



FACTSheet

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Indicates no change from FACTSheet #10 February 2017

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- Indicates newly released or incomparable data

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Introduction

This latest FACTSheet produced by the Committee for Perth contains a snapshot of key facts relating to the current performance of Perth and Western Australia.

It draws on data from a range of sources including FACTBase reports, Committee for Perth research, government departments and media articles.

The economy¹

Gross state product

- Western Australia's **gross state product (GSP)** was **\$240 billion** in 2015-16, 15% of Australia's gross domestic product (GDP).
- GSP per capita** was **\$92,056**, 33% above the national average of \$69,134.
- Real GSP rose 1.9%** in 2015-16, below annual average growth of 5.0% over the past ten years.
- The WA Treasury forecasts **real GSP growth of 0.5%** in 2016-17.
- Australia's real GDP rose 2.6%** in 2015-16 and the Australian Government forecasts growth of 1.75% in 2016-17.

Real expenditure on GSP²

- Merchandise exports made the largest contribution to real GSP growth in 2015-16, up 6%**, in line with annual average

growth of 6% over the past ten years.

- Real business investment fell 17% in 2015-16**, compared with annual average growth of 6% over the past ten years.
- The WA Treasury forecasts **real merchandise exports to rise 8%** and business investment to fall 32.5% in 2016-17.
- The mining industry made the largest contribution to real GSP growth in 2015-16, up 7%.**

Industry sectors³

- The **mining industry** accounted for 23% of Western Australia's GSP and 55% of Australia's mining gross value added in 2015-16.
- Mining industry gross value added fell 15%** to \$54.9 billion in 2015-16, despite a 7% rise in volumes.
- Construction gross value added fell 1%** to \$31.3 billion and volumes fell 3% in 2015-16.
- Agriculture, forestry and fishing gross value added fell 0.1%** to \$5.5 billion and volumes fell 4% in 2015-16.

Population growth⁴

- Western Australia's **population was 2.62 million** in the June quarter 2016, 11% of the national population.
- The 2015 WA Tomorrow report forecasts a population of 3.27 million by 2026.

- ➔ **Population rose 1.0%** (27,137 people) in 2015-16, below annual average growth of 2.5% over the past 10 years.
- ➔ **Natural increase of 21,200** people and net overseas migration up 13,640, offset falling net interstate migration, down 7,703 in 2015-16.
- ➔ The WA Treasury forecasts **annual average population growth of 1.2%** in 2016-17.

Labour market⁵

- ➔ Western Australia's **employment rose by 13,200** to 1.36 million in April 2017.
- ➔ **Employment rose 0.7%** (8,900) through the year to April 2017, compared with Australia's growth of 1.6% (192,000).
- ➔ The WA **unemployment rate was 5.9%** in April 2017, below the 6.5% in the previous month but above the 5.8% a year ago.
 - **Australia's unemployment rate was 5.7%** in April 2017.
- ➔ The WA Treasury forecasts an annual average employment decline of 1.5% in 2016-17, with an average unemployment rate of 6.5%.
 - There has also been a compositional change in the type of employment by gender in Western Australia over the past year. For males, full-time employment fell by 8,500 persons, while part-time employment grew by 7,500. For females, this broad trend was reversed, with full-time employment up by 2,000 persons whereas part-time employment decreased by 3,800.³⁴
 - Subdued demand for workers from employers is contributing to the soft conditions in the State's labour market, with the Commonwealth Department of

Employment's Internet Vacancy Index showing an overall decline in advertised vacancies in Western Australia from early 2012 to present. Vacancies advertised in Western Australia are now at a lower point than at post GFC times.³⁴

Industry sector employment⁶

- In the March quarter 2017, **Western Australia's employment** comprised market services (47%), non-market services (25%), construction (10%), mining (8%), manufacturing (6%), agriculture, forestry and fishing (3%) and utilities (1%).
- Employment rose in non-market services (up 8,700 or 3%), manufacturing (up 7,300 or 10%), utilities (up 5,900 or 47%), agriculture, forestry and fishing (up 5,300 or 18%) and mining (up 1,400 or 1%) through the year to the March quarter 2017.
- **Employment fell in market services** (down 16,400 or 3%) and **construction** (down 8,200 or 6%) through the year to the March quarter 2017.

Business investment⁷

- ➔ **Business investment contributed 22%** of Western Australia's GSP in 2015-16.
- ➔ Western Australia contributed 20% of Australia's business investment in 2016 (24% in 2015-16).
- ➔ **Nominal business investment fell 27%** to \$43 billion in 2016. It rose 3% to \$9.7 billion in the December quarter 2016.
- ➔ **Mining new capital expenditure fell 37%** to \$26.9 billion in 2016. Mining accounted for 80% of

Western Australia's private new capital expenditure and 63% of Australia's mining investment.

- ➔ **Mining new capital expenditure rose 5%** to \$6.2 billion in the December quarter 2016.

Investment in major resource projects: March 2017⁸

- ➔ In October 2016, **Western Australia accounted for 70%** of the value of Australia's major resource projects under construction or committed, according to the Office of the Chief Economist.
- ➔ In March 2017, there was **\$100.7 billion of major resource projects** under construction or committed in Western Australia and \$51.7 billion under consideration.
- ➔ There was **\$92 billion of LNG projects** under construction or committed and \$19.5 billion under consideration.
- ➔ There was **\$1 billion of iron ore projects** under construction or committed and \$14.4 billion under consideration.

Major minerals and petroleum sales⁹

- ➔ **Minerals and petroleum accounted for 90%** (\$95.3b) of Western Australia's merchandise exports in 2016.
- ➔ **Minerals and petroleum sales rose 1%** to \$92.1 billion in 2016.
- ➔ **Iron ore accounted for 59%** (\$53.9b) of Western Australia's minerals and petroleum sales in 2016, followed by LNG (12% or \$10.7b), gold (11% or \$10.6b), alumina (5%

or \$4.6b), crude oil and condensate (5% or \$4.2b), nickel (2% or \$2.1b), base metals (1% or \$1.3b) and heavy mineral sands (1% or \$550m).

Major agriculture production¹⁰

- ↑ Western Australia's principal agricultural commodity production rose 0.03% to \$6 billion in 2015-16.
- ↑ Production rose for cattle and calves (up 31% or \$202m), wool (up 22% or \$120m) and sheep and lambs (up 7% or \$34m) in 2015-16.
- ↓ Production fell for wheat (down 9% or \$232m) and barley (down 11% or \$98m) in 2015-16.

Merchandise exports¹¹

- ➔ Goods and services exports accounted for 46% of Western Australia's GSP in 2015-16. Merchandise exports accounted for 43% of GSP, while services exports accounted for 3% of GSP.
- ↑ The value of merchandise exports rose 3% to \$105.9 billion in 2016. It rose 3% to \$31.7 billion in the March quarter 2017.
- Merchandise exports in 2016 were mainly iron ore (57%), gold (19%), petroleum (LNG), crude oil, condensate and LPG (15%), alumina (5%), base metals (2%) and nickel (2%).

Major trading partners 2016¹²

- ➔ Western Australia accounted for 41% of Australia's merchandise exports in 2016 (41% in 2015-16), including large shares of Australian exports to

the United Kingdom (74%), Hong Kong (67%), China (64%), Japan (39%) and Korea (35%).

- China was Western Australia's largest export market in 2016 (\$51.3b or 48%), followed by Japan (\$13.8b or 13%).
- ↑ Western Australia's exports rose to China (up 6% or \$2.8b), but fell to Japan (down 17% or \$2.8b) in 2016.
- ↑ In the December quarter 2016, Western Australia's exports rose to China (up 23.5% to \$15.6b) and Japan (up 7.5% to \$4.4b).
- ↓ China was Western Australia's largest source of imports in 2016 (\$4.1b or 13%), followed by Japan (\$3.7b or 12%).

Agricultural and food exports¹⁴

- ↓ Western Australia's agricultural and food exports fell 0.5% to \$7.7 billion in 2015-16, including wheat (36%), barley (11%), canola (10%), wool (6%) and rock lobster (6%).
- ↓ Wheat exports fell 7% to \$2.8 billion in 2015-16, compared with annual average growth of 6% over the past ten years.
- ➔ Major agricultural and food export markets in 2015-16 were China (21% or \$1.6b), Indonesia (12% or \$1b), Vietnam (11% or \$833m), Japan (8% or \$637m) and Korea (7% or \$567m).

