



3.0 SIGNIFICANT ISSUES AND TRENDS

The Pilbara is a globally significant mining and energy region boasting a wealth of resource endowments, dynamic communities, rich Aboriginal culture and stunning natural landscapes.

Economic and social trends

The Pilbara is a globally-significant mining and energy region producing 98 per cent of Australia's total iron ore, and more than 50 per cent of Australia's LNG, which were collectively worth \$60 billion in 2016.

Population figures from the 2016 Census revealed there were 59,508 people living in the Pilbara, which is a 0.6 per cent decrease since 2011. The Shire of Ashburton, however, saw a significant population increase of 29 per cent since 2011, compared to the largest decline of 10 per cent in the Shire of East Pilbara. The City of Karratha saw a six per cent decrease, and the Town of Port Hedland's population decreased by four per cent. The population change can largely be attributed to the transition of the mining and resources sector from peak construction in 2011, to operational phase.

The mining and resources sector remains the largest employer of the region, providing more than 18,000 jobs. Meanwhile, small businesses are still underrepresented in the Pilbara, with less than four businesses per hundred people recorded, compared to eight businesses per hundred people in regional Western Australia, according to the 2016 Census.

Property prices in the region are continuing to show signs of stabilising, with the median house price in the City of Karratha increasing slightly for the second consecutive quarter, and median rents remaining largely unchanged across the Pilbara in the June 2017 quarter. Median house prices in the City of Karratha increased to \$302,500 in the June quarter, while median house prices dropped slightly in the Town of Port Hedland to \$220,000, and in the Shire of East Pilbara to \$128,000. Median house prices dropped to \$300,000 in Onslow to \$225,000 in Tom Price in the June quarter.

The continued growth and sustainability of Pilbara communities will rely on the region's

ability to attract people to live, work and invest in the region. A diverse local economy with attractive job opportunities and lifestyle options will be key to this.

Emerging markets

Demand for fresh, safe and high quality produce from rapidly growing population centres, such as Asia, is driving demand for agricultural produce. Similarly, globally the fastest-growing food production sector, aquaculture is set to overtake capture fisheries as the major source of seafood and projected to rise to provide 62 per cent of global seafood by 2030. The growth of the aquaculture industry is internationally recognised as a both a significant investment opportunity and a requirement to secure food availability for the growing population.

The Pilbara's abundant sunlight, vast amounts of undeveloped land, as well as world-class export infrastructure and proximity to Asia, make it well-suited to expanding agriculture and aquaculture sectors to meet these emerging global trends.

South East Asia is developing rapidly with a growing demand for expansion of electricity capacity. The International Energy Agency has projected that by 2040, ASEAN nations will require an additional 400 gigawatts of electricity infrastructure. Indonesia is at the forefront of this electrification and has a target of 80.5 gigawatts of new installed capacity by 2025 including 14.4 gigawatts of renewable energy. The north west of Western Australia has been identified internationally as one of the best global locations for large scale solar photovoltaic (PV) generation.

The resource sector will still be the predominant industry for decades to come providing stability, jobs and economic prosperity to the region and Western Australia, while new technology and innovation will drive efficiencies and future

growth for this sector. However, the Pilbara is well-placed to seize opportunities in other sectors which would see the region reach its economic potential.

Issues affecting the agency

On 28 April 2017, the Premier of Western Australia announced significant changes to the public sector aimed at creating collaborative departments focused on whole-of-Government objectives. As of 1 July 2017, the departments of Agriculture and Food, Fisheries, and Regional Development amalgamated to establish the

Department of Primary Industries and Regional Development. Staff, excluding the Chief Executive Officers, from the nine Regional Development Commissions transferred to the new department. Regional Development Commissions remain as legal entities and retain their identity and regional presence.

Changes in written law

There were no changes in any written law that affected the Commission during the reporting period.