



Economic Prospectus 2015

Message from the Mayor

The City of Karratha has undergone a rapid transformation for the better. Sustained growth in the resource and energy sectors has become business-as-usual in our City in recent years and there are currently millions of dollars in new projects either committed or under construction.

Our economy is undergoing significant expansion and diversification and, as a result, our population is increasing, and new housing came on-stream at an unprecedented rate. As a local government, we have responded by delivering new quality infrastructure not previously seen this far north in Western Australia. Major projects completed in recent years include the \$4.9-million Youth Shed, the \$10.1 million Pam Buchanan Family Centre and the \$6.3 million Frank Butler Community Centre and the \$63.5m Karratha Leisureplex.

We cannot, of course, build a city of choice in Karratha all on our own.

The State Government has shown its commitment to the region by investing more than \$1 billion in Royalties for Regions funding into the Pilbara, much of that into Karratha. This includes fast tracking housing construction, creating additional commercial/industrial space and through sustained efforts to improve the overall quality of life so as to attract and retain our most valued asset - people.

As well as a booming business environment, the City boasts a distinctive landscape – with a mix of recreational opportunities for residents and visitors including boating, camping, 4WD adventures, fishing and cultural heritage activities.

In fact, we are a City of six distinct settlements, Karratha, Dampier, Wickham, Roebourne, Point Samson and an historic settlement at Cossack. Great change is also on the horizon in these communities, in particular in Wickham where an adopted townsite structure plan is already guiding a number of new developments. Our focus over the next two financial years will be on undertaking and completing structure plans for the towns of Dampier, Roebourne and Point Samson.

This economic prospectus has been prepared as background information for potential investors, funding agencies, entrepreneurs, small-to-medium business owners, families and others wanting to share and contribute to the City's future growth.

We encourage you to contact us to discuss your interest in this place, which I am proud to call home.

Cr Peter Long
City of Karratha Mayor



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Who and where we are

The City of Karratha is located in the dynamic Pilbara region of northwest Western Australia. The region is the engine room of Australia's economic growth. With a range of lifestyle attributes and business opportunities, it is an ideal place to invest, relocate or build a career.



City of Karratha

Economy	
Employed Residents 2014	18,502
Unemployment (Dec 2014)	3.11%
Headline Gross Regional Product (2014)	\$19.695 billion
Local GRP (Industry) (2014)	\$3.682 billion
Largest industry by employment (2014)	7622 (Mining)
Largest industry by output (2013)	\$30.88 billion (Mining)
Exports per annum	> 250 MM tonnes
Over \$90 b worth of resource related infrastructure under construction in the West Pilbara	
The City of Karratha has the sixth largest LGA economic output in Australia after Brisbane, Sydney, Melbourne, Perth, Gold Coast.	
Major new Strategic Industrial Area and port at Anketell under planning with a potential output of over 350 MTPA	
One of the busiest regional airports in Australia with around 60,000 passengers per month (838,000 total passengers in 2011/12)	
More than a 2100 registered businesses, with an average of 100 new businesses registered each year	
Approximately 5500 active ABNs in the City with around 520 new businesses for 2013	

Geography and Climate	
Square kilometers in area	15,278
Kilometres north of Perth	1,566
Comprises the townships of Karratha, Dampier, Wickham, Roebourne, Point Samson and Cossack	
One of four local government areas that make up the Pilbara Regional Council	
Average Max. Temp	32°C
Average Min. Temp	21°C
Mean Annual Rainfall	274mm

People (ABS 2011)	
Estimated residential population (ABS ERP 2014)	26,649
Population growth over last decade	4.88%
Population Density	0.02 per/ha
Males / Females	60% / 40%
Aboriginal and Torres Strait Islander people	2,022 (8.8%)
Australian Citizens	15,280
Australian born	13,746
Eligible voters	11,250
Median Age	32 (WA 36)
Children below 15 yrs	20.5%
Couples with children	30%
Older couples without children	1% (WA 8%)
People aged 15+	18,196
People over 65	(1.9%)
Average Wage	\$78,445
Median weekly household income	\$2,839 (WA \$1,415)
Number of earners	10,545
Unemployment (December 2014)	3.11%
Households renting	57%
SEIFA index of disadvantage 2011	1060
A high proportion of young families	
Average number of children per family	1.9
Most common ancestries were: Australian 27.6%, English 22.7%, Scottish 5.8%, Irish 5.7% and German 2.2%	
Most common countries of birth: Australia. 59.3%, New Zealand 5.3%, England 3.3%, Philippines 1.8%, China 1.2% and South Africa 1.1%	
Top 5 languages at home other than English: Mandarin 1.3%, Yindjibarndi 1.1%, Tagalog 0.9%, Filipino 0.7% and Thai 0.4%	

Our Towns

The City of Karratha is made up of a network of settlements, each with its own function, distinct flavour and set of business and lifestyle opportunities.



Dampier
Population 1265 (ABS 2011)

Dampier is 21 kilometres west of Karratha.

It is surrounded by major industry activities with some 11,000ha of industrial land, the Woodside operated North West Shelf Venture's Karratha Gas Plant, Woodside's Pluto Gas Plant and Rio Tinto's iron ore and salt operations. Dampier is Australia's highest value port with exports of \$34 billion (28 per cent) of WA's merchandise exports in 2011 and second highest volume port. Dampier is also home to the King Bay Supply Base which provides important support to the offshore oil and gas industry.

It is also an access point for many of the City's natural and cultural attractions including the Dampier Archipelago, Montebello Islands and the Burrup Rock Art. There is a hotel/motel, some limited shopping, restaurants and recreation facilities. Long term visioning has identified the potential to establish a marina and waterfront commercial strip.



Karratha
Population 16,476 (ABS 2011)

Karratha is the largest town in the City of Karratha comprising the suburbs of Bulgarra, Pegs Creek, Millars Well, Nickol, Nickol West, Baynton, Baynton West and Tambrey.

It is the main service centre in the West Pilbara. It has a current population of nearly 20,000 and has an aspirational target of 50,000 via the Karratha City of the North Plan. It has range of services and facilities including a regional hospital, airport, major shopping centre, sports facilities, Institute/high school campus, aquatic centre and key government agencies.

The Karratha Industrial Estate (KIE), immediately south of the main township has about 640ha of zoned industrial land. Works are completed on a new industrial area, Gap Ridge Industrial Estate, comprising 114 lots which is being project managed by LandCorp. This will provide much needed land for logistics and mixed use industry in closer proximity to the Dampier Port and Karratha Airport.



Point Samson
Population 298 (ABS 2011)

Point Samson is a small coastal community 19km north of Roebourne with a population of around 300.

It was originally founded as a port for the region and played an important role in the development of the City. It is a popular day trip and tourism location with boutique accommodation, restaurants, caravan parks, camping facilities and ample fishing and swimming spots.