Services exports¹⁴

- ↓ Western Australia contributed 9% of Australia's services exports in 2016 (10% in 2015-16).
- ↓ Services exports rose 2% to \$6.4 billion in 2016, below annual average growth of 4% over the past ten years.
- Services exports in 2016 included personal travel

(32%), education travel (24%), transport (16%), property and business services (10%) and business travel (9%).

- Services exports growth in 2016 came from increases in education travel (up 18%), personal travel (up 10%) and transport (up 1%). Property and business services (down 30%) and business travel (down 8%) exports fell in 2016.

Iron ore and steel product prices¹⁵

- Iron ore and steel prices are closely related, given iron ore accounts for around half of the cost of producing steel at current prices. Around 1.4 tonnes of iron ore is required to produce a tonne of crude steel.
- ↓ The monthly average price of iron ore fell 20% to US\$70.2 a tonne in April 2017. The annual average price rose 5% to US\$58.4 a tonne in 2016 (down 28% to US\$51.6 a tonne in 2015-16).
- ↓ The monthly average price of steel products fell 9% in April 2017. The annual average price rose 11% in 2016 (down 21% in 2015-16).

Major global iron ore producers: 2015¹⁶

- ➔ Western Australia is the world's largest iron ore producer, accounting for 37% of world production and 52% of world seaborne exports in 2015.
- ↑ Western Australia accounted for 29% of global crude iron ore reserves in 2016.
- ➔ Western Australia had an estimated 63 billion tonnes of iron ore reserves in 2015-16, which could sustain

its iron ore industry for another 76 years at current production rates.

Major iron ore export markets¹⁷

- In 2016, **Western Australia accounted for more than half of iron ore imports to China** (63% or 652mt), Japan (55% or 73mt) and Korea (70% or 51mt). Taiwan data is not available yet for 2016.

➔ **China made up 82% of Western Australia's iron ore export volumes** in 2016, followed by Japan (9%), Korea (6%) and Taiwan (2%).

➔ **Western Australia's iron ore exports to China rose 6%** to 652 million tonnes in 2016, below annual average growth of 18% over the past ten years.

➔ **Western Australia's iron ore exports rose to Japan** (up 3% to 73mt) **and Taiwan** (up 12% to 17mt), but fell to Korea (down 1% to 51mt) in 2016.

Iron ore sales¹⁹

➔ The value of Western Australia's **iron ore sales rose 9%** to \$53.9 billion in 2016, below annual average growth of 14% over the past ten years.

➔ The volume of **iron ore sales rose 3%** to 763 million tonnes in 2016, below annual average growth of 12% over the past ten years.

➔ The annual average price of **iron ore sales rose 6%** to A\$70.7 a tonne in 2016.

Iron ore sales and price outlook¹⁹

➔ The WA Treasury forecasts a **rise in Western Australia's iron ore sales to 830 million tonnes** by 2019-20.

- CITIC Pacific's Sino Iron (28mtpa) and Hancock Prospecting's Roy Hill (55mtpa) projects are ramping up production.
- Rio Tinto is developing Yandicoogina/Oxbow, West Angeles F, Silvergrass and Mamudi deposits (over 40mtpa), and proposing to develop the Goodier deposit (40mtpa) by 2021, to utilise newly installed infrastructure.
- BHP is ramping up the Jumbler's mine and optimising its supply chain to raise output. It is proposing to develop the South Flank deposit to replace Yandi mine production by 2021 (80mtpa).
- FMG needs to replace Firetail mine production by 2021 (23mtpa).

➔ The WA Treasury **forecasts an annual average price of iron ore of US\$73.7 a tonne** in 2016-17, easing to US\$64.7 a tonne in 2019-20.

Petroleum prices²⁰

➔ The monthly average price of West Texas Intermediate (WTI) **crude oil rose 3%** to US\$51.1 a barrel in April 2017. The annual average price fell 11% to US\$43.2 a barrel in 2016 (down 40% to US\$41.8 a barrel in 2015-16).

➔ The monthly **average price of LNG imported by Japan was US\$7.75 a million British thermal unit** in April 2017. The annual average price fell 34% to US\$6.9 a million British thermal unit in 2016 (down 41% to US\$8 a million British thermal unit in 2015-16).

Major global LNG exporters: 2016²¹

- Western Australia is the world's third largest LNG exporter** behind Qatar

(80mt) and Malaysia (25mt), accounting for 9% (24mt) of global LNG exports of 264 million tonnes in 2016.

➔ **The rest of Australia (excluding Western Australia) exported 21 million tonnes of LNG** in 2016.

➔ According to EnergyQuest, **70% (17.7mt) of Western Australia's LNG exports went to Japan** in the 12 months to April 2017, followed by China (18% or 4.5mt), Korea (5% or 1.3mt), India (3% or 0.8mt) and Taiwan (2% or 0.6mt).

Natural gas resources by basin (trillion cubic feet): March 2017²²

➔ **Australia accounted for 2% of global natural gas reserves** in 2015, with 62% of the reserves in offshore and onshore western and northern Australia.

➔ In March 2017, EnergyQuest estimated that Western Australia had **70 trillion cubic feet of conventional natural gas reserves**.

➔ Current natural gas reserves could sustain Western Australia's LNG and domestic gas industries for another 37 years at current production rates. However, Western Australia's LNG production will increase significantly over the next few years, reducing the reserve life to around 20 years if LNG capacity is fully utilised.

LNG sales²³

➔ The value of Western Australia's **LNG sales fell 8%** to \$10.7 billion in 2016, compared with annual average growth of 9% over the past ten years.

➔ **The volume of LNG sales rose 17%** to 23.8 million

tonnes in 2016, above annual average growth of 7% over the past ten years. The annual average price of LNG sales fell 21% to A\$8.7 a million British thermal unit in 2016.



LNG sales, capacity and oil price outlook²⁴

Western Australia's LNG production capacity will grow from 27 million tonnes a year in 2015-16 to 49.9 million tonnes a year when the Gorgon, Wheatstone and Prelude projects are complete in 2017-18.

- North West Shelf is developing the Tidepole (Dec 17), Persephone (Mar 18) and Greater Western Flank 2 (Dec 19) projects, and wants a tolling agreement with a resource owner in 2017 to sustain Karratha Gas Plant supply. The Browse JV is selecting a concept to develop the Torosa, Brecknock and Calliance gas fields, possibly through the North West Shelf.



The WA Treasury forecasts an annual average price of crude oil (WTI) of US\$51.7 a barrel in 2016-17, rising to US\$56.3 a barrel by 2019-20.

Gold sales²⁵



The monthly average price of gold rose 3% to US\$1,267 an ounce in April 2017. The annual average price rose 8% to US\$1,249 an ounce in 2016 (down 4.5% to US\$1,168 an ounce in 2015-16).



The value of Western Australia's gold sales rose 10% to \$10.6 billion in 2016, in line with annual average growth of 10% over the past ten years.



The volume of gold sales rose 1% to 196 tonnes

in 2016, below annual average growth of 2% over the past ten years.



The annual average price of gold sales rose 9% to A\$1,532 an ounce in 2016.

Crude oil and condensate sales²⁶



The value of Western Australia's crude oil and condensate sales fell 32% to \$4.2 billion in 2016, compared with annual average decline of 8% over the past ten years.



The volume of crude oil and condensate sales fell 18% to 12.3 giga litres in 2016, compared with annual average decline of 3.5% over the past ten years.



The annual average price of crude oil and condensate sales fell 17% to A\$54.9 a barrel in 2016.

Alumina sales²⁷



The monthly average price of aluminium rose 1% to US\$1,921 a tonne in April 2017. The annual average price fell 5% to US\$1,585 a tonne (down 18% to US\$1,543 a tonne in 2015-16).



The value of Western Australia's alumina sales fell 13% to \$4.6 billion in 2016, compared with annual average decline of 1% over the past ten years.



The volume of alumina sales rose 1% to 14 million tonnes in 2016, below annual average growth of 2% over the past ten years.



The annual average price of alumina sales fell 14% to A\$330 a tonne in 2016.

