
NEEDS ANALYSIS FOR THE SHIRES IMPACTED BY RE-OPENING OF THE BODDINGTON GOLD MINE



Report prepared for the Department of Industry and
Resources

JUNE 2008



KEY POINTS OF THIS REPORT

The aim of this study is to provide an analysis of housing, infrastructure and community service needs flowing from the re-development of the Boddington Gold Mine.

The goal is to assist State and Local Government Authorities plan for the growth in demand for services in an area that has limited capacity for such development.

The study involves a forecast of population growth in a defined study area and an analysis of household structure to estimate the demand for housing, education, health, recreation and government services.

Boddington Gold Mine hopes to minimise the resident camp workforce as quickly as possible and will encourage employees to live within 50 km of Boddington town. The opportunity to do this will be strongest in the next few years. After that, families will have made long term arrangements and will be less keen to relocate, although natural workforce turnover will see some moves into the area.

A rapid rate of land development is creating many new residential and industrial lots in the towns of Boddington, Wandering and Williams and a smaller number in Dwellingup.

The most significant obstacle to the attraction and retention of families in the local area will not be the land availability but the rate at which new dwellings can be built. There has been a shortage of residential building companies willing to work in the area but a slowdown in housing construction elsewhere in the State offers promise that more dwellings will be built.

A supplementary impediment to the provision of housing may be the capacity of the Shires to manage the approvals processes for the increased rate of building.

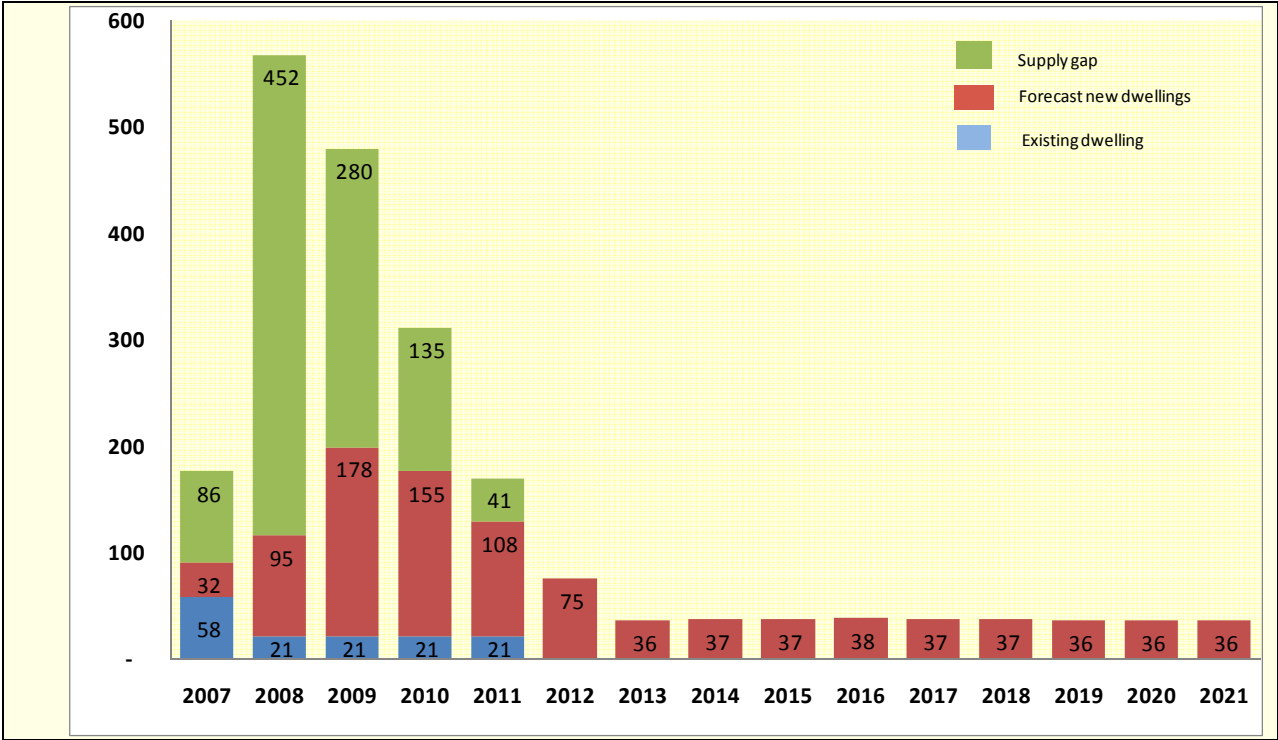
Assuming that the home building limitations can be overcome, the study finds that there will be significant increases in population in the Shires of Boddington, Wandering and Williams and a smaller increase in Dwellingup. After 2011 there will be continuing, but relatively small, increases.

The relatively rapid increases in population over the next three years will have a marked impact on the demand for Shires and State Government services.

The forecast suggests that 710 dwellings will be taken up by new residents in the study area from 2007 to 2011 inclusive. The associated "resident" population will rise from 3,000 at the beginning of 2007 to 4,846 at the start of 2011 and then 5,792 in 2021. Camp numbers stabilise at 366 from 2010 made up of BGM employees and contractors who do not choose to live in the study area.

The population and dwelling increase will affect a wide range of community and Shire services. The cost to upgrade and expand these facilities is put at a net \$15.04 million. State Government services sought by government agencies are estimated to cost \$83.38 million. The Shires have foreshadowed that they are likely to submit further requests for consideration in the next round of social infrastructure funding.

The forecast of dwelling demand and availability of dwellings forecast in this study shows the supply gap closed by the end of 2011. This assumes that 643 new dwellings are built by the end of 2012.



Acknowledgments and Disclaimer

This report has been prepared for the Peel Development Commission and the Department of Industry and Resources in Western Australian. Their support is gratefully acknowledged.

Economics Consulting Services prepared the report with the assistance of Worley Parsons and Data Analysis Australia. Boddington Gold Mine and the local Shires supported the study and their assistance is acknowledged.

Care has been taken in the collection and analysis of all information but the nature of a forward looking forecasting study means that the numbers are estimates at best. No investment decisions should be taken by companies or government without verification of the numbers on which this report is based.

The population projections are completely dependent on the new dwelling numbers to house the new residents. If the dwellings are not built, the population projections provided here will be in excess of actual numbers.



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1. BACKGROUND

Purpose of the study

The purpose of this study is to provide a needs analysis study and strategic framework for the Shires of Boddington, Murray, Wandering and Williams. The underlying objective is to help the Department of Industry and Resources assist these Shires in building the capacity needed

to manage the rapid population growth, housing demands, new industries and community services associated with the re-opening of the Boddington Gold Mine.

The Boddington Gold Mine (the mine) is one of the largest gold deposits in the world and will be one of Western Australia's largest mines when it resumes production in 2009¹.

The mine will be a major employer in the town of Boddington and the local region. The owners have undertaken to encourage local employment and residence rather than support a long-distance commute project as is the norm in much of regional Western Australia.

The expected local employment and the flow on impacts on the regional economy will place severe pressure on the facilities and infrastructure of the local towns. The small rural Shires may need State Government support to manage the demands. This study aims to identify the project needs in terms of local infrastructure and services and to evaluate the capacity of the Shires to deliver these requirements.

This analysis was to be undertaken in several phases. The first was an assessment of the impact of the anticipated population increases.

The second stage in the analysis was to estimate spending patterns for the new population as well as the demands from the direct expenditure of the mine itself. This leads to an assessment of the demands for all services within the local towns. Some of these services are provided by local and State Governments, and some are provided by the commercial sector.

Finally, the study assesses the capacity of the local towns to meet these expected expansions of demand. Where there are shortfalls in capacity, the study identifies what might be done to address the shortfalls.

The mine was an important source of economic activity and growth in the local area. When the mine closed in 2001, the economic output in the Shire of Boddington declined, although it continued to be buoyed by a strong agricultural sector and the operations of Worsley Alumina.