There is a small marina and boat launch facilities. It is a popular weekend destination, with Sunday afternoon fish-n-chips and beer a local favourite.



Cossack
Population 2

Cossack is a small historic settlement between Point Samson and Wickham.

Established in 1872 it was the first port in the area, though the town itself failed to flourish. Today, several National Trust heritage buildings exist, including the Bond Store, Telegraph Building and Court House. While the town currently serves as a tourist destination, plans are in place to re-create it as a small lifestyle community.

The Cossack Art Awards, which celebrated its 20th anniversary in 2012, are now respected internationally and recognized throughout the nation as the most isolated acquisitive art exhibition in the world.



Wickham
Population 1651 (ABS 2011)

Wickham is 13km north of Roebourne and 60 kms east of Karratha. It was established in the 1970s to house workers in the expanding iron ore industry and nearby port Cape Lambert.

The town is serviced by a sports field, medical facilities and a medium sized retail centre. Most buildings and facilities are owned by Rio Tinto who have recently entered into discussions with state government agencies and the Shire about future growth plans which will see an investment of \$336m including new residential and FIFO accommodation, blocks for other agencies, new administration and training centre and two new recreational parks as part of the Wickham South Phase 2 Project.

Roebourne
Population 813 (ABS 2011)

In 1866 Roebourne was founded on the banks of the Harding River as an administrative and service centre for the emerging pastoral industry.

It has a strong heritage flavour with a range of tourism attractions and community amenities. Roebourne is predominantly indigenous. It is one of the smaller towns within the Pilbara, however with revitalisation plans being developed and the growth of nature and cultural tourism it has significant potential.





One of the main attractions in the City of Karratha is the lifestyle, amenities and strong sense of community. The City is keen to build on this to improve the quality of life for local residents and attract a new generation of entrepreneurs and community members.

People, Amenities & Lifestyle

Climate

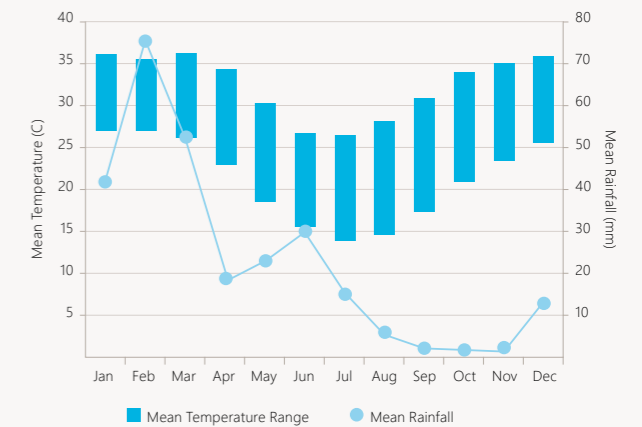
With an average maximum temperature of 32°C and minimum of 21°C, climate is one of the main reasons residents choose to live here. The coolest months are June and July. Average annual rainfall is 274mm, most of which falls in December, January and February. While the City is located in a cyclonic zone, high building standards and emergency procedures assist in mitigating risk.

Demographics

The City's robust economy, nature of related work and the lifestyle opportunities afforded by the local climate means that we have a young, productive and highly aspirational resident population. At the 2011 Census, the median age was 32 and there are a high proportion of young families. This is reflected in the above average household size of 2.9. The City also has a higher percentage of 20-55 year olds due to the substantial employment opportunities that exist in the region.

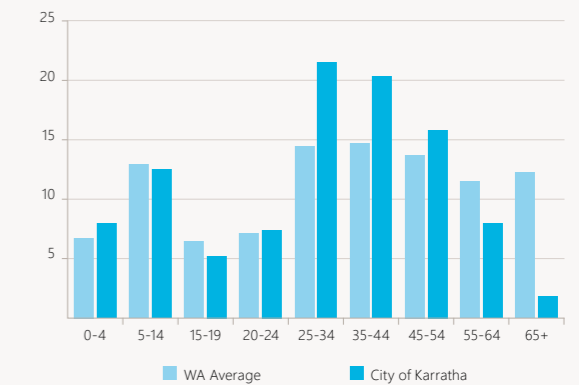
The City of Karratha's population is also characterised as one of the highest population growth rate regions in WA, certainly when compared to other members of the Western Australian Regional Capitals Alliance (WARCA).

Figure 2: Annual Rainfall and Temperature



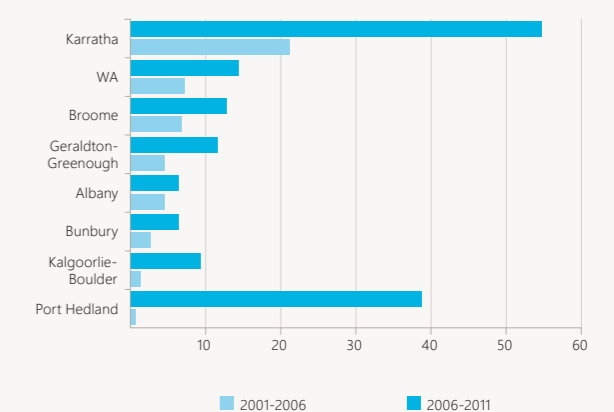
(Data Source: BOM, 2010)

Figure 3: Comparative Demographic Age Profile (Years)



(Data Source: ABS, 2011)

Figure 4: Population growth rate by region and WA 2001-2011 (%)



Social and Economic Wellbeing

The Index of Relative Socio-economic Advantage and Disadvantage (IRSAD) summarises information about the economic and social conditions of people and households within an area, including both relative advantage and disadvantage measures. Generally, the City as a local government area has an index of relative socio-economic advantage and disadvantage above the state average and other Pilbara local governments (Table 1). This is largely the product of many households with high incomes, many people in skilled occupations, low unemployment and few people with low incomes or in unskilled occupations.

Table 1: Index of relative socio-economic advantage and disadvantage (IRSAD) for Local Government Areas (LGAs)

LGA	IRSAD Score	WA Ranking (Out of 139)
Peppermint Grove	1155	139
Perth	1082	129
Karratha	1064	126
Port Hedland	1042	116
Ashburton	1029	110
Exmouth	1015	101
Busselton	1002	85
Geraldton	972	55
East Pilbara	961	39
Wiluna	814	7
Halls Creek	671	1

Table 2: Index of relative socio-economic advantage and disadvantage (IRSAD) for settlements (State Suburbs)

Settlement	Score	Settlement	Score
Port Hedland	1109	Karratha	1010
Dampier	1100	Kalgoorlie	1003
Point Samson	1079	Wickham	992
Tom Price	1053	Broome	933
Paraburdoo	1033	Onslow	906
Pannawonica	1030	Roebourne	816
South Hedland	1024	Nullagine	762
Newman	1016	Marble Bar	702

(Data Source: ABS, 2011)

Cost of Living

As a regional location with high demand for services, it should come as no surprise that the cost of living in the City is around 19% higher than metropolitan Perth (Table 2). Upon closer inspection, there are significant differences in the cost of basic goods such as clothing (15.9%) and personal/health care (37%), with the most critical being housing which is 41.5% higher than Perth. The City, industry and the State Government are focusing their attention on addressing the affordability and availability of housing, land and accommodation.