Economic news

- In April, the Treasurer outlined the State's economic outlook. The overview revealed that in two months, general government revenue has been revised down by \$1.2 billion since pre-election forecasts, which is primarily a result of the lower-than-expected GST relativity (\$735 million); a further \$199 million revision to forecast GST grants for the impact of lower population growth in WA; and the impact of declining land valuations on forecast land tax and Metropolitan Region Improvement Tax collections (\$239 million). Despite early and tentative signs that the State's economy could be stabilising, the deficit in 2019-20 was now forecast to reach \$1.1 billion, compared to the \$535 million pre-election forecast. Key challenges for the State include higher net debt levels, now forecast to reach \$42.3 billion by June 30, 2020, a record high underemployment rate and unprecedented low wage and population growth. The 2017-18 Budget will be handed down on September 7.³⁵
- Western Australia has again come last in a quarterly report comparing Australia's state economies. CommSec State of the State report was released in July and arrives at its ranking by analysing key indicators for each state and territory, including unemployment, economic growth, retail spending, business investment, construction, population, housing finance and dwelling commencements.⁴⁰
- In June, the State Government submitted its

case for **GST reform** to the Productivity Commission. The submission would net the state an extra \$10.5 billion over three years. WA's reform options include:

- Allocating GST revenues on an equal per capita basis in the long run;
- Establishing a GST relativity floor of 75-80% to safeguard against unjustified extreme outcomes;
- Using a Global Revenue Base to assess States' revenue capacity (instead of separate assessments for minerals, land tax, stamp duty and gambling taxes) to boost incentives for States to grow their economies;
- Discounting revenue assessments by allowing States to keep some of the revenue generated locally and be excluded from the GST assessment, encouraging them to develop industries. Options include:
 - » Uniform discounting of all mining royalties
 - » Uniform discounting of all revenues
 - » Better accounting for the costs of developing industries - for example, the North West Shelf project would make the system fairer and simpler and encourage States to develop their economies.
- Federal Treasurer Scott Morrison has rejected warnings the Liberals would face an electoral wipe-out in Western Australia if the federal government does not give the state more GST money. Western Australia receives 34 cents for every GST dollar, while the rest of the states get well above 100 cents.²⁸
- Treasurer Ben Wyatt has all but ruled out the introduction of a **bank tax** in the September budget but has kept the option open for a future decision, while the industry has called on the state government to protect Western Australia's economic growth by not bringing in the levy. Mr Wyatt said that he would be keeping a close eye on the South Australian government's proposal of a 0.015 % quarterly tax on bank bonds and deposits before deciding on a similar move in Western Australia. If implemented, the treasurer estimated it could raise around \$1 billion over four years.²⁸
- In June, the State Government lifted a number of fees and charges as it seeks to address its budget woes, with iron ore exporters in the Pilbara and electricity consumers facing the largest increases. The **new charges on households will raise \$238 million over four years and come in the form of higher electricity and water bills, along with bigger public transport costs, and fee increases to vehicle licensing and recreational fishing**. The basket of fees and charges represent a combined 7.7% increase, a rise that the government said was unavoidable.²⁸
- In May, the State Government introduced a **new public sector wages policy**. In an effort to save \$518 million, the existing wages policy of a 1.5% per year increase has been overhauled, with the new policy providing a \$19.20 per week increase, for a 38-hour week, or \$1,000 per year for public sector employees. The \$1,000 limit will be pro rata for part-time and casual employees.³⁷
- Premier Mark McGowan wants to introduce legislation into State Parliament that would **freeze the salaries of all politicians and senior public servants for four years**. Under the plan, the salaries of politicians, public service bosses, judges, magistrates and all local council chief executives would be frozen until 2021, saving the State Government \$20 million.⁴⁰
- In May, Treasurer Ben Wyatt announced that **Labor would phase out a \$5,000 boost payment to the first home owner's grant** by June 30, as another of the state government's cost savings measures.²⁸
- In June, the WA Industrial Relations Commission ruled that the **state's minimum wage should increase by 2.3%**, one week after the Fair Work Commission lifted award rates applying nationally by 3.3%. The ruling will lift the minimum wage in Western Australia by \$16 a week, to \$708.90, with award rates lifted by the same proportion – 2.3%.²⁸
- In May, the State Government delivered on its election commitment to **freeze TAFE fees**. Under the previous Liberal Government, TAFE fees increased by up to 510%, with training data from 2013-16 showing a 24.5% drop in people attending TAFE.³⁷
- The ABC has reported that the Western Australian Government appears set to try to **cut costs on the long-promised new WA Museum**. The previous Liberal-National government promised the public a new \$428-million museum to replace and upgrade the current facility at the Perth Cultural Centre. But the McGowan Government is

believed to be looking for ways to find savings in tight financial times. The project's budget could be cut by as much as \$40 million. The museum was designed to be almost four times bigger than its predecessor, with nearly 7,000 square metres of galleries, including a single 1,000sqm space for blockbuster exhibitions.⁴⁰

- A survey carried out by Ipsos on behalf of the Committee for Perth found that almost **40% of people experienced some form of career disruption because of the end of the boom or the GFC, whether it was being made redundant, or a change in career or industry.** Another 72% are predicting no real wages growth and 45% of people do not predict any improvement in their quality of life. The survey also revealed that 60% of household finances are so fragile that they would struggle if living costs went up by just 5%, and only 38% of the people thought they were better off than they were five years ago.⁴¹
- Deloitte Access Economics has foreshadowed a **bleaker outlook for the state's economy in the coming year than that predicted by the WA Department of Treasury** in December. According to Deloitte's WA Economic Outlook report, Western Australia's GSP is expected to rise by 0.9% in 2016-17 and only 0.2% in 2017-18. That compares with the Barnett government's mid-year revision in December, which foreshadowed a 1% GSP increase in 2016-17 and a 2.25% rise in 2017-18.²⁸
- The 2016 Census found that **almost one in 10 Perth households are feeling the pinch from their mortgage,** spending more than 30% of their income on home

loan repayments. Almost 40% of WA households had a mortgage, compared to the national average of 34.5%. Perth's median rent was \$350, just above the national average of \$335 a week.²⁹

- **A small turnaround in Perth property prices helped stave off a negative quarterly result,** as Perth continues to battle a persistently subdued market. Perth house prices increased by 1.4% in June, according to the latest monthly report by CoreLogic RP Data, with a median of \$484,000. In the three months to June, house prices in Perth were up 0.1%, but were still down 1.7% year-on-year. On a national level, capital city dwelling values rose 1.8% in June, recovering from a 1.1% fall in May.²⁸
- **Land prices in Perth increased by 3.7%** in the June quarter, the latest sign of positive movement in the property sector, according to the Urban Development Institute of Australia WA. Perth's average price for a block of vacant land was \$232,348 at the end of June, up from \$224,033 in the March quarter. The increase put an end to three consecutive quarters of price reductions.²⁸
- **Construction-related employment in the State may remain sluggish** for at least another year or so. The April 2017 forecasts from Western Australia's Housing Industry Forecasting Group show the estimated 19,000 or so residential dwelling starts for the State over 2016-17 representing a substantial fall from the 25,563 commencements the State had in 2015-16. However, the HIFG have forecast that commencements will see a modest increase to 21,000

starts in 2017-18.³⁴

- **Leasing activity in Perth lifted 32%** in May, with data revealing 4,915 properties were tenanted over the month. REIWA said although Perth's private rental sector continued to present its challenges for landlords, tenant activity was very healthy in the metro area. East Perth, Perth and Scarborough in the Central sub-region had the highest volume of properties leased in May.³²
- CBRE says the stampede of suburban tenants into the CBD has contributed to the **first fall in office vacancy rates in Perth's CBD in five years.** It says the flight to the centre will underpin a fall in CBD vacancy rates from 22.5% to 21.5% by the end of June. CBRE's Research Viewpoint recorded 34 tenants from outer metropolitan markets that had signed CBD deals since the start of last year. The first-half slide is the first fall in Perth's CBD office vacancy rates since January 2012, when vacancies hit a low of 3.3%.³⁹
- **A new rental affordability study has highlighted the challenges that very low and low-income households face in Perth's private rental sector.** The study, *Housing Affordability (Rental) – A study for the Perth metropolitan area*, looks at rental affordability for households on very low (less than \$43,000), low (\$43,000-\$69,000) and moderate incomes (\$69,000-\$103,000). The report found there are insufficient affordable rental options in Perth's private rental sector, which is placing pressure on the region's social housing system. 35% of Perth rental households fall into the lower income categories, however only 19% of rentals in Perth in the

2015-16 financial year were affordable to low-income earners. Perth's rental stock lacks diversity, with over 70% of all rentals across the metropolitan area having three bedrooms or more.³²