A trend to rural lifestyle living and an expansion of other economic activities means that the mine is re-opening in a time when there is limited spare capacity in housing or service sectors. Combined with the general shortage of construction expertise across the State, the mine expansion will create real pressures for the area.

The Boddington Mine – historical

The Boddington mine is located 17 kms north of the town of Boddington, which is 123 kms south east of Perth. The mine is in the Boddington Shire, which is part of the broader Peel Region.

The Boddington gold resource was discovered in 1980 by scientists testing alumina samples as part of project planning for the Worsley Alumina Joint Venture. Mining began in 1987.

Between 1989 and 1991, the mine was the largest gold producer in Australia. The resources were depleted in November 2001 and processing ceased. Over the life of the mine, 105Mt of ore was processed producing 4.74 million ounces of gold and over 6,500 tonnes of copper.

¹ T.C. McCuaig, M. Behn, H. Stein, S.G. Hagemann, N.J. McNaughton, K.F. Cassidy, D. Champion, and L. Wyborn: The Boddington gold mine: A new style of Archaean Au-Cu deposit.

The Worsley Joint Venture was the management company for the project from its inception until October 2002. Project management was then taken over by the BGM Management Company Pty Ltd on behalf of the BGM Joint Venture owners.

A large bedrock resource, known as the Wandoo deposit, was identified in 1994. Feasibility studies were conducted and in August 1996 a Consultative Environmental Review was submitted to the State Government for review. Approval to process up to 16Mtpa was granted by the Environmental Protection Authority in July 1997. Many more feasibility studies followed along with negotiations between the projects owners regarding development.

The “new” Boddington Mine

A revised Environmental Protection Statement (EPS) was submitted to the State Government in November 2001. Environmental approval was granted in May 2002.

The project is now owned and operated by BGM Management Co Pty Ltd (BGM) which is jointly owned by Newmont Mining and Anglo Gold Ashanti.

Preliminary planning for the revamped mine commenced in 2005 and construction work began in February 2006. Construction activities are scheduled to be completed in 2008.

BGM commenced recruiting for its operations workforce in late 2007 with mining operations commencing October that year. The first gold pour is forecast in late 2008 or early 2009.

The project has an estimated life of at least 20 years. It is expected to produce one million ounces of gold a year for the first five years and an average of 0.9 million ounces a year over the life of the mine. The mine will also produce an average of 30,000 tonnes of copper a year, together with some silver. There is the potential to extend the mine life.

Total project cost is expected to be \$2.5 billion.

The projected workforce is 650 permanent employees, with an estimated 120 working as contractors largely associated with maintenance operations on mining equipment. BGM has adopted a policy of encouraging at least 65% of the company workforce to live locally – within a 50km radius of the mine.

BGM is committed to the employment of Aboriginal workers and has undertaken to engage 100 Aboriginal people or around 15% of the workforce. This commitment involves the provision of training programs for Aboriginal workers and an active program of recruitment of Aborigines from the wider area. This relatively high level of Indigenous recruitment may create special cultural and social needs at the mine and in the area.

While an assessment of this impact is outside the scope of this study, the following observations are relevant. The Department of Housing and Works is proposing the provision of low cost accommodation in the town of Boddington. In addition, Economics Consulting Services has raised the issue of service levels in the town with Centrelink, Medicare, Carelink and the Australian Government Department of Health and Aging. In all cases, the response has been that the agency will monitor the level of demand for services and will consider a change in service levels only after such a demand has demonstrated itself. The special needs of a changing community may need to be addressed in more detail at a later date depending on the success of the recruitment strategy.

BGM has undertaken several studies and has worked closely with Government to identify and plan for the infrastructure and services required in the area affected by the expansion. The concern for Government is to ensure that the Shires of Boddington, Murray, Wandering

and Williams are able to cope with the rapid changes, and assistance will be provided to aid capacity building for the affected communities.

State Government response

The Boddington Gold Mine and the Western Australian Government have been monitoring accommodation demands and anticipating the change in demand that the expanded population will have on the local shires of Boddington, Murray, Wandering and Williams.

The concern for Government is to ensure that the Shires are able to cope with the rapid changes, and has announced that assistance will be provided to aid capacity building for the affected communities, particularly within a 50 km radius of the mine.

The result is a Government decision to approve an interim Social Infrastructure support package of \$9 million, primarily to the Shires. Funding under this package will only be considered where the cost is as a direct result of the gold mine expansion, with recoups to be considered where appropriate. Key areas of need include:

- Shire staffing - housing and support
- Shire buildings, works and plant
- Industrial land development
- Housing for prospective new residents
- Utilities – power, water and wastewater
- Government employee and community housing
- Hospital and medical centre
- Education – primary, secondary and TAFE
- State and local roads
- Community services - police, youth, child care, aged care and recreation
- Street scapes

The interim package is constrained by the need to consider the level and timing of any Commonwealth Government support as well as determining the sustainable growth limits in the longer term to the Shires.

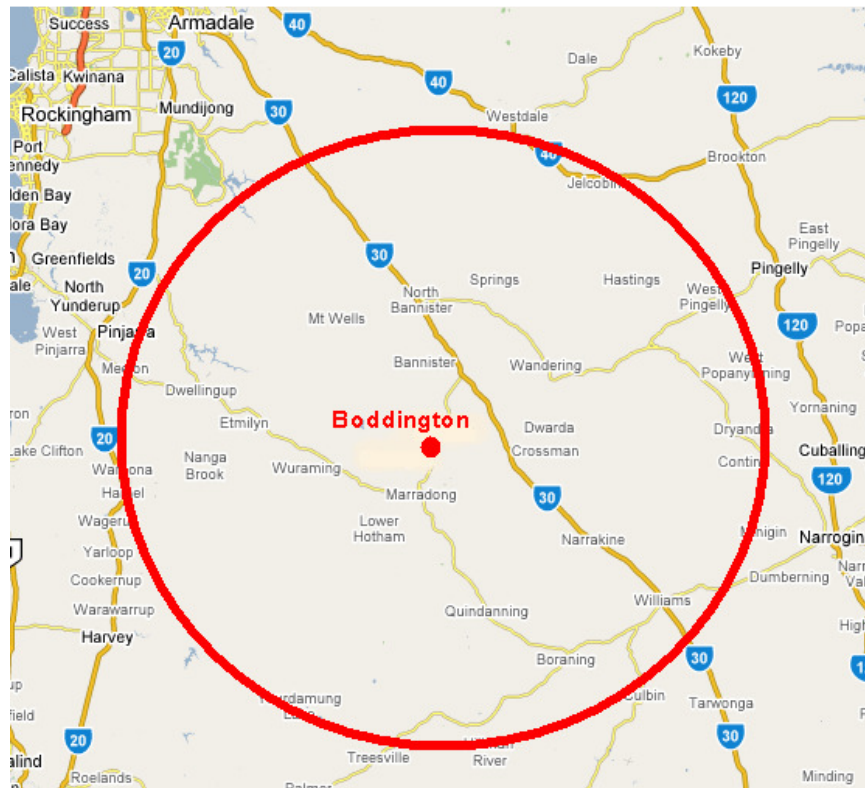
The project is managed day-to-day by the Peel Development Commission while the Department of Industry and Resources is responsible for coordination with Government and management of support package funds. The Commission convenes the Boddington Infrastructure Project Committee which meets regularly to monitor progress and identify problem areas and coordinate action.

The key outcomes of the Government assistance to the Shires are to assist them in capacity building to cope with the rapid changes, to ensure that government infrastructure and services are provided in a timely manner and to ensure that the long term future of the Shires is understood and planned for.