Table 3: Comparative Regional Price Index

	Kimberley					Pilbara			
	Broome	Derby	Halls Creek	Wyndham	Kununurra	Pilbara	Karratha	Newman	Hedland
Basket	114.7	116.0	110.7	116.6	115.4	118.6	118.8	111.9	121.8
Food	114.5	107.5	112.5	130.3	123.9	101.5	101.0	102.0	101.9
Tobacco & Alcohol	113.6	112.0	114.2	112.1	117.1	108.4	100.9	106.4	119.3
Clothing	116.9	111.3	122.4	119.6	121.7	109.0	115.9	118.3	94.7
Housing	125.6	133.7	113.4	122.4	122.8	139.8	141.5	121.0	147.7
Household	109.7	110.5	110.5	112.0	106.3	108.9	109.7	104.2	110.4
Health/ Personal Care	103.7	102.3	99.0	107.2	109.7	129.6	137.0	113.9	128.2
Transport	108.8	105.7	110.4	109.3	113.4	112.0	110.4	113.3	113.4
Recreation & Education	106.5	110.8	103.6	103.9	101.6	111.7	109.1	110.8	115.5

(Data Source: DLG, 2013)

Recreation, Leisure, Arts and Culture

There is a mix of formal, informal and outdoor lifestyle amenities throughout the City. This includes two swimming pools, indoor and outdoor regional recreation facilities and ample boating infrastructure (Table 3). There are also a number of arts and cultural amenities including the Roebourne Old Gaol Museum, Karratha Arts and Learning Centre, historic Cossack and numerous indigenous art galleries. New facilities include the Pam Buchanan Family Centre, the Frank Butler Community Centre and the Karratha Leisureplex. A partnership between Rio Tinto and the City of Karratha announced in May 2013 will

deliver community hubs in Dampier and Wickham with improved infrastructure, services and events.

Outdoor activities include visitation to the Millstream National Park, Dampier Archipelago, and local swimming and fishing beaches. The towns of Point Samson, Dampier, Wickham and Karratha have amongst the highest boat ownership in W.A. Many of the region's natural wonders are only accessible by 4WD vehicle. Information about the City's natural features and cultural heritage is available at the Karratha and Roebourne Visitor Centres.

Table 4: City of Karratha Recreation Facilities

Facilities	Indoor sports complex	Lit ovals	Swimming Pool	Harbour	Boat Ramp
Dampier	0	1	-	1	3
Karratha	1	4	50m	-	2
Point Samson	0	0	-	1	2
Roebourne	0	1	25m	-	-
Wickham	0	1	25m	1	1

(Data Source: WAPC, 2012)

Education

The City is well supplied with quality education facilities and services. There are currently eight primary schools and, three high schools (one private and two public) teaching over 3,000 students and serviced by over 200 teachers. In addition there are two Pilbara Institute campuses (Table 4), servicing 6000 enrollees with total staff of over 200. The new Baynton West Primary School is operational and the Lower School Campus of Karratha Senior High School was completed in 2013.

The schools are supported by four libraries – one in each of the townships of Karratha, Roebourne, Wickham and Dampier. The Karratha Library is a community library located in the Pilbara Institute.

Table 5: Education Provision

Location	Current		
	Primary School	Secondary School	TAFE College
Cossack	0	0	-
Dampier	1	0	0
Karratha	6	2	1
Point Samson	0	0	0
Roebourne	1	1	1
Wickham	1	0	0
Total	8	3	2

(N.B. Roebourne is a District High School)

Government Agencies

There are many State Government agencies and Commonwealth agencies with offices in Karratha or Dampier, including:

Table 9: State and Commonwealth Agencies

Department of Education - Pilbara Education Regional Office	Department of Planning
Department of Parks and Wildlife	Department of Water
Biosecurity Inspection and Quarantine	Department of Commerce
Pilbara District Police Office	Department of Fisheries
Department of Mines and Petroleum	Department of Housing
Department of Corrective Services	Department of Transport
Department of Agriculture and Food	Department for Child Protection
Department of Sport and Recreation	Water Corporation
Disability Services Commission	LandCorp
Fire and Emergency Services	Horizon Power
Pilbara Port Authority - Dampier Port	Australian Customs
Pilbara Development Commission	





As the powerhouse of the dynamic Pilbara region, the City of Karratha has high quality port, airport, rail and utility infrastructure. They sustain high volume traffic and upgrade plans are in place to account for forecast population and economic growth.

Key Infrastructure

Ports

There are three ports in the City of Karratha - Cape Lambert, Dampier and Cape Preston - all servicing the export of iron ore with Dampier also exporting LNG. There has been a steady rise in both the volume of exports and number of vessels, now approaching more than 250 million tonnes per annum, compared with five years ago when it was less than 100 million tonnes per annum. The Port of Dampier alone receives over 2300 trade vessels each year. Rio Tinto is in the process of expanding its Cape Lambert port to a capacity of 180 million tonnes per annum.

Table 10: Port of Dampier Freight Data

Year	Tonnage	Trade Vessels
2002/3	92,000,000	1777
2003/4	89,000,000	1860
2004/5	96,000,000	2105
2005/6	110,000,000	2295
2006/7	126,000,000	2375
2007/8	134,000,000	2015
2008/9	140,000,000	1789
2009/10	170,000,000	2225
2010/11	165,000,000	2381
2011/12	172,000,000	2463
2012/13	179,800,000	2573
2013/14	176,700,000	2406

(Data Source: Dampier Port Authority, 2012)

Citic Pacific Mining Ltd has constructed a port at Cape Preston, 100km south-west of Karratha for the export of magnetite concentrate. There is also a plan to build a new multi-user deep-water port at Anketell, 30km east of Karratha. The West Pilbara Iron Ore Project, a JV between Baosteel, Aurizon, POSCO and AMCI, currently under feasibility, is the most likely foundation project to underpin the Anketell Strategic Industrial Area. A number of Government Agencies including LandCorp, Pilbara Ports Authority and the Department for State

Development are involved in the planning. When fully operational it will have capacity for 350 million tonnes/year and will include a 1400ha industrial estate. There are several other resource projects under planning which will require port infrastructure in the Cape Preston and Balla Balla areas.