- More than **40,000m² of space in suburban office buildings have been vacated over the past 12 months.** A report on suburban offices shows that the office vacancy rate across 50 suburbs in Perth has increased, from 14.6% at the end of June 2016 to 17.7%.²⁸
- In May, Perth's second-biggest office landlord, **Dexus, withdrew Woodside Plaza from sale,** saying it will get better value from overhauling the ground floor and lobby and installing a new childcare centre. The property giant revealed it had quietly tested the market for its 26-storey, 46,000sqm, 240 St Georges Terrace tower after receiving unsolicited offers; however, the unsolicited offers; did not match Dexus' internal assessment of value, listed as \$360 million at December 31. Dexus has opted for a multimillion-dollar "relaunch", introducing smart building initiatives, new end-of-trip facilities, expanded retail and food options, better ground floor accessibility and "upgrading" the north-facing public park at the rear of the building. It was talking to childcare operators to run a centre in the tower.³⁹
- ASX-listed property investment group **Centuria has made its way west, acquiring two office buildings on the outskirts of Perth's CBD** for \$91.8 million. Centuria announced that its Centuria Metropolitan Real Estate Investment Trust (CMA) had acquired the Hatch building on Stirling Street in Northbridge and the SGIO building at 46 Colin Street in West Perth. The sales price is in line with independent

valuations of the properties, which were \$58.2 million for Hatch's headquarters and \$33.5 million for the West Perth property.²⁸

- **Aldi, JB Hi-fi and Harris Scarfe will anchor a \$100 million extension of Midland Gate Shopping Centre.** Midland Gate co-owner Vicinity Centres said the expansion would be complete by early 2019, taking the centre to 69,000 square metres of lettable retail space and making it the sixth-largest mall in Western Australia. In addition, 35 new specialty shops and a fresh food precinct will be provided through the redevelopment.²⁸
- **Global Construction Services has received a \$27.5 million contract for work on the first stage of Scentre Group's Westfield Carousel shopping centre redevelopment.** Perth-based GCS will provide formwork and concrete supply, pumping and placement under the contract, with work to be carried out over nine months starting from the end of March. Scentre has expansion plans for its Westfield Carousel, Westfield Innaloo and Westfield Whitford City shopping centres, with a capex estimate of \$1.12 billion for the redevelopments. Scentre plans to boost Westfield Carousel's retail space by 47,108 square metres.²⁸
- **Perth "foodie" streets are propping up the property sector by outperforming all other trade markets in WA,** according to research released in July. The research analysed the sales, leasing and occupancy usage of every ground-floor property in Perth's five main retail strips. The report — *Between the Lines, Perth's*

High Street Retail Strips — revealed the retail property market was performing well, despite the economic downturn. Oxford Street in Leederville stood out as the best performer, with 46 shops on the strip fully occupied. Beaufort Street in Mt Lawley and Highgate had the highest volume of vacancies with more than 1500sqm of unleased stock, or 9.01% of its net lettable area. Bay View Terrace in Claremont followed closely with 922sqm of vacant space, or 10.16%.³⁹

- **Residents in the electorate of Cottesloe, including the suburbs of Claremont, Mosman Park and North Fremantle, earned the biggest salaries,** with a median weekly individual income of \$1,012 in 2016, compared to the state average of \$724. The wage was nearly twice that of the lowest median income of \$550, recorded in the electorate of Mirrabooka, which includes suburbs such as Alexander Heights, Balga, Mirrabooka, Dianella and Westminster.²⁹
- **Peppermint Grove residents are paying the highest council rates in Perth,** with average rates of \$4,134 a year.³⁰
- In July, uranium miner **Paladin Energy, which at its peak was one of Western Australia's most valuable companies, has lost its battle to stay afloat** after creditor Electricite de France demanded repayment of a \$370 million debt. The administrators intend to continue operating the business on a 'business as usual' basis.²⁸
- **End-of-financial-year specials failed to maintain May's positive rise in new car sales for Western Australia, with numbers for June down 5.5%.** About 10,160 new cars were sold

in WA in June, down 5.5% on June 2016. Total sales in WA for the six months to June were 48,220, down 7.1% in the same period last year.²⁸

- **Chief executives at mid-cap companies in Western Australia are better paid than their peers in other states**, but those at small companies in WA are worse off, an in-depth remuneration survey has found. These results emerge from a survey of 900 listed companies by consulting group BDO Remuneration and Reward. The survey covers 11 different roles, including chief executive, chief financial officer and company secretary. The results have been divided into four tiers based on market cap in April: tier four is from \$25 million to \$125 million; tier three is up to \$600 million; tier two is up to \$3 billion, and tier one is beyond \$3 billion. They are further broken down by geography and by 10 industry sectors.²⁸
- **The 2017 Fringe World Festival brought in \$10 million in ticket sales**, with more than 750,000 people making their way to the Northbridge-focused festivities. The Fringe World Impact Report for the 2017 festival compiles and analyses ticketing data as well as responses from more than 7,100 attendees who completed surveys. The State Government says about \$84.3 million was injected into Western Australia's economy by those who attended both free and ticketed events at this year's Fringe.²⁸
- Shipbuilder **Austal has won a \$779-million contract to build another littoral combat ship for the US Navy**. The Henderson-based company said the 127-metre LCS28 will

be built at its shipyard in Mobile, Alabama, employing techniques that would be applied if it wins the Australian government's \$3 billion offshore patrol vessel contract.²⁸

- An **improved iron ore price** delivered huge boosts for mining magnates Gina Rinehart and Andrew Forrest, who were two of the three Western Australians to feature in the top 10 on the nation's best known rich list. Mrs Rinehart was the year's wealthiest Western Australian, coming in at third on the national list, having increased her fortune to \$10.4 billion from \$6.06 billion last year. Fortescue Metals Group founder Andrew Forrest was up two places to come in sixth with wealth of \$6.8 billion. Perron Group founder Stan Perron placed 10th this year with a wealth of \$3.9 billion.²⁸
- **Tokyo-based Inpex's Ichthys LNG project will provide a \$34 billion boost to incomes in Western Australia** across the period to 2050, and generate about \$73 billion of tax revenue, according to an economic impact report by Acil Allen Consulting released in July. The total impact on gross domestic product of the project, which received final investment decision in 2012 and will cost around \$US37 billion when fully built, will be \$190 billion. The impact on real incomes, which is a better measure of the impact on economic well-being, would be closer to \$90 billion nationally. The project will create about 1,100 full-time jobs in WA, where Inpex's local head office is based, and 600 in the Northern Territory, while the WA State Government will receive \$8.9 billion in tax revenue.²⁸
- The 2015-16 State Tourism Satellite Account, prepared

by Tourism Research Australia, has revealed **72,000 people are directly employed by the tourism industry in WA**, with a further 37,000 employed indirectly. The direct jobs are in businesses supplying goods and services straight to travellers, such as restaurants and tour companies, while the indirect jobs include caravan manufacturers and laundries that service hotels. The State Government has pledged \$425 million to destination marketing and events over the next five years in a commitment to tourism's role in diversifying WA's economy.³⁵

- **Perth is not attracting enough students from overseas to study and is therefore missing out on a significant opportunity to diversify its economy**. While Australia's share of the international higher education student market has increased over the past 15 years, WA's share has been in decline. Across Australia, the international education sector directly and indirectly generates 128,385 full-time equivalent jobs, while half of these are in New South Wales, only 4% are in Western Australia.⁴¹
- A report released in June has named WA the **retrenchment capital of the country**. It warns that more than half those who leave their job will struggle to find work three months later. After a sharp fall in retrenchments in the middle of last year there has been an acceleration in every State and Territory. In WA, a little over 40% of people who are retrenched find themselves with a job six months later.³⁹
- **Perth is the most affordable Australian capital city when it comes to transport costs but is ranked second most expensive for public transport behind Sydney**, a report released in May revealed. According to the Australian Automobile Association's Affordability Transport Affordability Index: March 2017, the average Perth

household spends \$16,652 per year on household transport costs such as car loans, registration, insurance, fuel and public transport. Perth's public transport system costs averaged \$55.30 per household per week in the first quarter of 2017, placing the city second in public transport costs behind Sydney on \$59.04.³⁶

- **Confidence in the economy over the coming 12 months by local small and medium businesses has jumped to its highest level since December 2010**, with Western Australian SMEs more bullish than most others in Australia. WA businesses are now the second-most confident in Australia about the future projections for the economy, a Sensis Business Index survey has found, with WA's net balance score of +15 up 12 points for the quarter. The index, which reflects the views of 1,000 SMEs from across Australia, revealed business confidence in WA was steady this quarter at +21 but remained the second-lowest nationally.²⁸
- **Boat owners in Western Australia could be slugged with an additional fee** after a report by the Economic Regulation Authority (ERA) recommended changes to the way marine rescue services are funded. The state's Volunteer Marine Rescue operation is currently funded through the Emergency Services Levy (ESL), a charge paid by all WA property owners. However, a report by the ERA — which was asked to look at the possible cost of a proposed rural fire set-up — has recommended the \$6 million-per-year service instead be funded by an increase in boat license fees.⁴⁰
- In July, West Australian bakery **Mias was**

placed into voluntary administration. The family-owned bakery, which has been trading since 1950, employs about 150 staff. The company said the low bread price was one of many factors leading to the company's financial problems. The introduction of Aldi into the market also led to less demand from other major supermarket chains.⁴⁰