The Study Area

The BGM commitment to encouraging staff to live within a 50 km distance from the mine created some challenges in definition. The mine is located in a relatively isolated area with limited road access and a circular radius included areas particularly on the western side that were a significantly longer distance by road than the 50 km implied. Following some “negotiation” the centre of the circle was moved to the Boddington townsite thus shifting the area of interest to the east.

Figure 1: Study area

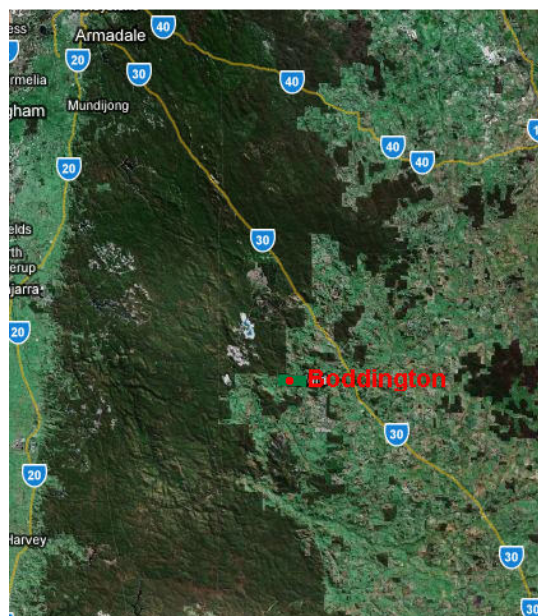


Source: Google maps

The 50 km radius includes the towns of Boddington, Dwellingup, Wandering and Williams (Figure 1). Smaller settlements exist at Crossman, Quindanning, and North Bannister.

A satellite photograph shows the Boddington town location just to the east of a large area of government reserved forest and conservation areas with agricultural land on the other three sides (Figure 2).

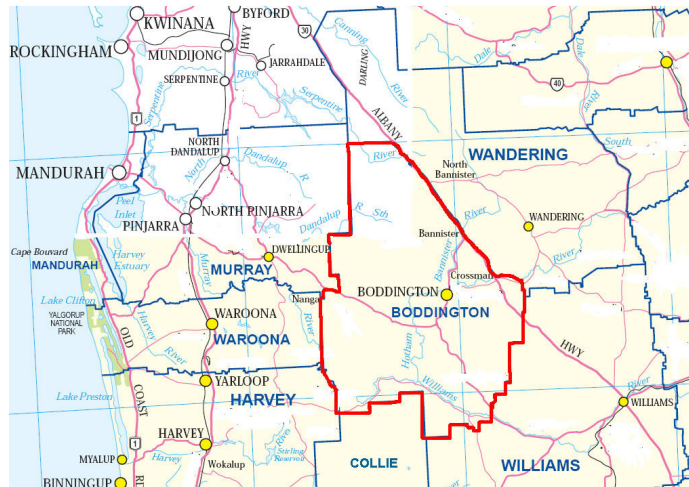
Figure 2: Study area satellite photo



Source: Google maps

The study area includes parts of seven rural shires– Boddington, Wandering Williams, Collie, Harvey, Waroona and Murray (Figure 3). The 50 km radius does not include any substantial population centres in Collie, Harvey or Waroona Shires and for this reason they have not been included in the study. The Shire of Murray is dominated by the town of Pinjarra and as this lies outside the study area, only the town of Dwellingup from that Shire is included.

Figure 3: Study area local government areas



The population projections for the study area thus include the Shires of Boddington, Williams and Wandering and the town of Dwellingup. The total population at the June 2006 census was estimated at just less than 3,000 people (Table 1).

Table 1: Population

Location	Population	
	June 2001	June 2006
Boddington Shire	1,453	1,368
Wandering Shire	340	358
Williams Shire	909	889
Dwellingup town	350	348
Total	3,052	2,963

Source: ABS census

A small decrease in population occurred between 2001 and 2006 almost certainly due to the closure of the original Boddington mine and a drift from rural areas to the city and the coast.

The Boddington and Wandering Shires both report that since the decision to re-open the mine, residential land sales have been very strong and commercial confidence has blossomed.

2. POPULATION GROWTH ANALYSIS

Future population will be a function of the number of mine employees, local workforce availability, the desires of employees to live in the area and the availability of accommodation.

The mine will have a significant impact on the regional population and economy. In theory, a workforce of 650 people could translate into this many new households in the region. With a

flow-on impact in jobs, the total population could potentially expand by over 2,800 people or virtually the current population again.

No special consideration of Aboriginal persons has been included in making these population projections. The assumption is that this group will have a family structure and housing and community needs much like the rest of the working population. However, depending on the origin and composition of the Indigenous workforce there is the potential that they will change the needs for affordable housing and affect health and education services. This aspect may require more detailed consideration when the achievement of the target levels is better understood.

This study recognises that rural areas face challenges in responding to development impacts of the magnitude involved for this mine. Land development and building activity is geared to the small annual population increase – negative for the five years to August 2006. Providing land and new dwellings takes time and significant investment.

The BGM recruitment and purchasing policies will drive local housing establishment. The number of households that become established will then depend on take up of any vacant residential dwellings, purchases from local residents taking the opportunity of higher prices to sell out and the capacity of the land and building sectors to build new dwellings in the area.

The population forecast is thus based on many assumptions regarding housing aspirations and the capacity of land developers and builders to respond.

The land and building assumptions for this report have been developed in consultation with the Peel Development Commission. Economics Consulting Services has developed assumptions on growth rates, residential living aspirations, flow-on impacts and the priority rules for housing acquisition. An understanding of the assumptions included in Table 2 is essential to the forecasts that are made in this report.

Table 2: Population projection assumptions

Parameter	Assumption
Population growth rate June 2006 to December 2006	1.25% for all locations
Population age profile	Boddington Shire June 2006
Recruitment of BGM and contractors from region	10%
BGM employees looking for local dwellings	55%
Contractors looking for local dwellings	10%
Flow-on employment impact	0.7 times mine recruitment
Flow-on employees already living in region	15%
Flow-on employees looking for local accommodation	65%
Priority order in which available houses are taken up	BGM, contractors, flow-on, natural increase

Source: Economics Consulting Services

By the end of 2007, an estimated 30 BGM staff were resident in the area and BGM has entered into a contract with a developer-builder to supply ~60 dwellings in Boddington for individuals to purchase from late 2008. The assumption in the forecast is that all of these dwellings will be purchased by BGM employees although this is not a company requirement.

The BGM policy has implications for current residents of the area. By encouraging residency, the policy will increase local demand and almost certainly increase house prices and rents. This will cause some house owners to sell out of the area, sell their house and move in the area, or rent at a higher rate. There will be a tendency for houses to be purchased by those with the greatest capacity to pay – in this case mostly people engaged on the mine site or providing high value goods and services to the mine.

This study assumes that the limited housing stock in the first four years is acquired first by BGM employees, then by contractors, then by those in the flow-on sector and finally by local households. This is a simplification necessary to allocate housing in a spreadsheet model.

The Shires of Boddington, Wandering and Williams have encouraged and facilitated land development and release, and new lots are becoming available in all towns. Only a limited number can be provided in Dwellingup in the near term due to constraints on land and infrastructure, including the water supply.

Service utilities have responded to the situation and power, water and wastewater services have been or are being upgraded to meet the expected demand.

The home construction sector in Western Australia has been under great pressure for the last five years with most builders operating at capacity. With large numbers of housing starts in the metropolitan area, rural builders have struggled to obtain tradesmen. Conditions in the industry are now “softening” due primarily to poor affordability in the metropolitan area.

A number of builders have been approached to operate in the Boddington area and there are promising signs. In the interim, a significant number of transportable homes have been brought in and short term solutions such as caravan parks and sheds are being utilised.

Land availability

A review of the lot and existing house availability demonstrates a potential for 1,900 new residential lots in the study area by 2020 (Table 3).