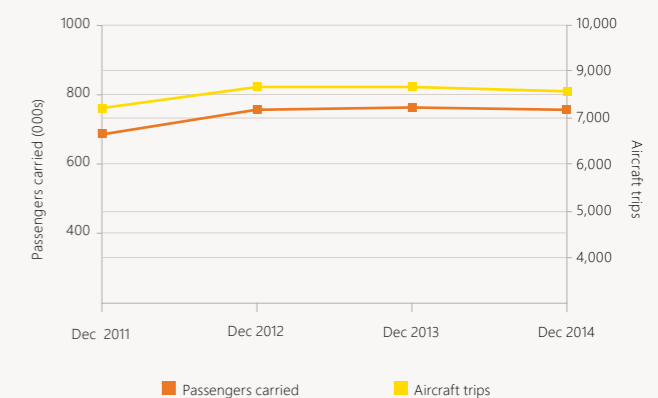
Airport

The Karratha Airport serves over 700,000 passengers a year. With the resource industry heavily reliant on FIFO workers it is a valuable local asset. It is serviced by Qantas, Alliance, Airnorth and Virgin airlines. There are over 70 flights per week, including several daily flights to Perth. Building on the recent runway and carpark upgrades there is a master plan in place to expand the terminal, helicopter facilities and development of a commercial/logistics hub a \$35m terminal redevelopment program is currently underway which will include new cafes, bar, combined arrivals and departure area, new toilet facilities and improved security screening and baggage reclaim.

The Karratha – Perth route is the 16th busiest in Australia and second busiest in WA.

Figure 6: Karratha Airport Passenger Statistics

Moving Annual Data	YE Dec 2011	YE Dec 2012	YE Dec 2013	YE Dec 2014
Passengers carried (000s)	679.3	762.5	770.9	764.4
Aircraft trips	7,218	8,215	8,204	8,160

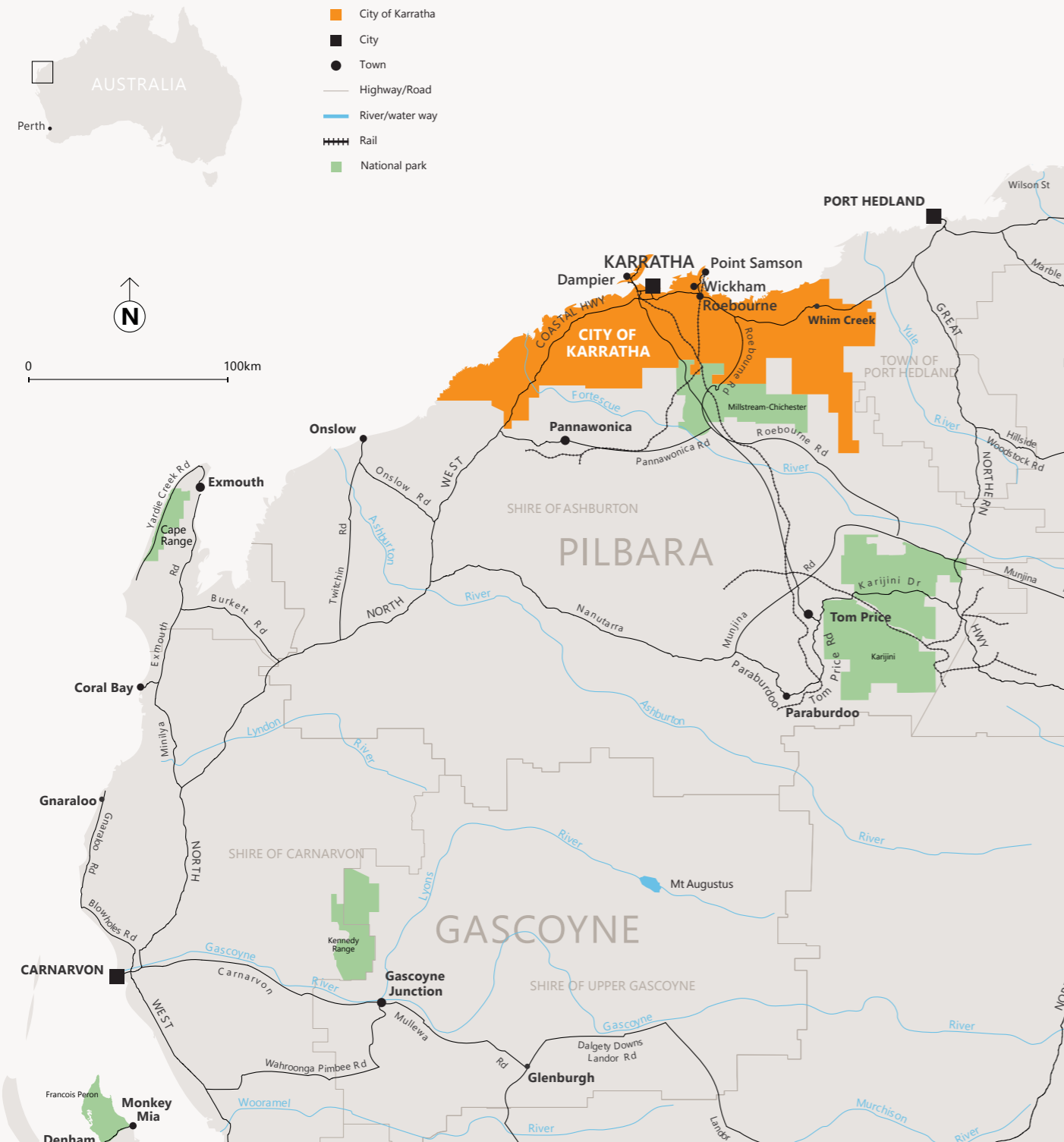


* Percentage point difference (Source: BITRE 2013)

Road and Rail

The City has a good network of sealed and unsealed roads connecting settlements, natural attractions and mining operations. Rail infrastructure only services the transshipment of iron ore and is managed by the major resource companies (Figure 7).

Figure 7: City of Karratha Rail and Road Network



Utilities

There are plans in place to upgrade the vast majority of the City's core utilities infrastructure. This includes the undergrounding or power via the Pilbara Underground Power Project (PUPP) in Karratha which was still underway as at 2015.