- Only **9.5% of C-Suite positions on the WA ASX 100 are held by women** and of the 526 people appointed onto the WA ASX 100 C-Suites, only 50 are women.⁴¹
- **Only a fifth of the 19 Perth headquartered companies on the ASX 200 currently meets or exceeds the Australian Institute of Company Directors' (AICD) 30% gender diversity target**, a target that is supposed to be reached by 2018.⁴¹

Reforming and Reshaping

- In April, the **State Government cut the number of its departments from 41 down to 25**, with one-fifth of the 521 jobs in the Senior Executive Service - Western Australia's highest-paid bureaucrats - to go. The 40% reduction of government departments took effect from July 1. Some of the changes include the combination of the Department of State Development, the Department of Commerce and the Tourism Commission of Western Australia into the Department of Jobs, Tourism, Science and Innovation, while the Department of Mines and Petroleum and the Department of Commerce will be amalgamated into the Department of Mines, Industry Regulation and

Safety. The Department of Agriculture and Food, the Department of Regional Development, the Department of Fisheries and the Regional Development Commissions will all fall under the banner of the Department of Primary Industries and Regional Development. Department of Treasury would assume responsibility for economic reform and the Public Utilities Office, while the Department of Finance would strengthen its focus on procurement reform and lead the delivery of building and management services.²⁸

- A former New Zealand bureaucrat has been appointed to lead a **three-person panel that will conduct a review into the state's public service**, where Premier Mark McGowan is targeting \$750 million in savings. Iain Rennie, a former NZ state services commissioner, chairs the panel that also comprises former Indigenous Land Corporation chief executive Michael Dillon and former University of Western Australia senior deputy vice chancellor Margaret Seares.²⁸
- Committee for Perth Chairman and former Under Treasurer, **John Langoulant AO, will head the McGowan Government's Commission of Inquiry into contracts and projects of the former Liberal National Government.** The independent inquiry will examine the decision-making processes, risks, and contract terms. It will recommend safeguards to prevent this happening again. A total of 26 projects will be examined, including the Muja power station refurbishment, IT cost blowouts at Fiona Stanley Hospital and Perth Children's Hospital. These projects alone exposed

taxpayers to hundreds of millions of dollars in additional costs and contributed to WA's record State debt.³⁷

- Healthcare in the northern suburbs will receive a boost with the State Government to honour a \$167 million election commitment to provide **90 additional public inpatient beds**, on top of the existing 467, and between 25 and 30 new mental health beds, on top of the existing 47. An Urgent Care Clinic will be established at Joondalup Health Campus to treat patients who are assessed as non-urgent and help reduce pressure on the emergency department. A Medihotel will also be built to free up more hospital beds and improve patient flow.³⁷
- The State Government has introduced priority legislation that would give the **auditor general new powers to audit local government councils, to raise the standard of accountability in the sector**. Under the Local Government Amendment (Auditing) Bill, the auditor general's powers will be extended to audit local government councils and provide independent oversight of the sector. The legislation will also give ratepayers better access to an independent assessment of their council's financial position, as local governments will be required to publish their annual reports.²⁸
- **A new era in collaboration between State and local governments has been marked with a partnership agreement**. The Government of Western Australia, Western Australian Local Government Association and Local Government Professionals Australia

WA are partners to the agreement, which promotes transparency and accountability, calls for better community engagement and provides for more consistency in local government decision making. Under the agreement, a State and Local Government Partnership Group has been formed and will meet annually to discuss matters of importance to both sectors.³⁷

- **A major review of Western Australia's outdated Local Government Act is under way**, with community participation in elections, online reporting and gift disclosures first to be targeted. The shake-up of the Local Government Act 1995 is a State Government election commitment, which will modernise local government operations and identify ways to reduce red tape. Local governments, residents, business people and workers will be invited to participate when a discussion paper is released by the State Government later this year. A second phase of the review, set to take place next year, will look at increasing community participation in local government decision-making, improving behaviour and relationships, enabling local government enterprises and improving financial management. The review will be supported by a reference group with representation from the Western Australian Local Government Association, Local Government Professionals Australia WA, Western Australian Electoral Commission, Western Australian Council of Social Service and Chamber of Commerce and Industry.³⁵
- In a bid to revitalise Perth's historic centre, **owners of a number of heritage sites**

in the CBD have had their rates cut for the next five years to encourage them to upgrade their buildings and increase their use. The City of Perth endorsed this new measure at its Council Meeting in August, and also passed a measure aimed at injecting more life into Perth's east end.³⁶

- In May, Western Australian Planning Commission chairman Eric Lumsden said the newly endorsed **\$2.3 billion road and rail package for the metropolitan area will address Perth's public transport needs for the next 25 to 50 years**. Mr Lumsden said the package, jointly announced by the Federal and State Governments, was an exciting development. The package will be funded by \$1.6 billion investment from the Federal Government and \$745 million from the State Government. The total includes \$1.86 billion reallocated from the Perth Freight Link project, including \$1.2 billion in federal funding.²⁸
- **Construction of the new \$1.86 billion Airport Central Station project began in May**. The underground station is the first step towards the Forrestfield-Airport Link, a train line designed to provide an 18-minute journey for all Perth Airport users to the central business district. Three new stations will also be built as part of the new rail link: Belmont Station, Airport Central Station and Forrestfield Station.³⁶
- **In May, a multi-agency team to drive the McGowan Government's Metronet vision to transform Perth's transport network was established**. The specialist team is comprised of experts in transport planning, land development, town

planning and value capture. Metronet is as much a land use plan as a transport plan, and each project will be designed to marry the best transport outcomes with optimised land use outcomes. For the first time in Western Australia, there will be a mechanism to capture the increased value of land due to new infrastructure, such as a new train station, to help pay for specific projects.³⁵

- **A light rail system linking Murdoch to Fremantle and a circular route in Rockingham are being championed by a group of councils in Perth's south.** The South West Group - comprising Cockburn, Fremantle, East Fremantle, Kwinana, Melville and Rockingham councils - believes light rail can ease traffic congestion and spark high-density development. A study commissioned by the organisation identified priority corridors that could be developed by 2030 and attract private-sector funding through value capture and land-use rezoning. The proposed Murdoch to Fremantle line — running along South Street between Kwinana Freeway and the port town — was deemed the highest priority. This was followed by a loop service linking Rockingham train station and the coast.³⁰
- East coast-based companies **AGL Energy and Origin Energy have received approval to enter Western Australia's domestic gas market**, where they will join Wesfarmers subsidiary Kleenheat and Alinta Energy. The approvals, from the State Government's Economic Regulation Authority, are for 10-year licences in the

coastal distribution region between Geraldton and Bunbury. That area has about 700,000 residential customers and 10,000 small business customers, according to the authority.²⁸

- The business sector has cautiously welcomed **an updated list of occupations eligible for skilled migrant visas**, which covers more than 200 occupations. The update comes two months after the federal government announced a tightening of skilled migration, causing wide concern in the business community. All visa applicants are now required to undergo mandatory criminal checks as part of their application. The exemption to English language testing for subclass 457 visa applicants whose salary is over \$96,400 has been removed, except for employees transferring between a foreign parent company to an Australian arm of the company. From July 1, all permanent skilled visas will have tightened English language and lower maximum age requirements.²⁸
- In July, **Brookfield Property Partners' 52-storey plans for Elizabeth Quay were endorsed by the City of Perth**, ahead of any formal assessment by the Metropolitan Redevelopment Authority. Earlier this year, Brookfield revealed its plans for a two-tower project designed by New York-based architecture firm REX, which featured a restaurant and ballroom space hanging over Elizabeth Quay midway up the taller of the two buildings. The plan, known as Perth Plus and considered to be a centrepiece development for Elizabeth Quay, will comprise the city's tallest building, a five-star hotel

with up to 220 rooms, 15,000 square metres of office space and 220 apartments.²⁸

- Perth's largest apartment developer, **Finbar Group, has applied to build a \$350 million, triple-tower development at Canning Bridge**, with the project to comprise up to 452 apartments. One of the towers is proposed to be 30 storeys, while the other two will be capped at 26 storeys, according to development assessment panel documents. Finbar's proposal comprises three stages, with the first 30-level tower to comprise 179 one-, two- and three-bedroom apartments, and 294 square metres of commercial space across three tenancies on the ground floor. The second stage will provide a further 151 apartments, while the third stage will be 122 units.³²
- Work will begin on **Western Australia's first Medihotel** next year with the facility expected to open next door to Fiona Stanley Hospital by 2021. The State Government named Fini Group as the preferred proponent to develop the first stage of the Murdoch Health and Knowledge Precinct (MHKP). The 60-room Medihotel will provide support for the nearby Fiona Stanley and St John of God hospitals, and free up expensive hospital beds, so more patients can be treated and wait lists can be shortened. The development will also deliver 175 apartments with 30% expected to be affordable housing, a 150-bed aged care facility, a 6,480-square metre super medical clinic, short-stay accommodation, as well as 6,080sqm of commercial, retail and amenity space. The MHKP will be developed over 10 to 15

years across two stages, and is a catalyst project for the broader Murdoch Activity Centre, which will ultimately be home to 35,000 jobs, 22,000 residents and up to 44,000 students.³⁵