Table 3: New lots, BGM houses and current house availability

Year	Lots	Boddington		Wandering		Williams		Dwellingup
		Houses	Lots	Houses	Lots	Houses	Lots	Houses
2007	60	33	140	5	5	5	5	4
2008	300	22	60	4	70	4	20	3
2009	200	10	10	4	60	4	10	2
2010	100	3	10		45		100	
2011	50		5		10		20	
2012	50		5		10		5	
2013	50		5		10		5	
2014	50		5		10		5	
2015	50		5		10		5	
2016	50		5		10		5	
2017	50		5		10		5	
2018	50		5		10		5	
2019	50		5		10		5	
2020	40		5		10		5	

Total	1,150	65	270	13	280	13	200	9
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Source: Peel Development Commission and Economics Consulting Services

This forecast to 2010 is based on land subdivision currently under consideration and then projections based on the possible availability of services and land demand. The forecast beyond 2010 is highly speculative. Dwellingup development is dependent upon upgrading of the main water supply and a land swap aimed at achieving 100 lots.

The projected availability of nearly 2,000 lots is a possible land supply estimate – the number created will be a function of the actual demand. As will be demonstrated later in this report, the expected demand is far less than this supply level.

The potential number of houses includes houses acquired by BGM staff moving into the area in 2007, and current housing stock that might become available for rent or purchase based on a survey of existing dwelling stock. The Boddington Shire had a relatively high level of vacant houses in the 2006 census and the assumption is that some of these will become available to incoming workers. Over the four Shires, an estimated 100 existing houses are assumed to become available for occupation, in addition to the 32 houses owned by BGM (pre 2007) which are available for their employees to rent.

Natural population expansion

In addition to the new workforce, the established population will grow. Determining this growth rate is challenging as the area was affected in the five years to 2006 by the closure of the original Boddington mine. Some “drift” from the area to the coast and metropolitan areas is likely to have also been a factor in common with most rural areas in Australia.

Inclusion of the flow-on workforce in the population forecast means that only natural growth that can be separated from the impact of the mine should be measured. A conservative approach has been taken by assuming that growth will reflect the “tree change” phenomena being observed and rates will match those of the State as a whole – which is itself undergoing boom conditions. The growth rates and population profile used are based on the 2006 census results for Boddington (Table 4).

Table 4: Population assumptions

Year	Rate (%)
Growth rates	
2007 - 2011	2%
2012 - 2016	1.85%
2017 -2020	1.65%
Age profile	
0-4	5%
5-12	11%
13-17	7%
18-24	6%
25-59	47%
60+	24%

Source: Economics Consulting Services

3. POPULATION AND DWELLING PROJECTION

An Excel program model of housing demand and population was constructed based on the assumptions previously listed. Allocation rules were developed to select houses for the incoming population and natural growth. Allocation principles were:

- BGM employees move into the houses built on BGM land
- BGM employees take up 40% of any new houses built in Boddington
- Contractors take up 50% of any houses in Boddington not taken up by BGM employees
- Flow-on workers and households from natural increase take up half each of the remaining new houses in Boddington
- The same allocation priorities are then applied to Wandering, Williams and Dwellingup in that order.

Established dwellings

BGM owned 32 houses in the Boddington area that were available for rental to staff in 2007. A number were being refurbished but this study assumes that they were all allocated to employees in 2007 and they formed part of the housing supply.

The vacancy rate for houses in the study area is fairly high as a consequence of the falling or static population since 2001 and the number of holiday homes held by absentee owners. The demand from the increased households will see some of these dwellings purchased or rented. A survey of real estate agents and local property rentals provided an indication of the number of established dwellings that might become available (Table 5). The total is estimated at 110 in the five years from 2007 to 2012. With the BGM rental houses, a total of 44 houses were assumed to be available in Boddington in 2007 and a total of 58 in the study area.

Table 5: Established dwellings forecast

Location	2007	2008	2009	2010	2011	Totals
Boddington	12	10	10	10	10	52
Wandering	5	4	4	4	4	21
Williams	5	4	4	4	4	21
Dwellingup	4	3	3	3	3	16
Total	26	21	21	21	21	110

Source: Economics Consulting Services

New dwelling projection

Peel Development Commission estimated 568 new dwellings to 2011 (Table 6).

Table 6: New dwellings forecast

Location and builder	2007	2008	2009	2010	2011	Totals
<i>Boddington</i>						
<i>BGM land</i>	0	5	18	10	10	43
<i>Private builders</i>	16	59	110	92	56	333
Total Boddington	16	64	128	102	66	376
Wandering	16	21	25	28	19	109
Williams	0	7	18	15	17	57
Dwellingup	0	3	7	10	6	26
Total	32	95	178	155	108	568

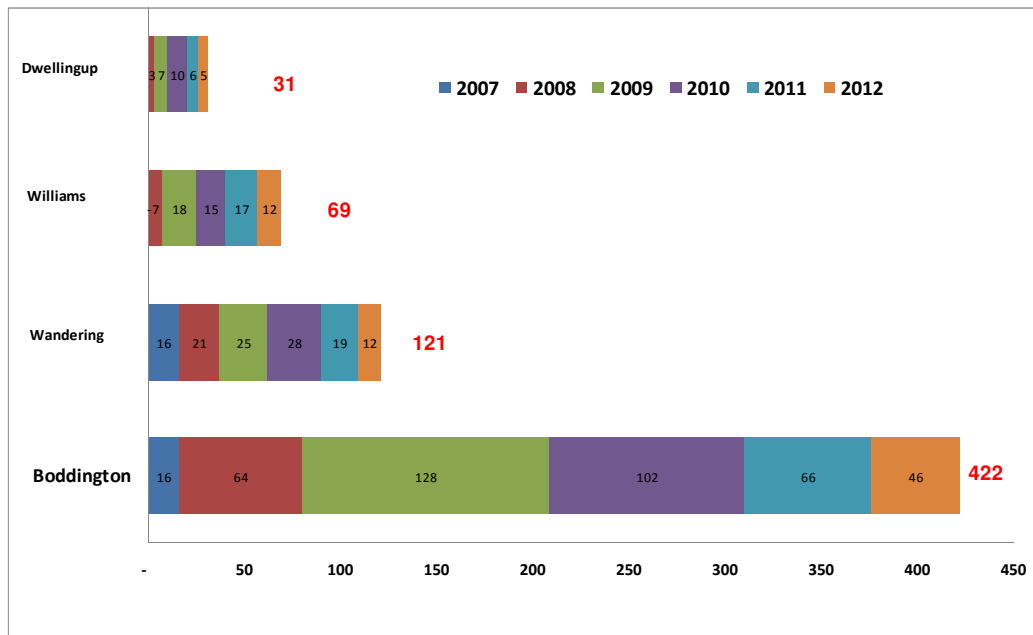
Source: Peel Development Commission and Economics Consulting Services

In the forecast model, new dwelling numbers were adjusted to match projected household demand beyond 2012. Population growth at “normal” rates beyond 2012 will generate continuing demand for around 36 dwellings a year in the study area.

At the assumed building rates, all BGM employees secure dwellings by the end of 2010. The flow-on demand as a consequence of the mine plus the natural increase is met by assuming 75 new houses in 2012 across the study area.

The model suggests that 643 new dwellings will be built up in the study area from 2007 to 2012 (Figure 4).

Figure 4: New dwelling take up



Source: Economics Consulting Services

The total occupancy of dwellings attributed to the BGM project in this study is thus 785 in the period from 2007 to 2012 as follows:

- 32 – Existing dwellings owned by BGM for lease to employees
- 43 - New dwellings built on BGM land
- 600 –New dwellings built on other land
- 110 - Established dwellings purchased or rented by incoming residents

Established dwellings make up 18% of the dwelling stock and new dwellings 82% (Table 7).