Table 11: Electricity Generation Upgrades

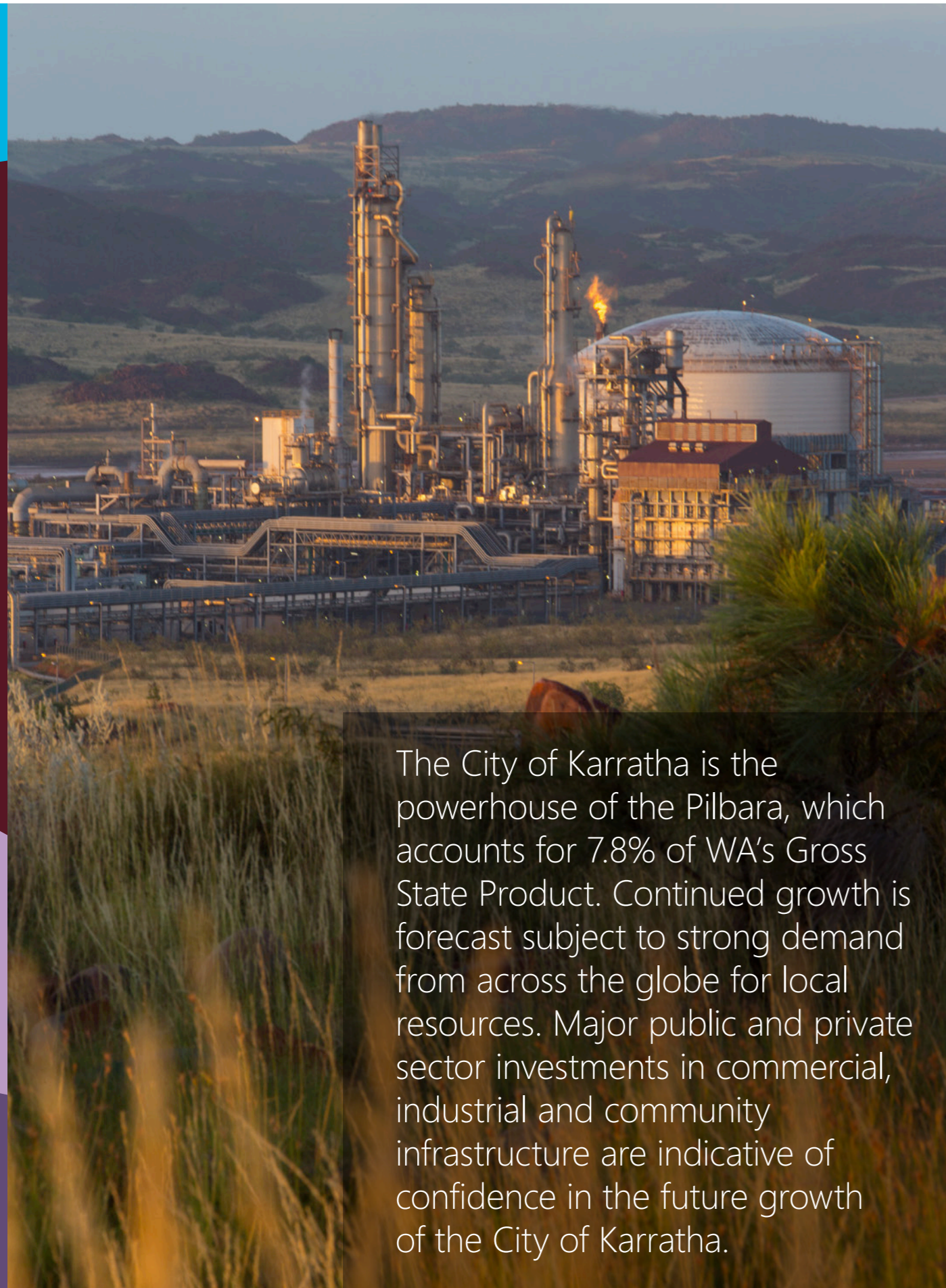
Location	Owner	Size	Supplies
Dampier	Rio Tinto Iron Ore Hamersley Iron	4X30 MW oil/gas steam turbines	Karratha and Dampier
	Horizon Power	1X19MW gas turbine	Karratha and Dampier
Cape Lambert	Rio Tinto Iron Ore Robe River Iron	3X35MW oil/gas steam turbines	Wickham

Telecommunications in the City is generally considered good, with Next G services available in all towns and ADSL in all but Cossack.

Table 12: City of Karratha Telecommunications by Settlement

Settlement	Land Lines	Internet Access	Telstra Next G	Facility Plans
Cossack	Yes *	Wireless/satellite	Yes	
Dampier	Yes	ADSL/wireless/satellite	Yes	1 new tower proposed
Karratha	Yes	ADSL/wireless/satellite	Yes	3 new towers installed
Point Samson	Yes	ADSL/wireless/satellite	Yes	
Roebourne	Yes	ADSL/wireless/satellite	Yes	
Wickham	Yes	ADSL/wireless/satellite	Yes	1 new tower installed

(Data source: WAPC, 2009)



The City of Karratha is the powerhouse of the Pilbara, which accounts for 7.8% of WA's Gross State Product. Continued growth is forecast subject to strong demand from across the globe for local resources. Major public and private sector investments in commercial, industrial and community infrastructure are indicative of confidence in the future growth of the City of Karratha.

What we do

Resource Sector

The City of Karratha is the powerhouse of the Pilbara. It has a resource sector dominated economy with iron ore, LNG, condensate, LPG, petroleum, salt and ammonia as the major exports. The City of Karratha is the region's major service and extraction hub where port, rail, government and industry intersect.

The City has a Gross Regional Product of \$19.69 billion which represents 7.8% of WA's Gross State Product. The City of Karratha is ranked sixth overall in Australian LGA economies after the cities of Brisbane (\$106b), Sydney (\$102b), Melbourne (\$76b), Perth (30.5b) and Gold Coast (\$25b).

Table 13: Gross Regional Product

Region	GRP Value (billion)
Brisbane	\$106
Sydney	\$102
Melbourne	\$76
Perth	30.5
Gold Coast	\$25
City of Karratha	\$19.69

Major Resource Projects

There are three major resource companies operating in the City (Rio Tinto, Woodside Energy Ltd and Citic Pacific Mining Ltd). Each company is currently operating or rolling out mining and energy extraction infrastructure investments worth an estimated \$70 billion (Table 14). The most significant include the Woodside operated North West Shelf Venture, Woodside's Pluto project, Rio Tinto's expansion of Dampier Port, Cape Lambert Port and Citic Pacific Mining Ltd's Sino Iron Project at Cape Preston.

Table 14: West Pilbara - Selected Resource Infrastructure Projects

Project	Capital Investment	Construction Workforce	Operational Workforce
Citic Pacific Mining Ltd's Sino Iron Ore Project	\$11b	4000	500
Chevron Gorgon Joint Venture offshore gas extraction	\$52b	3440	330
Chevron Wheatstone Project	\$28.4b	5000	400
Yara Pilbara Technical Ammonium Nitrate Plant	\$600m	600	65
Rio Tinto Port and Rail Expansion	\$5b	n/a	n/a
West Pilbara Iron Ore Project	\$6b	3500	1000
Total	\$104b	12,040+	1,895+

(Data source: Department of Mines and Petroleum 2013)

Employment

As would be expected in a resource oriented economy, the vast majority of people are employed in the construction and mining sectors.