- A major **Malaysian property developer is eyeing Perth as a launchpad for an entry into the Australian market, off the back of a \$14 million acquisition of a development site in Leederville.** In April, ASX- and SGX-listed United Overseas Australia announced it had purchased a 4,000m² plot of land on Newcastle Street in Leederville, in a deal worth \$14 million. UOA said the company's intention was to hold the Leederville property for at least 18 to 24 months, before it formulated a plan for development.³²
- Plans to **redevelop the Hyatt Regency Perth** include an art gallery, a community theatre, new food and beverage tenancies, a supermarket and end-of-trip facilities open to the public, according to documents to be assessed by planning authorities next week. Singapore Stock Exchange-listed Tuan Sing Holdings lodged a \$50 million development application to redevelop the Adelaide Terrace luxury hotel earlier this year, with the works to comprise the refurbishment of the existing commercial space and the construction of a new podium building. The proposal also calls for the development of a childcare centre and a health centre, while the end of trip facilities have been designed to tap into demand from the growing numbers of people who cycle to work.²⁸
- The **transformation of the Shenton Park Hospital, into Montario Quarter, a contemporary inner city urban village with residential and retail precincts began in May.** Montario Quarter will be transformed into a modern, well-designed community offering about 1,500 new apartments and townhouses, together with a village shopping precinct of more than 5,000 square metres of floor space. The project is an example of the government's vision to revitalise underutilised land around key public transport infrastructure into high-quality urban infill. The new estate sits alongside Shenton College and is 400 metres from Shenton Park train station, and will provide pedestrian and cycling links to these and key bus routes.³⁵
- **Four derelict, concreted Perth City Link Roe Street lots are to be transformed into a thriving student and residential community in the middle of Perth.** It will be developed by Ritz Carlton developer Far East Consortium and Brisbane-based Cedar Pacific. The vision includes Cedar Pacific's 550-bed tertiary student accommodation facility — the third central Perth student residential complex unveiled in the past 12 months. FEC and Cedar Pacific would help create "Australia's most unique" transport-oriented development at the \$1.4 billion Perth City Link. FEC, which is developing the Ritz Carlton hotel and apartment towers at Elizabeth Quay, was last August declared the successful bidder for two lots next to the Perth Arena, where it plans to build a 250-room Dorsett hotel and 300 apartments.³⁹
- Civmec has begun constructing **Australia's biggest undercover shipbuilding facility in Perth's south**, confident it will have enough work even before Offshore Patrol Vessel contracts are awarded in August. In April, the company removed the first load of soil from a site next to its already massive Henderson headquarters where the 18-storey high ship building, repair and maintenance facility will be erected. The project is expected to create 1,000 jobs.³⁶
- A **\$75 million-dollar upgrade for Westfield Whitford City** in Perth's northern suburbs is almost complete. Westfield describe it as "a beach inspired precinct, delivering a vibrant resort-style destination for all to enjoy." It includes a 'skydeck' with ocean views and capacity for 200 people.³⁶
- One of Australia's top architects says, "it is inevitable" that **Perth will get a high-rise primary school**, as the City of Perth reveals it is investigating ways to revitalise old high-rise buildings in the CBD, including as so-called 'vertical education facilities.' In recent years Perth's civic leaders have been seeking ways to increase the city's density, halt urban sprawl, and make the CBD a more modern place.
- **Fremantle's West End has been permanently included in the State Register of Heritage Places**, providing protection and boosting tourism to the area. The West End precinct is bounded by Market Street to the east, Collie Street and Marine Terrace to the south, Little High Street to the west and includes both sides of Phillimore Street to the north. The precinct was listed in the State Register on an interim basis in November 2016.³⁵
- The McGowan Government has given the green light

to develop a **modernised Work Health and Safety Bill for Western Australia**.

Based on the national Work Health and Safety Act, the Bill will improve consistency with the rest of Australia and provide the primary legislation for workplace safety and health across all Western Australian industries. The Bill will be supported by a number of industry specific regulations to suit the State's unique conditions, enabling the resources sector to continue to use a risk-based approach.³⁷

- In June, the State Government announced **plans to regulate Western Australia's \$140 million prepaid funeral sector** to better protect seniors and their families from fund mismanagement. The Government is developing a mandatory code of practice to give consumers greater consistency, clarity and certainty when investing in prepaid funeral plans, bringing WA into line with other States. Currently the industry is governed by a voluntary standard set out by the Australian Funeral Directors' Association, though the level of compliance to that standard is unclear.³⁵
- From October 9, 2017, the State Government will be introducing **changes to the provisional licence process** to better prepare applicants and ultimately produce safer drivers. One of the major changes is re-sequencing the Hazard Perception Test to occur before the Practical Driving Assessment (PDA). Under the new system, learners need to complete both the Hazard Perception Test and 50 hours of supervised driving before being eligible to attempt the PDA to

get their driver's licence. The 50-hour log book also needs to include five hours of supervised night-time driving to ensure greater learner experience prior to attempting the PDA.³⁵

- **A new \$9.3 million "affordable" Rockingham housing development will only address the "tip of the iceberg"**, according to housing advocacy group Shelter WA. The Haven Park development consists of 32 properties over two complexes and four townhouses. It offers affordable accommodation for seniors, families and couples on the social housing waiting list, and its apartments are up for sale on the open market. According to Shelter WA figures, there are 18,000 applicants on the social housing waiting list and almost 2,000 priority waitlist applicants have been forced to wait up to two years for accommodation.³⁶
- The Western Australian Government's decision to move forward with the **strata title reform process** has been commended by the Real Estate Institute of Western Australia, Strata Community Association WA, Property Council of Australia and Urban Development Institute of Australia WA. The proposed reforms to the Strata Act, which were drafted by Landgate, cover off seven key areas: community title schemes; leasehold strata; more flexible staged strata development; Improved management; simplified dispute resolution; better buyer information; and safeguards for the termination of schemes.³²
- **West Australian public sector employees suffering domestic violence are now entitled to 10 days per year of special leave.** The State Government

said the flexibility would allow victims to attend medical appointments or court hearings. WA has the second highest rate of reported physical and sexual violence perpetrated against women in Australia, second only to the Northern Territory.³⁶

- **The Swan Valley is set to become one of Western Australia's premier tourism precincts** thanks to a co-ordinated approach from Tourism Western Australia, the City of Swan, local businesses and the tourism industry. In May, the State Government announced that the previous government's plans to replace the Swan Valley Planning Act 1995 would be put on hold and the Act reviewed, with consideration given to supporting vital industries such as viticulture and tourism.³⁵
- The State Government plans to introduce its next round of **liquor reform** into Parliament before the end of the year. The McGowan Government says it wants to make sure tourism, community and cultural benefits are strongly considered in liquor licence applications.³⁷
- The State Government will introduce **on-demand transport legislation** into State Parliament this year that will cover both metropolitan and regional areas. The Department of Transport will also investigate options to assist plate owners who have been left out-of-pocket, including an industry-funded buyback scheme.³⁵
- Woolworths, Big W and BWS liquor stores nationwide will **stop giving out free plastic shopping bags** within the next year. The Woolworths Group, which also includes Dan Murphy's and Cellarmasters liquor stores, plans to get rid of all single-use plastic bags

by June 30 next year. Coles said it will bring Coles' stores in Western Australia, Queensland, NSW and Victoria into line with Tasmania, SA, the Northern Territory and the ACT, where Coles complies with local bans.⁴⁰