Based on the assumptions used in the model, the total number of dwellings taken up in the period between 2007 and the end of 2020 is 1,106. Established dwellings make up a small proportion with 964 new dwellings needed to be constructed in the study area over the period.

The peak construction year is 2009 when the study projections assume that 178 new dwellings are built in the area. This is a substantial level of construction for a regional area in a period that is forecast to see a strong housing demand in the State.

If the dwelling construction levels are not achieved, the population projections that follow in this report will not be realised.

The location of these new dwellings is a function of the forecast by the Peel Development Commission modified by the number forecast in this model. The full model output is included as Appendix 1.

Table 7: Total dwelling take up (ECS Model -2007-2011)

Location and builder	2007	2008	2009	2010	2011	2012	Total
Boddington							
....BGM rentals	32						32

BGM Land		5	18	10	10		43
Established	12	10	10	10	10		52
Other new	16	59	110	92	56	46	379
<i>Boddington total</i>	60	74	138	112	76	46	506
Wandering							
Established	5	4	4	4	4		21
New	16	21	25	28	19	12	121
<i>Wandering total</i>	21	25	29	32	23	12	142
Williams							
Established	5	4	4	4	4		21
New	0	7	18	15	17	12	69
<i>Williams total</i>	5	11	22	19	21	12	90
Dwellingup							
Established	4	3	3	3	3		16
New	0	3	7	10	6	5	31
<i>Dwellingup total</i>	4	6	10	13	9	5	47
<i>Area total</i>	90	116	199	176	129	75	785

Source: Economics Consulting Services

It is important to note that the location of these new dwellings is determined by current expectations for building activity. The location of dwellings taken up is determined in the model by assuming a ranking of preference for households seeking dwellings:

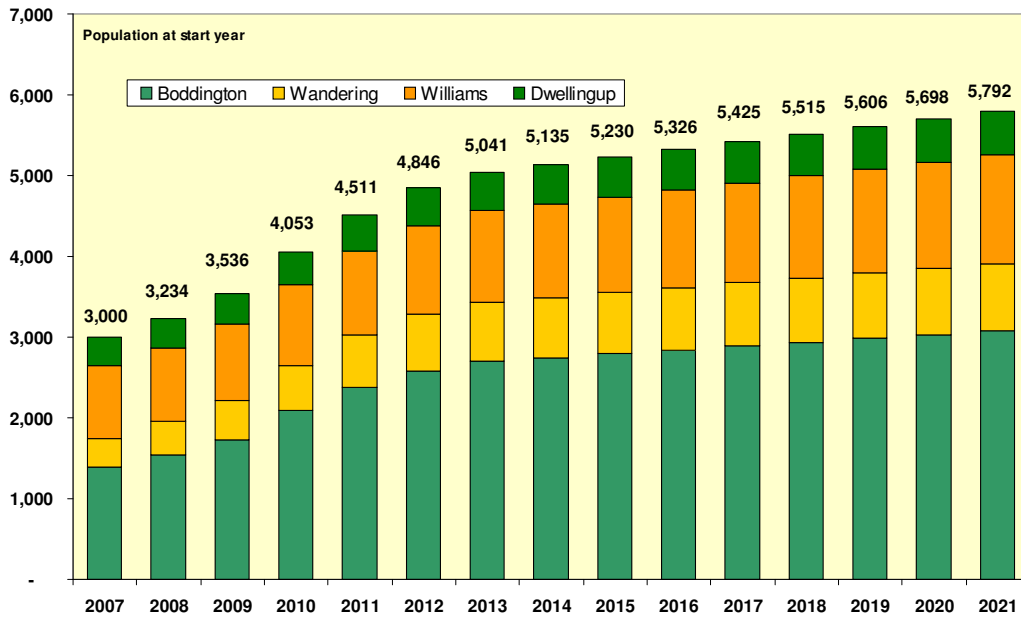
1. Boddington
2. Wandering
3. Williams
4. Dwellingup

Population Projection

The population will expand in line with the number of households that take up a dwelling in the area plus the workforce resident in the mine camp. The population living in the study area outside the mine camp will primarily drive the local demand for government services. The camp population will have an impact on services such as police but will have minimal impact on education, health or recreation services and other facilities normally provided by local government.

The projected “resident” population is forecast to almost double in the study area over the forecast period to 2021 (Figure 5). The total is forecast to rise from 3,000 to 5,792 when counted at the start of the year. Camp numbers stabilise at 336 from 2010, made up of BGM employees and contractors who do not choose to live in the study area.

Figure 5: Resident population projection to 2021 at year start (excludes camp)



Source: Economics Consulting Services

The age profile can be forecast from the population using the 2006 census breakdown. This is a simplification as a highly sophisticated model would be needed to segregate the incoming households and the “natural” increase. Numerous simplifying assumptions would be needed.

For planning purposes, two tables have been prepared with one on the total population by age for each location and one for the annual increase in each age group by location. These are summarised here across all locations for the start of each year on the assumption that the year start is the best number for planning purposes (Tables 8 -10).

Table 8: Total study area population at start year from 2008 (with and without camp)

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Table 9: Annual change in population in study area from 2008 (excludes camp)

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Table 10: Study area resident population age distribution at start of year from 2008

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4. INFRASTRUCTURE AND SERVICES DEMAND

Shire of Boddington

The impact of the BGM project on the town will affect a wide range of community and Shire services. The cost to upgrade and expand these facilities is put at a net \$12.38 million (Table 11). Details on the expenditure follow the table.

Table 11: Boddington Shire Infrastructure Needs (\$)

Expenditure category	Expenditure (\$)			Total
	2007 - 08	2008 - 09	2009 - 10	
Light Industrial and Works sites	500,000	1,000,000		1,500,000
Land sale revenues			(300,000)	(300,000)
Local Roads		200,000		200,000
Medical Centre and HACC facility	50,000	140,000	1,600,000	1,790,000
Child Care Centre			1,000,000	1,000,000
Less Com Grants for Med Centre			(1,040,000)	(1,040,000)
Less property sale revenue			(500,000)	(500,000)
New staff and associated costs	556,000	1,044,000	1,044,000	2,644,000
Project Coordinator	70,000	140,000	140,000	350,000
Additional office accommodation	30,000	1,970,000		2,000,000
Interim office accommodation	114,309			114,309
New plant	762,102			762,102
Rubbish disposal (net of rates)	70,000	50,000		120,000
Staff housing	1,600,000	500,000		2,100,000
Main Street upgrade study	40,000	60,000		100,000
Town drainage	640,000			640,000
Underground power		900,000		900,000
TOTAL	4,432,411	6,004,000	1,944,000	12,380,411

Industrial Depot

The Shire of Boddington currently owns a light industrial area. It is close to fully developed with no opportunity to extend its area. The Shire has allowed the private development of an industrial park at a suitable site near the existing mine construction camp, in Soldiers Road.

The Shire Works Depot is in the town's residential area and needs to be relocated to the existing light industrial area. The Works Depot site can then be developed for residential use.

The cost of completing development of the light industrial area is expected to be \$750,000, with planning in 2007-08 and most of the construction expenditure in 2008-09. For the depot relocation, the cost of site preparation, relocation of existing sheds and construction of new buildings is estimated to be \$750,000. Around \$500,000 is expected to be expended in 2007-08 (Table 11). Revenue from the sale of the existing Works Depot site can be applied to offset the cost when received in 2009-10.

Local Roads

There will be a need to upgrade the local road network to cater for the increase in traffic. A full assessment of the needs has not been undertaken but the Shire of Boddington is anticipating an expenditure of \$200,000 in 2008-09 (Table 11).

New Medical Centre

Boddington has a medical centre, but it is not able to handle current needs, and procedures are usually undertaken at the local hospital. The Shire considers that a new medical centre should be co-located with the hospital, and the Department of Health supports this view.