Table 15: Top 10 Residential Employment by Sector: Karratha and WA

Industry	Karratha	Karratha %	Western Australia %
Mining	6,769	25.4	6.4
Construction	6,099	22.9	10.7
Transport, postal and warehousing	1,651	6.2	4.8
Professional, Scientific and Technical Services	1,587	6.0	8.1
Public Administration and Safety	1,546	5.8	6.8
Accommodation and Food Services	1,282	4.8	5.8
Retail Trade	1,211	4.5	9.7
Manufacturing	1,146	4.3	8.2
Education and Training	1,071	4.0	8.2
Health Care and Social Assistance	878	3.3	9.8

(Data Source: ABS, 2011)

Most people are employed as tradespeople, labourers and in the production process. There are, however, more professionals and managers in the City of Karratha compared to the rest of the Pilbara (Figure 8).

Major construction projects and expanded operations have seen significant demand for labour, resulting in high wages and a consistently lower unemployment rate than elsewhere in Australia during the construction boom (Figure 9).

Table 16: Comparative Unemployment Rates

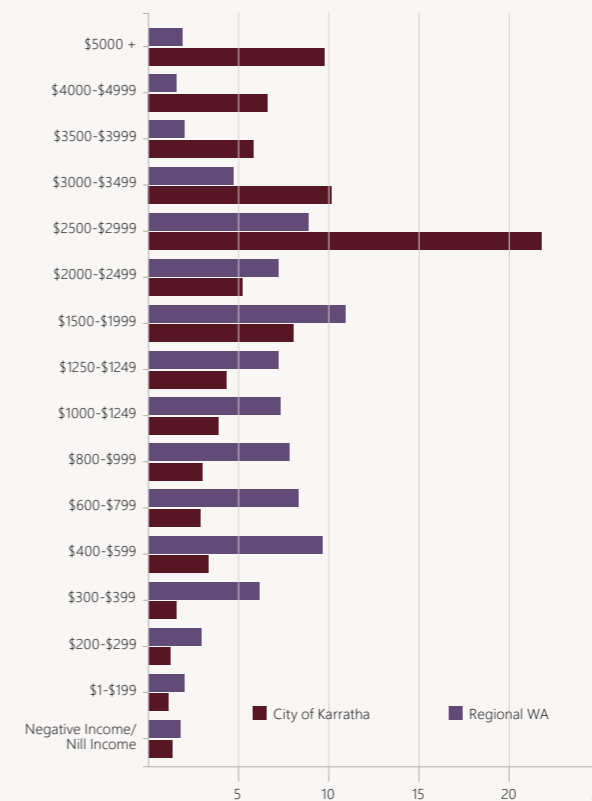
	March 2012	March 2013	March 2014
City of Karratha	1.80%	2.57%	3.73%
Western Australia	3.84%	4.70%	5.06%
Australia	5.20%	5.54%	5.91%

(Data Source: DEEWR, 2012)

Income and Wages

Median household weekly income in the City of Karratha is \$2839; with 54% of households earning \$2,500 or more per week. (Source: ABS, 2011).

Figure 8: Weekly Household Income (%)

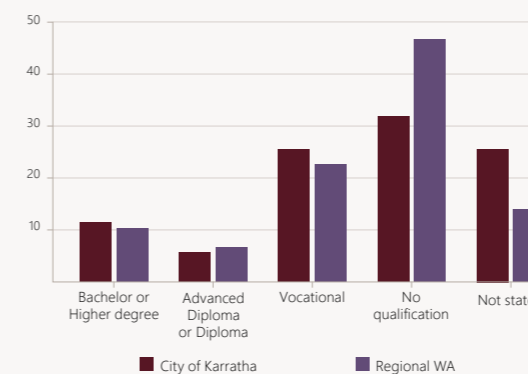


(Data Source: ABS, 2011)

Skills and Education

The nature of resource-aligned projects together with the range of local service sector jobs is reflected in education and qualification of local residents. Most workers have certificate level qualifications required for the construction, hospitality and resource extraction industries. From a business point of view, this means that there is a pool of skilled labour to draw on.

Figure 9: City of Karratha Resident Qualifications 2011 (% of persons aged 15+)



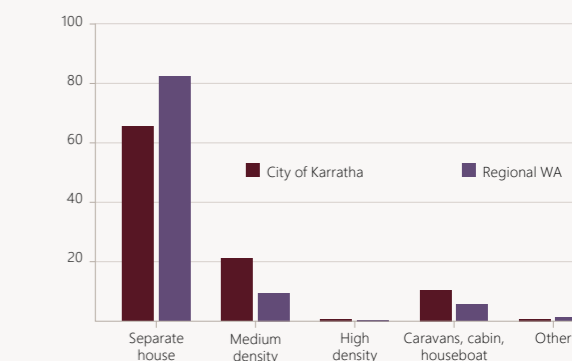
(Data Source: ABS, 2011)

Housing

The City has a robust and diverse housing market. While existing stock is weighted towards three and four bedrooms, there are an increasing number of units coming onto the market.

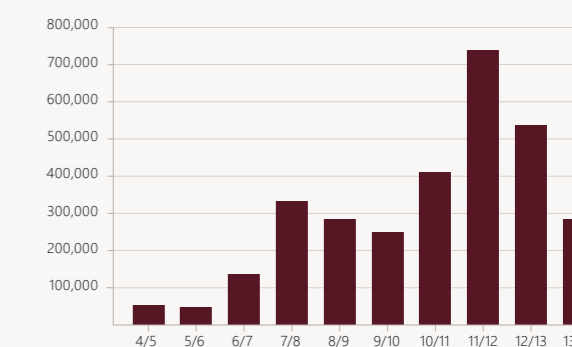
With jobs growth and high wages, it is not surprising that the City has had a strong housing and property market. There has been a steady increase in housing sales and construction with an average of almost 600 subdivision approvals each year in Karratha alone. Average sales prices also rose dramatically. For example, between 2007 and 2010, average dwelling prices increased by a total of 45%. The current situation is that housing availability has improved, with greater diversity of housing styles (e.g. units, town houses, cottage dwellings in addition to standard 3x2 or 4x2 dwellings) and prices have moderated.