- Schools, aged care facilities, shopping centres and bars are among the eclectic mix of establishments installing **solar panels**, amid predictions commercial rooftop installations could grow by nearly a gigawatt in Perth and surrounds by 2037. In a report for the Australian Energy Market Operator, Jacobs Engineering surmised that rooftop solar installation would continue to grow rapidly in the South West Integrated System electricity network, which spreads from Geraldton in the Mid West south to Esperance. This will be driven by significant growth in the number of businesses using rooftop solar, a take-up expected to rise from less than 100 megawatts installed to more than 900MW, helping boost overall capacity, which includes households, from around 500MW in 2016 to more than 2,500MW. To put it in perspective, that is nearly equivalent to the current generation capacity of state-owned utility Synergy.²⁸
- In July, the State Government announced the appointment of the **inaugural Multicultural Advisory Group (MAG)**. The MAG will provide the State Government with direct grassroots feedback and advice on relevant policies, issues and needs of the culturally and linguistically diverse (CaLD) communities of Western Australia. The MAG has 16 members, appointed by the Minister for a term of one year.³⁵
- Australian drug regulators have granted what is believed to be the **first licence to manufacture and supply medical cannabis in WA**. AusCann has been granted a manufacturing licence by the Office of Drug

Control, paving the way for it to not only grow but also make cannabinoid medical products. The company has a cultivation licence in both WA and Tasmania and now a manufacturing one in WA.³⁹

Lifestyle

- **Perth's population at the time of the 2016 Census was 1.9 million**, a lift of 12.4% over the past five years. Serpentine-Jarrahdale, about 45km south of Perth, showed the fastest regional growth in the country.²⁹
- China Southern Airlines has announced **an extra fifth flight per week between Guangzhou and Perth**, starting from October 29, 2017. The extra service is expected to further boost visitor numbers to Western Australia from the world's fastest growing tourism market. China Southern Airlines commenced flights to Perth in November 2011 and, since that time, the number of Chinese visitors to WA has more than doubled from 23,000 to the current 52,600.³⁵
- 2016 Wimbledon winner and winner of a record 19 male Grand Slam Titles, **Roger Federer, will return to Perth for next summer's Hopman Cup**. Federer will partner Belinda Bencic for the Swiss team.³⁹
- **A concert by British singer Ed Sheeran is likely to be the first event at the new \$1.6 billion Perth Stadium** at the end of March next year. It had been hoped the first event would be the Ashes test match in December.⁴⁰
- The State Government has secured **Sculpture by the Sea, Cottesloe** until 2020 after signing a new three-year sponsorship deal with the exhibition's organisers. Held at Perth's iconic Cottesloe Beach, the

popular annual exhibition drew more than 200,000 visitors to this year's March event. Sculpture by the Sea, Cottesloe is one of the biggest annual sculpture exhibitions in the world.³⁵

- The State Government has secured the first ever **Spartan Asia Pacific Championships**, which will be run in the city and an outer metropolitan location in November 2017. Organisers are expecting up to 4,000 people to take part in the elite, mass participation obstacle course, with about 2,000 participants, friends and family to come to WA from interstate and overseas for the event. It is expected to inject \$1.46 million into the local economy.³⁵
- The **Margaret River Pro** will remain part of the championship tour following a campaign by Surfing WA, professional surfers and the State Government. There was speculation the event would be dropped from the tour after its five-year contract ended this year, but the World Surf League has agreed to at least a two-year extension.³⁶
- In April, the City of Melville approved a lease for a **proposed wave park on a 4.4-hectare area of Tompkins Park in Alfred Cove**. The lease was approved by a margin of seven votes to four in a meeting that went well over four hours. The lease is for 30 years, with two possible 10-year extensions. Rent will be about \$700,000 per annum. The project has been the subject of considerable debate in the Melville community, with some local residents petitioning for special electors' meetings to overrule the park. Some have threatened to take the project to the Supreme Court to have the approval overturned.²⁸
- Perth-based company, Urbi

has brought **bike-sharing** to the streets with the first trial taking place in Joondalup. More than 400 cities around the world have bike-sharing schemes offered as an alternative form of transport for commuters. Under the system, commuters can pick up a bike and helmet from one location and drop it off at different destination. A single ride with a helmet costs \$3; the more you ride, the cheaper it gets. West Cycle chief executive Matt Fulton backed the initiative but added that government support would be necessary.⁴⁰

- **Fremantle Fishing Boat Harbour has been named Australia's best public boat harbour** in the prestigious Marina of the Year Awards. The iconic harbour has a rich history that began as a single jetty where fishermen landed their catch in the early 1830s and became world famous in the 1980s as the stage for Australia's defence of the America's Cup. Today, the harbour attracts more than 1.5 million visitors a year with the integrated activities of the harbour currently employing more than 1,000 people.³⁵
- The \$109 million state-of-the-art **Cockburn Aquatic and Recreation Centre opened in May**. The State Government provided \$12.4 million towards: nine water areas and three waterslides; six multi-use courts for sports including basketball, netball and futsal; running and walking tracks and an oval; sport medicine facilities, wellness and fitness studios; education facilities such as a lecture theatre, health and wellness labs and community classrooms; and playground, picnic areas, creche and a cafe. The complex also houses the training facility and headquarters of the Fremantle Dockers (FFC) which include offices, an FFC retail shop and an AFL-standard oval.³⁵
- The State Government has committed **\$14 million towards upgrades at Perth Airport that will allow for non-stop flights**

between Perth and London.

The upgrade includes a new international wing comprised of an outdoor area, a new immigration and customs area and additional food and shopping options for visitors. It is expected the Perth-London route will be worth up to \$36 million a year in visitor spend for Western Australia's economy.³⁷

- The **Mary Street Piazza in Highgate was commended at the Planning Institute of Australia's national awards in Sydney as one of the nation's great places**. The piazza opened in 2015 as part of the City of Vincent's "places for people" vision. Other WA winners were Tourism WA and the Imintji Aboriginal Community for its "camping with custodians" project and the Shire of Mundaring for its "implementing bushfire and biodiversity controls" submission.³⁹
- In May, **two new hotel chains opened in Perth**, adding hundreds of new rooms — and unprecedented diversity — to the city's accommodation offerings. The \$30 million Tribe hotel is offering "affordable" luxury with its 126 modular-designed rooms. And the \$70 million US-based Marriott International's Aloft has 224 loft-style rooms. It brings to seven the number of hotels that have opened in Perth in the past year, with at least another 20 scheduled for the next three years — a 4,000-room, \$3 billion injection that has been described as "a game-changing increase".³⁹
- Perth has been **rated 11th by the travel experts at Booking.com in the list of the top "B-list" cities around the world**. The cities were ranked on how they rate with travellers for culture, food, night-life and attractions.
- The Economist Intelligence Unit has ranked **Perth as**

the world's seventh most liveable city, scoring each of the 140 cities in the categories of healthcare, education, stability, culture, environment and infrastructure. Melbourne ranked as the number one city once again, claiming the top spot for the seventh year. Adelaide scored equal fifth while Sydney fell to sit below the top 10 cities, coming in at 11th⁴².

- Member for Perth, John Carey MLA held a **Perth City Summit with approximately 350 residents and workers of Perth to revive the CBD**. The Summit identified and prioritised 35 actions to create positive change, which included initiatives across transport, arts and culture, homelessness and business. The number one idea identified by the Summit is the recognition of Perth's Indigenous culture and history throughout the city, in partnership with the Noongar community.⁴³
- A number of Western Australians have been recognised at the **2017 Western Australian of the Year Awards**. Gina Williams was presented the Aboriginal Award; Marcus Canning received the Arts & Culture Award; Peter Lyndon-James was given the Community Award; Dr James Fitzpatrick received the Professions Award; Dennis Cometti was presented the Sport Award and Ryan Morich received the Youth Award. The 2017 Western Australian of the Year and Business Award winner was Andrew Forrest AO.⁴⁴

Knowledge and Innovation

- A series of **cancer research projects led by The University of Western Australia has been awarded \$18 million** from the Cancer

Research Trust and other partner organisations. A fund dedicated to making contributions to the diagnosis, prevention and treatment of cancer research in WA, the Cancer Research Trust today announced a \$13.5 million commitment to be spread over nine years. The additional \$4.5 million in funds has been backed by partner organisations including the Cancer Council WA, Telethon Kids Institute, Harry Perkins Institute of Medical Research UWA, Murdoch University, Curtin University, Notre Dame, the WA Department of Health and St John of God Healthcare.²⁸

- **Woodside Petroleum has unveiled what its future workforce might look like, following the arrival of its new robonaut**, designed by the National Aeronautics and Space Administration (NASA). The Anthropomorphic Robonaut System is on loan to Woodside under its partnership with NASA, and will spend five-years in Western Australia. The humanoid robot, known as R2 C3, is the result of a program that started in NASA in the 1990s and is the third design to come out of the administration's 'C series', where engineers have been working on developing machines that can help humans work in space. NASA's robonauts are already being used for simple, repetitive or dangerous tasks in places such as the International Space Station, and Woodside is hopeful it can do the same across its own operations, including unmanned facilities.²⁸
- **Robot bricklaying machines could be built and distributed worldwide by Caterpillar** in the near future, after Fastbrick Robotics signed a collaboration agreement with the global machinery manufacturer. In July, Fastbrick announced to the ASX that it had signed a memorandum of understanding with

Caterpillar to develop a potential framework for the development, manufacture, sales and service of the company's robotic bricklaying technology.