BGM will have only a first aid post at the mine site and the medical centre will need to handle cases from the mine as well as the day to day requirements of an expanded population.

The Shire has not been able to commission an assessment of the requirements but suggests that \$50,000 be allocated for 2007-08 and \$140,000 for 2008-09 (Table 11). Some of this may be recovered by selling the existing facility if the Shire is successful in gaining government funding for the project.

It is now considered that the new medical centre should include a Home and Community Care component of an activities hall and day care centre under the one roof.

The estimated cost of a new multi-purpose centre is \$1.79 million. Operating costs have not been assessed but will be a responsibility of the Shire.

The new medical centre is likely to be eligible for Commonwealth funding under the Commonwealth Rural Medical Infrastructure Fund, which is described below and offers funding of up to \$400,000 for an individual clinic in a rural area. Funding is expected from Home and Community Care of \$320,000, Social Infrastructure Package \$450,000, Shire \$500,000 (from sale of old facility) and the Rural Medical Infrastructure Fund \$400,000. It is hoped that LotteryWest will match the \$320,000 from HACC, with the remainder of the funding being sought from the next round of the Regional Infrastructure Funding Program.

Child Care Centre

A new child care centre is planned as the Shire of Boddington currently has only a small occasional child care centre that caters for a maximum of nine children. It is not set up to cater for regular child care. The mining companies regard the availability of regular day care as important and there have been discussions with BGM and with Worsley as to how the child care centre might be funded. BGM has offered Boddington Shire two urban lots for the centre and Worsley has offered to fund the furnishings. The Shire proposes to utilise the lots for their staff housing needs and contribute the value of the lots, estimated as \$300,000, toward the centre's building costs. Shire has received WAPC approval to locate the centre within the recreational reserve adjacent to the Boddington School. Funding from the Commonwealth Regional Partnerships Program is relied upon in addition to Social Infrastructure Package monies.

Community and Social Facilities

The Shire of Boddington does not have the community services or recreational infrastructure to meet the needs of a greatly expanded population. The current youth centre is inadequate and it will need to be redeveloped to provide improved facilities.

The Shire needs a capacity to develop a comprehensive plan for community and social facilities which may see some of the items co-located. Potential sources of funding, in addition to the Social Infrastructure Package, include the Communities Facilities Grants program, the Regional Partnerships program, Lottery West, the Community Sporting and Recreational Facilities Fund, and Regional Development Programs of the Peel Development Commission. The Shire also intends to make another submission to the State government for further funding under the special arrangements developed for this project.

The cost is likely to be \$6 to \$7 million, all of which should be available from grant monies, especially Commonwealth Grants. Provision for staff and consultant contractors will provide the Shire with sufficient capacity to develop the necessary submissions to attract these funds.

Staff and Contract Services

The Shire of Boddington urgently needs capability to develop funding submissions. It also needs to recruit extra staff to cater for the increased demands for its services.

The Shire considers that it will need to recruit a:

- Town Planner - \$140,000 a year including accommodation and vehicle
- Consultant Engineer - contract position (part time) at \$80,000 a year
- Building Maintenance Officer - \$125,000 a year including accommodation and vehicle. There will be associated once off initial costs of \$30,000 for a vehicle and \$50,000 for equipment.
- Customer Service Officer - \$80,000 a year including housing allowance
- Community Development Officer - \$125,000 a year including accommodation and vehicle
- Recreation / Youth Officer - \$100,000 a year
- Ranger - \$120,000 a year including accommodation and a vehicle. There will be once off initial costs of \$25,000 for a vehicle and \$5,000 for equipment.
- Plant operators (three) - \$100,000 a year each.

The total cost of extra staff is \$0.556 million in 2007-08, and \$1.044 million in each of the years 2008-09 and 2009-10 (Table 11).

There is also an urgent need for a Project Coordinator to ensure that the capital initiatives are progressed. This position will be required from the start of calendar year 2008 - at a cost in 2007-08 of \$70,000 and of \$140,000 for the following two years.

Shire Administration Centre

The Shire will require increased office space to accommodate its workforce as it is already using a transportable office to temporarily house staff. However, administrative staffing is expected to double in number and a large extension to the existing centre will be required.

This major extension is anticipated to cost \$2.0 million with \$30,000 to be expended on design work in 2007-08 (Table 11). Interim office accommodation has been purchased at a cost of \$114,309. This transportable building will be sold when the extensions to the existing office are completed or used to house a Youth Centre

Plant for Essential Services

The Shire needs to purchase items of plant for road works and the construction and maintenance of footpaths, landscaped areas and parks.

The proposed expenditure in 2007-08 is:

- Multi-tyred Roller - \$135,000 net cost
- Front end loader - \$165,000 net –net cost
- Mulcher already purchased - \$53,182
- Traxcavator already purchased - \$328,920
- Footpath Sweeper - \$80,000

The total cost of essential plant is \$762,102 (Table 11).

Waste Management

There will be an increase in the costs of waste management, in line with the increase in population in the town. The Shire engages contractors to collect the rubbish. It owns and operates its own land fill refuse site. The increased cost for refuse collection is \$70,000 in 2007-08 and \$50,000 in 2008-09 (Table 11). This covers the cost for the contract only.

The Shire also intends to place new bins in the streets of Boddington and this cost is covered in the next item. Plant and equipment for the operations of the rubbish disposal site have been covered in the item above.

Residential Accommodation for Shire Staff

The Shire proposes to build or purchase its own housing accommodation for staff. Provision of accommodation is an essential inducement to attract and retain good staff, and there is no suitable housing available in Boddington for rent.

The Shire has estimated the cost of housing at \$400,000 for a house and \$500,000 for a duplex, which is consistent with estimates used by the Department of Housing and Works. The Shire considers that it will need to obtain four houses and one duplex as a minimum to meet its needs. This implies a total cost of \$2.1 million, spread over the next two years.

Main Street Upgrade

The Shire proposes to upgrade the main street of Boddington. The project will include improved paths and kerbs, fire hydrants, drainage, street furniture, street art, traffic management facilities, installing powerlines underground and street lighting. The initial study cost is anticipated to be \$40,000 in 2007-08 and \$60,000 in 2008-09 (Table 11).

The upgrades to the main street also include improvements to road drainage and the provision of underground power in the main streets of the town. The forecast cost of the upgrade is expected to exceed \$1 million with funding being sought in a second proposal to the State Government under the Infrastructure Package.

Road Drainage

Road drainage in Boddington is at capacity and the increase in housing and other developments will increase demands on the drainage system. The Shire has developed a drainage plan anticipated to cost \$640,000 in 2007-08 (Table 11).

Underground Power

Electricity cable undergrounding is planned as part of the upgrade to the streetscapes of Boddington. This is a Shire responsibility and will improve the safety of the streets as well as their aesthetics. Based on cost estimates prepared a few years ago by the Office of Energy, the cost of under-grounding the power is now anticipated to be \$800,000 to \$1,000,000. The planning and works will be undertaken in 2008-09 (Table 11).

Shire of Williams

The Shire of Williams has a relatively small budget similar to Boddington. However, unlike Boddington, Williams already has much of the social and economic infrastructure that it will need to meet the needs of an increased population. The cost to upgrade and expand existing facilities is put at a net \$0.8 million (Table 12). Details on the expenditure follow the table.

Table 12: Shire of Williams infrastructure needs

Category	Expenditure (\$)			Total
	2007 - 08	2008 - 09	2009 - 10	
Local roads		150,000	150,000	300,000
Professional services	125,000	250,000	125,000	500,000
TOTAL	125,000	400,000	275,000	800,000

Local Roads Upgrade

There will be a need to upgrade the local road network to cater for the increase in light and medium traffic within its area. An assessment of the needs is to be undertaken in conjunction with the other Shires and Main Roads. Until this is done, the needs remain unknown. It is suggested that a provision of \$300,000 be set aside for this item, to be expended over the next two financial years.