Figure 10: Dwelling Structure within the City of Karratha 2011 (% of dwellings)



(Data Source: ABS, 2011)

Figure 11: Value of Building Approvals 2001-2014 (Value \$'000)



(Data Source: ABS, 2011)

Table 17: **Karratha Residential Sales**

Quarter	Sales	Min \$	Max \$	Avg \$
Mar-09	41	\$ 44,000	\$ 858,000	\$ 632,354
Jun-09	45	\$ 317,500	\$ 1,125,000	\$ 770,044
Sep-09	82	\$ 440,000	\$ 1,200,000	\$ 741,925
Dec-09	53	\$ 480,000	\$ 1,280,000	\$ 879,868
Mar-10	58	\$ 615,000	\$ 1,500,000	\$ 867,502
Jun-10	42	\$ 599,000	\$ 1,800,000	\$ 945,952
Sep-10	39	\$ 710,000	\$ 1,215,000	\$ 923,872
Dec-10	31	\$ 600,000	\$ 1,290,000	\$ 861,952
Mar-11	35	\$ 46,800	\$ 1,193,000	\$ 825,523
Jun-11	45	\$ 620,000	\$ 1,295,000	\$ 806,011
Sep-11	51	\$ 660,000	\$ 1,375,000	\$ 878,549
Dec-11	61	\$ 114,999	\$ 1,345,000	\$ 830,648
Mar-12	54	\$ 620,000	\$ 1,610,000	\$ 879,204
Jun-12	35	\$ 580,000	\$ 1,400,000	\$ 876,014
Sep-12	24	\$ 600,000	\$ 1,130,000	\$ 815,333
Dec-12	26	\$ 285,000	\$ 1,285,000	\$ 761,230
Mar-13	42	\$ 499,000	\$ 1,250,000	\$ 722,702
Jun-13	30	\$ 499,000	\$ 1,000,000	\$ 678,133
Sep-13	25	\$ 470,000	\$ 3,000,000	\$ 783,416
Dec-13	47	\$ 375,000	\$ 1,375,000	\$ 689,870
Mar-14	36	\$ 380,000	\$ 990,000	\$ 680,308
Jun-14	27	\$ 350,000	\$ 830,000	\$ 599,277
Sep-14	40	\$ 342,000	\$ 844,000	\$ 488,575
Dec-14	27	\$ 315,000	\$ 865,000	\$ 590,000

(Data Source: PDC, 2013)

The data over the last four years indicates that the number of average sales per quarter peaked in 2009, with the average pricing peaking in 2010. For 2011 the number of sales improved on 2010 however the prices stabilised. For 2012, both the number of sales and average prices declined in comparison to the previous three years. The prices continued to decline from 2013 to 2014 with recent sales showing the highest level of affordability since early 2009.

Figure 12: **Quarterly Dwelling Sales and Average Advertised Dwelling Prices ('000)**



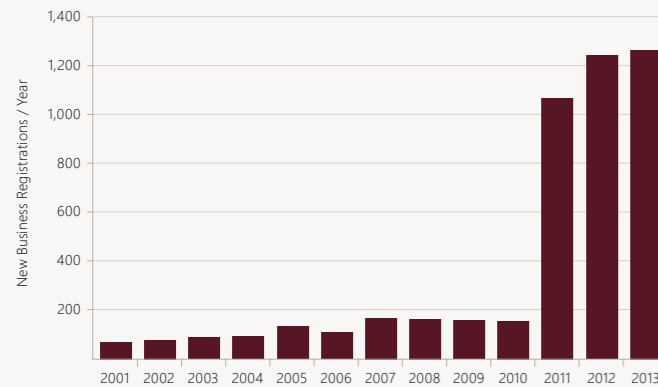
(Data Source: PDC, 2013)



New Business

While the City's economy is dominated by the resource sector, there are a multitude of other business opportunities, indicated by the growth in the number of business registrations in the last decade (an average increase of 104 new business registrations per annum - Figure 13).

Figure 13: No. of New Businesses



(Data Source: ABR, 2010)

Commercial Property

With the expectation that the number of new businesses will increase as the City's economy diversifies, there are nearly 55,000 sqm of additional commercial and residential floorspace being made available in the City's townships. This will be supported by over 15,000ha of industrial land in Karratha Industrial Areas.

For the June Quarter of 2014, advertised average lease costs for office space in the Pilbara fluctuated between \$500-\$600 per square metre per annum. For the same period, average industrial/warehouse space declined to around \$190 per square metre annually. The Pilbara average sales for office space were \$5,042 per square metre whilst industrial/warehouse properties averaged \$1,210 per square metre (PDC 2014).

Table 20: City of Karratha Township Floorspace

Location	Existing Floor-space (sqm)	Potential Total (sqm)
Cossack	-	200
Dampier	3000	2000
Karratha	34,330	48,000
Point Samson	250	300
Roebourne	1010	1200
Wickham	2750	3250
Total	41,340	54,950

(Data Source: WAPC, 2009)

Table 21: Karratha Additional Floorspace Requirements

Retail	Additional Floorspace Required (sqm)
Supermarkets	4500
Other food	600
Dept Stores	2500
Clothing	650
Household Goods	5500
Other retail	3900
Hospitality and services	2500
Total	20,150
Total Floorspace	61,150
Net Increase	67%

Commercial	Additional Floorspace Required (sqm)
Commercial or office	6300
Government	5400
Community services	4500
Total Increase	16,200
Total Floorspace	42,781
Net Increase	62%

(Data Source: WAPC, 2009)

New retail/commercial opportunities are to be enhanced with the development of The Quarter commercial precinct in Sharpe Avenue and the Gap Ridge Homemaker Centre on Dampier Highway.

Tourism

Tourism is an important element because it enhances economic diversity, quality of life for residents and creates job opportunities. Within the City lie world class attractions such as the 42 islands of the Dampier Archipelago, the ancient rock art of the Burrup Peninsula, historic towns of Roebourne and Cossack and industrial tourism of some of Australia's largest resource projects. There are more than 114,000 visitors to the City per annum (2010) of which 87% are domestic and 13% international. The estimated visitor nights total over one million with 72% domestic and 28% international. The average length of stay is seven nights for domestic travellers and 21 days for international. Accommodation availability was very tight during 2009-2012 however availability has much improved during 2013/14. Over 60% of domestic visitors state 'business' as the main purpose of their trip, with the remaining visitors coming for the region's attractions or to visit family/friends. It is estimated that approximately 750 people are employed in tourism related occupations such as retail, accommodation, cafes/restaurants, cultural and recreational activities which accounts for about 5% of total employment within the City. Total spend is estimated at \$110 million per annum.

The City of Karratha is the principal funding body for the Karratha and Roebourne Visitor Centres which provide visitor information services for the area. A Tourism Advisory Group has been established by Council in 2015 to provide advice on potential tourism infrastructure and ventures.

Table 22: City of Karratha Visitor Centre Statistics 2007/8 - 2012/13

Location	KVC Visitors	RVC Visitors
2007-08	45714	16560
2008-09	50101	13380
2009-10	43257	13371
2010-11	45014	15667
2011-12	40111	15512
2012-13	39726	15800

(Data Source: KVC and RVC Annual Reports 2007/8 - 2012/13)



What's happening in our region

Growth Scenarios

Population growth is highly dependent on economic activity in the City which in turn is dependent on world economic conditions at any time. For that reason three growth scenarios have been proposed to help inform future planning. The Low Growth Scenario assumes limited economic diversification and no substantial resources projects. The Mid growth scenario assumes some economic diversification and the High Growth Scenario assumes significant economic diversification.