- Since listing on the ASX in late 2015, Fastbrick has been working to commercialise its technology, most notably creating a commercial prototype known as Hadrian X last year. The robots can lay about 1,000 standard bricks per hour, about twice the amount a typical brickie could do in a day's work.²⁸
- **A WA-first apartment building that generates more energy than it consumes will be built in North Coogee**. Fremantle-based David Barr Architects won LandCorp's Step Up Housing Design Competition from a field of more than 40 WA architects, designers, builders and developers. Seventeen apartments designed by the firm will feature in North Coogee's Shoreline estate, the first precinct of a major redevelopment of the Cockburn coast. The design uses a prefabricated approach meaning quick construction periods and cost savings, while allowing for higher-spec finishes and sustainability measures not achievable with standard construction methods. LandCorp said the project will be the first apartment building in WA to achieve an "average 9-star NatHERS rating."³⁸
- Two Western Australian developers have been recognised for their commitment to sustainable living, with **Yolk Property Group and Cedar Woods Property achieving national accolades for their commitment to green building principles**. Yolk Property Group's Evermore development in White Gum Valley became the first WA apartment project to be

recognised by the Bioregional Australia Foundation as a One Planet Community. In April, Cedar Woods Properties received the highest level of certification under the Urban Development Institute of Australia's EnviroDevelopment program for its Bushmead development in the eastern suburbs.²⁸

- The **State Government established a STEM Advisory Panel chaired by the Chief Scientist, Professor Peter Klinken**. The panel, made up of industry experts, researchers and educators, will focus on developing a State STEM strategy. The STEM strategy will initially map Western Australia's STEM workforce, highlighting strengths and gaps in skills and expertise. It will then identify STEM growth industries with a vision to grow the local workforce.³⁵
- A three-year, **\$4 million partnership with the Department of Education and STEM Education Consortium aims to encourage students to develop inquiring minds, apply logical reasoning and think in a more connected way**. The STEM Learning Project will develop new classroom resources to encourage students to find solutions to real-world problems, such as programmable robots for use in emergency situations. The project supports teachers to boost STEM in schools with professional learning via face-to-face workshops, online and video-conferencing and on-demand digital channels.³⁵
- The **Premier's Science Fellowship Program was launched in May** at the annual Science on the Swan Conference. The fellowship will provide \$1.5 million over four years to attract a leading researcher and a supporting early to mid-

career researcher to Western Australia, to work in the area of human phenomics research and data analysis. Human phenomics relates to the interactions between the genotype, environment and lifestyle at a molecular level, and metabolic phenotyping of the human population, together with correlation of clinical data, will lead to improved health care outcomes.³⁷

- The Federal and State Governments have invested **\$12.8 million to establish an innovative accommodation project at Perth's St Catherine's College to support young Indigenous people** from remote communities to complete tertiary education. The project, the largest tertiary Aboriginal residential programme of its type in Australia, will double the capacity of the Dandjoo Darbalung programme at the college, located at The University of Western Australia. The Western Australia Housing Authority will work with St Catherine's on the procurement and construction of the project, while St Catherine's will be responsible for management and ongoing operation.³⁵
- The Environmental Protection Authority has approved the **Water Corporation's plans to double the treated sewage being injected into Perth's aquifers**. Stage 1 of the Perth Groundwater Replenishment Scheme began at the end of 2016 with a Craigie treatment plant completing advanced purification then pumping the treated wastewater into the Gnangara aquifer at a rate of 14 billion litres a year. The approval of the Stage 2 means another 14 billion litres annually will be pumped into the Leederville and Yarragadee aquifers.³⁶
- The Department of Water has conducted **two geophysical surveys at Lake Monger Reserve to investigate**

underlying aquifers and groundwater movement.

The surveys involve two-dimensional seismic and electrical resistivity imaging. Lake Monger is the first of several survey sites including UWA Sports Park and Shenton Park Field Station. The objective of the program is to better understand the effects of groundwater use and explore the option of pumping highly treated wastewater or stormwater into the aquifers for later re-use. The program also includes installing groundwater monitoring bores up to about 300 metres deep.³⁵

- The **founder of Kewdale-based technology manufacturing business RCT, Bob Muirhead, has been named the Austmine champion of innovation for 2017**. The prestigious award recognises individuals who have pioneered innovation in the mining industry. Mr Muirhead received the award for his lifetime of achievements in the field, including the invention of the Muirhead Smart Protection and ControlMaster remote control systems. It was a response to many of the machines on mine sites that had poor electrical systems, which would cause endless problems and result in unnecessary downtime.²⁸
- A new Perth-based start-up company **Kooda, collects buckets of food scraps from inner-city homes and businesses and turns them into super-nutritious plant food**. The start-up is now servicing more than 20 homes and several local cafes and collects almost a tonne of food scraps each month - scraps which would otherwise be destined for landfill. Coffee grounds make about half of the waste collected. Kooda is

a Noongar word that means "gathering basket".⁴⁰

- Western Australian scientists contributed to a groundbreaking international research program that produced **the first complete genome map for barley**, enabling breeders to develop better quality barley varieties that can be used for clearer, tastier beers. The Western Australian-based Western Barley Genetics Alliance made up of the Department of Agriculture and Food and Murdoch University with funding support from the Grains Research and Development Corporation, was a key contributor to an international consortium that produced the genome map. WA is one of the leading international suppliers of malting barley to China and Japan.³⁵
- Scientists have developed a process to **certify West Australian honey with medicinal and antimicrobial properties**, which will rival New Zealand's famous Manuka honey. The new certification process, developed by industry and food testing laboratory ChemCentre and funded by a \$500,000 State Government grant, will now be able to authenticate WA honey with medicinal properties. Honey that comes from jarrah and marri trees, which are unique to WA, are known as monofloral honeys and have been found to have some of the highest antimicrobial activity in the world.⁴⁰
- Researchers from The University of Western Australia have used chemicals destined to develop **new treatments for malaria as a launching pad to create new herbicides that could be available in the next five to 10 years**. The research conducted "on the smell of an oily rag" in Western Australia could be a game-changer for growers worldwide, after a sharp rise in glyphosate-resistant winter and summer weeds.⁴⁰
- A central energy plant in the

Perth Cultural Centre is set to **reduce the energy use and carbon emissions of the cultural buildings by up to 40% from 2020**. Two new 4.6-tonne chillers were craned onto the roof of the Art Gallery of Western Australia. Another three chillers, two boilers and a generator will be installed on the State Library of WA roof in August 2017. Once in place, these plants will be a primary source of heating and cooling, maximising energy efficiency for the precinct. The central energy plant is expected to be complete and operational by the end of 2017 and about 100 workers will be employed to deliver the works.³⁵

- **A UWA law student has built a high-performance drone with a new kind of battery that allows it to fly faster for longer, hitting speeds up to 65 kilometres per hour**. The secret to his drone's speed and longevity in the air is the battery, which has really high energy density that can fly for about four times as long as anything that is currently on the market.⁴⁰
- Scientists at Edith Cowan University's Electron Science Research Institute have received a **\$1.6 million federal grant to enable further development of a new type of solar glass** that offers significant potential for agriculture. In collaboration with local business ClearVue Technologies, the ESRI will use the grant to build a 300-square metre greenhouse, planted with cucumber and capsicum. Growth will be monitored for the next three years as part of a performance analysis to find the optimum solution for crop yield.²⁸
- Technologies to protect online banking, prevent mine truck accidents and harness solar energy through windows are among the innovations named as semi-finalists for this year's **WA Innovator of the Year program**. Sixteen companies have been short-listed for the annual awards, which recognise the

exceptional local and regional innovators behind the newest products, technologies, processes and services developed in Western Australia. Winners will share in a prize pool of \$145,000 to help commercialise their innovations, and the program also links industry and academia through research collaboration.³⁵

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Acknowledgments

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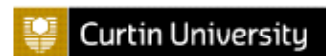
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