne truck.
- Increased staff by 10.
- Labour shortage very much affecting business and are having to resort to FIFO, targeting family life as a selling point.
- More quotes and increased tenders. Slowed end of financial year and around the Federal election but has now picked up again.

**Electrical Contracting**

- Busy year, profitable – 40% increase due to an increase in Commercial Building activity.
- Upgraded 4 x vehicles purchased locally.
- Labour shortage means difficult to attract trades (electricians) preferably with mining experience.
- Have seen an increase in tenders, quotes over last 12 months.

### Refrigeration, Heating and Cooling

- Demand for services extremely high especially due to Goldfields weather.
- Goldfields winters and summers extremes create constant needs and peaks occur when temperatures rise or drop dramatically.
- Expanded from a one-man outfit 2014 to a showroom in 2018.
- Catering to commercial, mining and domestic, offering sales and installation, servicing, maintenance and cleaning – can't keep up.

### Mining Energy Supplies

- YTD earnings are lower than previous year despite growth in the mining sector for which we operate in. Our earning ability has been heavily impacted on lack of trained technicians for which we rely heavily on to generate income. This coupled with the increased costs associated with attracting technicians and costs for flying technicians in from branches across Australia to ensure that we have enough technicians to support customer needs.
- Parts sales 2018 were exceptional and this year we have seen sales return to a more normalized turnover.
- We will not meet last year's profit figures. Last year was an exceptional year. We are now trading back in the norms. We will be 23% down on last year's turnover.
- We did not increase revenue.
- We continually are investing in tools of trade, vehicle upgrades, premises upgrades.
- The business is a global business and what we are seeing is that many of our OEM's (original equipment manufacturer) partners are moving rapidly towards electrification. This is also a heavy focus for our business globally and we can see new technologies entering our business. Within our market Regionally the acceptance and move towards renewable is gaining momentum with many mine sites now focusing heavily on energy harvesting via solar and wind. These energy producing methods supplement gas powered power stations to reduce to overall cost of producing electricity.
- Underground miners are also encouraging OEM's to product viable electrified vehicles for underground use. The focus is to reduce diesel particulates underground resulting in reduced ventilation costs and improved health environment.
- No increase in tenders. Our market segment is defined by building relationships with OEM's and end users, we have a market share due to the nature of our product offered.
- The reliance on labour intensive workers will become more focused with industries working through the issue of attracting and retaining young people. This will be the biggest issue as the pipeline for labour dwindles year on year.
- Gas powered generation and electrification across all engine platforms in all size engines is the trend.
- Currently we employ 23 staff of which three are apprentices. Our staff has steadily decreased over the last five years and we are at our lowest employment in my tenure. We currently have nine open positions and we are active in the employment market.
- Lack of trained technicians and high labour costs to attract technicians.
- We firmly believe that we need to train apprentices for the future and this is core to what we do.

### Mining Cooling

- Very good year but no increase on profit or revenue.
- Invested in equipment and machinery.
- Have had a major IT upgrade.
- Have seen an increase in tenders.
- Trend is definitely moving forward.
- Advertise all over as shortage of labour has a major effect, trying new things all the time.
- There is an abundance of employment opportunities in the Goldfields at the present.
- Something must be done to maintain our permanent residents.

**Electrical**

- Demand is strong creating opportunities for companies to diversify and establish electrical contracting arm for services in instrument sales, maintenance and projects, project installation and commission telemetry systems, appliance test and tag, labour hire, trenching, excavating, cable locations and thermal imaging.
- Domestic demand still as high as mining and commercial services.
- Traditional “sparky” jobs have now evolved with changes in technology, people more savvy with going “green” and having more eco-innovations– solar, general electrical, lighting design, heating and cooling, data and telecommunications, automation, motor control and energy management.
- Increased developments built and rented in West Kalgoorlie has created opportunities for more fit outs which use the more efficient products on the market to make less impact on the environment while making huge savings on power costs, lighting designed to suit the requirements of the business.

**AGRICULTURE****Pastoral and Livestock Farming**

- In July 2019, Goldfields Nullarbor Rangelands Biosecurity Association (GNRBA), Goldfields–Esperance Development Commission (GEDC) and Goldfields Voluntary Regional Organisation of Councils (GVROC) facilitated a stakeholder meeting to discuss feral herbivore control on pastoral properties with an outcome that further exploration was required for commercial opportunities, short-term management solutions and long-term management solutions.
- Wild Dog Sensing Trail – joint initiative between GNRBA and Rangelands Natural Resource Management.
- Invasive technologies to map and eradicate invasive cacti (GNRBA).
- In May 2019, construction began on the \$2m State Government funded Kalgoorlie Pastoral Alliance (KPA) Cell fence to protect livestock and rangeland businesses in the Kalgoorlie–Goldfields from wild dog impacts. Will encompass 11 pastoral leases covering approximately 2.4m hectares, with the fence to stretch about 950km when complete.
- The start of Kalgoorlie Pastoral Alliance Cell construction marks an important milestone in combating wild dogs in the Goldfields and in rebuilding a sheep industry in the region.
- Sheep meat and wool prices have skyrocketed, and we want to see sheep returned to the southern rangelands as an income source for local pastoralists.
- Restoring small stock to the Goldfields will drive diversification across the region, creating new opportunities for shearers, livestock transporters and local contractors.
- Pastoralists across the Rangelands are facing severe dry conditions.
- In August 2019, Pastoral Lands Board (PLB) Chair Tim Shackleton announced the agistment process for pastoralists across the Rangelands had been streamlined to help ensure stock welfare. The PLB has authorised the Department of Planning, Lands and Heritage to approve applications on its behalf, to allow the early movement of drought-affected stock between properties.
- This means approval can be granted at any time, rather than pastoralists having to wait for approval at PLB meetings, which are held every two months.
- By speeding up the agistment process, approved pastoralists will be able to move stock more quickly between stations and ensure animals are safe, with adequate access to food and water. Agistment will also help alleviate overgrazing and land degradation.