Table 23: Population Growth Scenarios

Scenario	2016	2021	2026	2031	2036
High	43,559	52,075	60,837	62,925	65,012
Mid	28,102	30,390	35,268		
Low	25,000	26,000	27,300		

Figure 14: City of Karratha Population Scenarios ('000)



(Data Source: Syme Marmion)

Opportunities and Constraints

This growth presents a range of business, employment and lifestyle opportunities. However, there are supply bottlenecks and issues associated with accelerated demand for resources, housing and people. Housing prices have grown well above national trend largely because supply has been unable to keep up with demand and median household wages are twice the national average. In part this has stifled the expansion of non-resource related businesses, particularly those in the service industry. Plans and projects are well advanced to address these issues, diversify the local economy and thereby create new investment and lifestyle opportunities.

Major community projects underway or under planning for Karratha and the other settlements are summarised in the table below.

Table 24: Selected Major Civic Projects

Project	Details	Cost	Lead Agency	Timeline
Karratha Town Centre Revitalisation	Creation of a main street, civic amenity and additional commercial/retail space	\$65 million	City of Karratha, LandCorp, Royalties for Regions	2015/16
New Health Campus	New 40 bed health campus in Karratha town centre, replacing the existing Nickol Bay Hospital with expanded emergency and ambulatory care departments.	\$ 207 million	State Government	2016/17
Airport Upgrade	Terminal Refresh and Upgrade	\$ 32 million	City of Karratha	2015
Karratha Leisureplex	Community sporting and aquatic facilities	\$64 million	City of Karratha	2013
Pilbara Underground Power Project	Undergrounding Power in Karratha, Roebourne, South Hedland and Onslow	\$130 million	City of Karratha, Horizon Power, State Government	2015/16

...with a diversified economy, a healthy local community which demonstrates demographic balance, affordability, high quality amenity, and infrastructure. It is a place of choice, to work, visit, grow up, raise families and age gracefully.

Figure 17: Artist's Impression of Sharp Avenue - courtesy of LANDCORP



Where we are headed

Planning for Growth

The City of Karratha, along with its State and Federal counterparts and industry partners, have developed a number of plans to diversify the local economy, release bottlenecks and improve the overall quality of life in the region. Recognising the value of the City's vibrant and cohesive community, more than one billion dollars worth of community infrastructure upgrades have been put in place. Broadly these are focussed on:

- Delivering housing affordability and diversity
- Improving health and medical services
- Ensuring high quality education
- Providing a range of formal and informal recreation amenities
- Enhancing the diversity of retail and other commercial services
- Attracting and retaining a skilled workforce
- Maintaining efficient transport linkages

At the forefront of these projects is the Karratha: City of North Plan, which seeks to position Karratha as the primary town in the Pilbara offering an extended range of retail and community services. The vision is a more liveable and compact regional city.

Underpinning this growth will be a strong commitment to sustainability. Major plans to make this transition include town centre revitalisation with a main street precinct and additional commercial and residential floorspace; upgrades to existing community and leisure facilities; higher capacity water and power; greening projects; expanded medical services; and further investments in local education.

Opportunities

The City of Karratha is a dynamic local government servicing the most productive region in Australia. Our townships are all expected to grow in the wake of sustained resources growth. There is significant private and public sector investment in key infrastructure and quality of life, creating numerous business and lifestyle opportunities.

If you are interested in investing or relocating to the City of Karratha, or just exploring business or career opportunities, then we strongly encourage you to contact us.

Cr Peter Long Mayor

Chris Adams Chief Executive Officer

John Verbeek Economic Development Advisor

Tel: 08 9186 8555

Email: economic@karratha.wa.gov.au

Web: www.karratha.wa.gov.au

Further information

The City has a range of informative online data sources available from our website:

Population Forecast

<http://forecast.id.com.au/karratha/home>

Community Profile

<http://profile.id.com.au/karratha>

Community Atlas

<http://atlas.id.com.au/karratha#>

Economic Profile

<http://economy.id.com.au/karratha>

Key reference documents

- ABS**, 2011, Census, Australian Bureau of Statistics, Canberra
- ABS**, 2007, Business Register, Australian Bureau of Statistics, Canberra
- ABS**, 2011, SEIFA, Socio-Economic Index for Areas, Australian Bureau of Statistics, Canberra
- ABS**, 2010, National Regional Profiles, Catalogue Number 1379.0.55.001, Australian Bureau of Statistics, Canberra
- BITRE**, 2012, Domestic Aviation Activity Annual 2012
- DEEWR**, 2007, Small Area Labour Markets Australia, Department of Education, Employment and Workplace Relations, Canberra
- DEEWR**, 2009, Small Area Labour Markets Australia: Backcast Data, Department of Education, Employment and Workplace Relations, Canberra
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- FPA**, 2010, Annual Report, Fremantle Port Authority, Fremantle
- DMP**, 2009, Western Australian Mineral and Petroleum Statistics Digest, Department of Minerals and Petroleum, Perth
- PICC**, 2009, Planning for resources growth in the Pilbara: revised employment & population projections to 2020, Port Hedland
- PDC**, 2013, Pilbara Housing and Land Snapshot, Pilbara Development Commission, Karratha
- PDC**, 2013, Pilbara Commercial Property and Land Snapshot, Pilbara Development Commission, Karratha
- Shire of Roebourne**, 2010, City of the North Plan
- Shire of Roebourne**, 2009, Karratha 2020 Plan
- Tourism WA**, 2010, Shire of Roebourne Overnight Visitor Fact Sheet
- WAPC**, 2009, Pilbara Framework Regional Profile, Western Australian Planning Commission, Perth
- WAPC**, 2010, Karratha Regional HotSpots Land Supply Update, Western Australian Planning Commission, Perth
- WAPC and Department of Planning**, 2012, Pilbara Planning and Infrastructure Framework, Perth

Additional online data sources

ePilbara - The Pilbara Business Capability Register
www.epilbara.com.au

Pilbara Development Commission
www.pdc.wa.gov.au

Regional Development Australia Pilbara
<http://www.rdapilbara.org.au/>

Project Connect
www.projectconnect.com.au

Pilbara Research Online
www.pilbararesearchonline.com.au/

Karratha and Districts Chamber of Commerce and Industry
www.kdcci.asn.au

Business Centre Pilbara
www.businesscentre.org.au/

Karratha Business and Community Directory Online
www.karrathadirectoryonline.com.au

Karratha Airport Live Flight Information
www.karrathaairport.com.au





Welcome Road Karratha WA 6714
PO Box 219 Karratha WA 6714

Tel: 08 9186 8555

Fax: 08 9185 1626

Email: enquiries@karratha.wa.gov.au

Web: www.karratha.wa.gov.au