Professional Services

The Shire of Williams has shared professional services with neighbouring Shires in the past including a building health inspector with the Shire of Boddington. With the change in Boddington's needs this person will be fully engaged there.

Williams needs a building health inspector for an extra one day a week to cater for the increased buildings in its area of responsibility. It also needs to hire a planner on a contract basis, again for an extra one day a week. There is a need for an expert to facilitate Native Title clearance of some Crown lots, for example at Quindanning, and for an engineering consultant, which again could be on a shared basis with the other Shires. The Shire will also need to engage a ranger, which could also be on a shared basis.

The need for additional contracted professional services is therefore:

- Building health inspector - one day a week.
- Planner - 1.5 days a week.
- Expertise in Native Title - half day a week.
- Engineering consultant - 1.5 days a week.
- Ranger with vehicle - 1.5 days a week.

The estimated cost of contracting these services, totalling 6.0 days a week, is \$250,000 a year. The budget is prepared on the assumption that these services are needed at a net cost to the Shire until December 2009 (Table 12).

Shire of Wandering

The Shire of Wandering anticipates that it will need to spend \$1.66 million to upgrade and expand facilities and services to meet the needs of an expanded population (Table 13).

The Shire requires increased office accommodation. The existing accommodation is in good condition but needs to be extended to accommodate an increase in staff numbers and visiting contractors. The town also needs a visiting general practitioner but there is no accommodation. A possibility is to provide this service in the Shire office building. The extensions have not been planned or budgeted. An early task for the professional contractors will be an assessment of the accommodation needs. A provisional budget of \$580,000 has been made for this item (Table 13).

Table 13: Shire of Wandering infrastructure needs

Category	Expenditure (\$)			Total
	2007 - 08	2008 - 09	2009 - 10	
Local roads		150,000	150,000	300,000
Professional services	125,000	250,000	125,000	500,000
Administration accommodation	30,000	550,000		580,000
Child Care Centre		100,000		100,000
Grassed oval		100,000		100,000
Rubbish tip management		80,000		80,000
TOTAL	155,000	1,230,000	275,000	1,660,000

Child Care Centre

The Shire of Wandering does not have a child care centre. A good potential location for it would be next to the primary school. Provision of child care facilities could be a significant factor for residents and newcomers to the area who might want to work at the Boddington mines. The mining companies regard the availability of regular day care as important. Funding from the Commonwealth Regional Partnerships Program is possible.

It is suggested that a provision of \$100,000 be made, budgeted to be incurred in 2008-09, for this item (Table 13). More detailed cost estimates will only be possible after some intensive work on planning the centre and its funding.

Grassed Sports Oval

Wandering has a sports oval and a modern, well equipped hall and community centre in the same location. Football and cricket are played on the oval but the condition of the playing surface is quite poor as there is no reticulation.

Funding from the Commonwealth Regional Partnerships Program is possible. It is also possible that the project could attract a Community Water Grant. It is suggested that a provision of \$100,000 be made, budgeted to be incurred in 2008-09, for this item (Table 13). More detailed cost estimates will only be possible after some preliminary plans and costs have been prepared.

Rubbish Disposal Site

Wandering has a rubbish disposal (landfill) site which has worked reasonably well until very recently. As other towns in the vicinity grow their populations they are tending to limit access to their rubbish tips, and charge access fees.

Wandering has never employed a minder on the tip. Access is open, with the result that residents and commercial operators from other towns are starting to use the Wandering tip as a free service. This problem is expected to become more pronounced as the levels of activity and populations of the neighbouring areas increase.

The Shire will need to examine options for better management of the tip. This will probably involve the construction of a perimeter fence and gate with the tip having to be staffed at specified times when it is open. While charges for use will recover some of the operational costs, there will be some initial costs in making the tip secure. These capital costs are anticipated to be \$80,000 in 2008-09 (Table 13).

The Shire has set aside land for the development of a service station and delicatessen/hardware outlet. Expressions of interest failed to find a suitable operator and the Shire is considering developing the facility and leasing it out. There is likely to be a government submission as part of a second round of infrastructure funding for this project.

Shire of Murray

Dwellingup infrastructure

Dwellingup is within driving distance of the mine and some of the new arrivals will settle there. An early target of 50 to 100 residential lots was proposed for Dwellingup but this target is challenging for three reasons – lack of suitable land, lack of reticulated sewerage and limitations on the town water supply.

Dwellingup is surrounded by State Forest reserves. LandCorp is preparing plans for an extension of the Marginata Crescent sub-division to create 20 new residential lots. Any further land for residential development will require a land swap with CALM which will enable conversion of some State Forest reserve to residential land. Land exchange negotiations between Murray Shire and the Department of Environment and Conservation are underway through a Technical Advisory Group. Any land exchange will require the approval of both Houses of State Parliament, and is expected to take at least two years. :

The potential number of lots is also limited by the lack of sewerage in the town and hence a planning requirement for larger lots with septic tanks. Limitations on local water supplies also require a new supply from South Dandalup Dam at an estimated cost of \$5.8 million.

In the initial state government infrastructure package, provision was made for planning the Pinjarra Eastern Bypass southern section and upgrades to the main street of Dwellingup.

The Shire of Murray is also considering the need for recreation facilities in Dwellingup. It is likely that the Shire will submit a request for funds, and is currently consulting with the Department of Sport and Recreation in regard to recreation facilities at Dwellingup. The Shire has supported the development of seniors units on Health Department land fronting Del Park Road. The Peel Development Commission is assisting in negotiations with the Health Department to secure this land.

The Shire of Murray is planning to develop a scope of works for an upgrade to the Dwellingup main street which will be progressed following community consultation on the potential for a town bypass. To date, \$200,000 has been allocated from the Infrastructure Package toward this project and this allocation will be reviewed following a decision on a bypass (Table 14). The other items listed above may also be prioritised and become sufficiently advanced to be submitted for funding in the next round of infrastructure funding. The case for a recreation facility may be dealt with outside of the infrastructure process with funds being sought in a standalone submission.

Table 14: Shire of Murray infrastructure needs

Category	Expenditure (\$)			Total
	2007 - 08	2008 - 09	2009 - 10	
TOTAL	\$200,000			\$200,000

Further consideration needs to be given to this town in subsequent State Government funding, and submissions will be prepared for a second round of social infrastructure funding.

Total Shire Infrastructure Needs

Identified Shire needs over the three years to 2009-10 total just over \$15 million (Table 15).

Shire	Expenditure (\$)			Total
	2007 - 08	2008 - 09	2009 - 10	
Boddington	4,432,411	6,004,000	1,944,000	12,380,411
Williams	125,000	400,000	275,000	800,000

Wandering	155,000	1,230,000	275,000	1,660,000
Murray – Dwellingup	200,000			200,000
TOTAL	4,912,411	7,634,000	2,494,000	15,040,411

Infrastructure and Services Provided by State government agencies

Health Facilities for Boddington

The Boddington District Hospital was built in 1954 and is currently operating at capacity. The Health Department is completing a refurbishment of facilities at the Hospital. An upgrade for the kitchen has been completed; an upgrade of the accident and emergency facilities is near completion; and work on a refurbished waiting room also nears completion. The total cost of these improvements will be between \$250,000 and \$300,000.

The Health Department has provided in its forward capital works program for \$9 million for health services in the Upper Great Southern Region. The forward budget extends to 2015-16. This money will be applied to the areas of greatest need, which will be identified over the coming years. At this stage it is expected that most of the money will be expended in the Narrogin District Hospital.

Roads - Local and Main

The lead agency is Main Roads, which has responsibility for National Highways and State Roads. Local Shires have responsibility for local roads. The two organisations work together to ensure an integrated and efficient network.

There will be a need to upgrade local roads and major roads to cater for increased light and medium weight traffic. This need will be in the short term as well as the medium term.

Main Roads and the Shires are to undertake an assessment of the impact of the BGM project on local road needs. This work can only be completed when the company has a firm idea as to the likely residential location of its workforce.

BGM will fund the upgrade for the intersection at the corner of Soldiers Road and the Boddington to Bannister road. The company will also contribute to maintenance costs for roads directly related to mine access.

Heavy haulage will be required to take supplies into, and product out of, the mine. The main freight item out of the mine will be copper concentrate. There will be an estimated 20 road movements per day taking copper concentrate for shipment through the port of Bunbury.

The main heavy transport items coming into the mine will be fuel, chemical reagents, explosives, grinding media including balls and liners, and stores.

Main Roads has been investigating the need to upgrade the road from Pinjarra to Boddington, and this work will be further refined when BGM knows more about where its employees are going to live.

The estimated costs for Main Roads are \$0.5 million in 2007-08 for traffic studies; \$3.0 million in each of 2008-09 and 2009-10 for highway upgrades.

Education

Student numbers and education needs have been projected on the basis of the population forecasts for the four primary towns, and the age distribution of the populations of each town. This has provided a growth number for primary and secondary students for the three years to the end of 2010, which is the period of greatest population surge.

Boddington: Economics Consulting Services has estimated the population of Boddington could increase by 1,006 persons over the three years to the end of 2010. Of this total increase, primary school age children numbers are expected to increase by 110 and secondary school student numbers by 70. The primary section of the Boddington District High School does not have any spare capacity to accommodate more students. Any increase greater than about 10 students would require extra classrooms. The high school section has some spare capacity.

The net effect of the population increase on Boddington is anticipated to be 6 new classrooms for primary students, and 4 classrooms for secondary. These ten transportable classrooms will be purchased at an estimated cost of \$140,000 each, including transportation costs.

Boddington High School will require an additional 8 teachers and a Deputy Principal. This means 5 new dwellings (in addition to the house that is already required).

Williams: Economics Consulting Services has estimated the population of Williams could increase by 190 persons over the three years to the end of 2010. Of this total increase, primary school age children numbers would increase by 21 and secondary numbers by 23. The existing primary school in Williams has 80 students and has a capacity to accommodate 120, so can readily accommodate the anticipated increase in primary pupil numbers. There is no high school in Williams and secondary students are taken by bus to Narrogin High School.

Wandering: Economics Consulting Services has estimated the population of Wandering could increase by 255 persons over the three years to the end of 2010. Of this total increase, primary school age children numbers would increase by 28 and secondary numbers by 18. The existing primary school in Wandering does not have the capacity to take more students. If the increase is realised there will be need for an extra two classrooms and an extra teacher. There is no high school in Wandering and secondary students travel to schools in Pingelly, Boddington, Narrogin or Perth.

Purchase of two transportable classrooms at \$140,000 (including transport to Wandering) gives a total cost of \$280,000.

Dwellingup: Economics Consulting Services has estimated the population of Dwellingup could increase by 130 persons over the three years to 2010. Of this total increase, primary school age children numbers would increase by 14 and secondary numbers by 9. The existing primary school is able to accommodate these extra students; secondary students are bussed to Pinjarra. There is no need for provision of extra classrooms or teachers.

Government Regional Officers' Housing

There is expected to be an increased need for housing for Western Australian government employees in both Wandering and Boddington. Consistent with the increase in Government services in the town, there will be an estimated one additional employee in Wandering and 14 Government employees in the town of Boddington (Table 16).

Table 16: Extra State Government Employees in Wandering and Boddington

Agency	2007-08	2008-09	2009-10	Total
Education - Boddington		5	4	9
Education - Wandering		1		1
Police - Boddington	1	1		2
Health - Boddington	1	1		2
Other			1	1
Total	2	8	5	15

The additional 15 staff is expected to require 10 houses and a duplex in Boddington, and one house in Wandering. The costs of housing are estimated at \$300,000 for a house and \$400,000 for a duplex, which includes the cost of the internal fit-out, plus \$100,000 provision for the cost of land.

The total cost of 11 houses and a duplex is \$4.9 million, spread over three years, with expenditure of \$2.4 million in 2007-08; \$2.0 million in 2008-09; and \$0.5 million in 2009-10.

Operating costs have not been assessed. They are part of normal year to year budget allocations and are partly recovered through rental payments.

Affordable Community Housing - Boddington

The responsible agency is Homeswest

There will be an increase in the requirement for Affordable Community Housing because of the increase in population and the increase in demand for accommodation.

The increased demands from the growing population will push up rents and house prices. As a result, lesser paid workers, from sectors other than mining, will be less able to afford housing and will become displaced.

It is estimated that there will be a need for an additional 15 dwellings. Again these are costed at \$400,000 per dwelling, giving a total cost of \$6 million.

The expenditure of \$6 million is anticipated to be spread over three years, with expenditure of \$2.5 million in each of 2007-08 and 2008-09; and expenditure of \$1.0 million in 2009-10.

Operating costs have not been assessed. They are part of normal year to year budget allocations and are partly recovered through rental payments.

Town Water Supplies

The Water Corporation is upgrading the water supply to Boddington by replicating the extension to Boddington from the Collie to Williams main conduit.

This work will be done in two parts. The first phase is scheduled for completion at the end of 2008 and will deliver the first 25 kms of main. The second phase will be completed at the end of 2009, if required. The Corporation will monitor the take up of housing in Boddington over the next 12 months and then establish when the second phase work is needed. The Corporation will also construct an additional storage tank in Boddington which will assist with balancing of supply and needs. The total cost of the pipeline and the tank will be about \$25 million.

Booster pumps needed to increase the water supply to Wandering were installed in 2006-07. The Corporation will continue to monitor the rate of land development in the area in case more works are needed. An area that the Corporation will watch with special interest will be land developments along the Boddington to Crossman Road.

The existing water supply infrastructure for Dwellingup will be sufficient to cope with the small numbers of new houses in the near term. The Water Corporation has decided on supplementing the supply by pumping from South Dandalup dam when demand dictates.

The existing water supply infrastructure for Williams will be sufficient to cope with the projected numbers of new houses.

Wastewater Services

The Corporation is doubling the size of the existing plant at Boddington at an estimated cost of \$2.5 million. The Corporation is also negotiating with BGM to take excess treated water from its system.

The town of Wandering does not have a reticulated wastewater system with houses having individual septic systems.

The wastewater treatment plant in Williams is at capacity and will require upgrading with any new subdivisions. This is planned for November 2009. In the meantime there may need to be some contingency arrangements if the anticipated rate of expansion occurs. The anticipated cost is \$3.5 million. The LandCorp subdivision will require a pump station to connect to the existing plant. The cost of this pump station will be a responsibility of the developer.

Dwellingup does not have a reticulated wastewater system.

Electricity Supply to Boddington, Wandering, Dwellingup and Williams

The most significant single piece of infrastructure for the project will be the upgrade for the Western Power owned Muja to Boddington transmission line. This will cost an estimated \$90.5 million. BGM will contribute \$57.8 million and Western Power, \$32.7 million.

The construction program for the upgrade will be completed over two years with an estimated \$45.25 million being expended in both 2007-08 and 2008-09.

Western Power estimates that it will also need to expend \$0.3 million to upgrade the transmission infrastructure servicing the towns of Boddington and Wandering.

Apart from these expenditures, Western Power will expand its services so as to meet all other increases in demand as a normal part of its ongoing business activities. Similarly, operational expenditure will be managed and recovered as part of established commercial arrangements.

Summary of State Government costs

State government agencies are expected to expend \$83 million on infrastructure related to the BGM project over the next three budget years, to 2009-10 (Table 17).

Table 17: WA State Government Agency Infrastructure Costs

Category	Expenditure (\$)			Total
	2007 - 08	2008 - 09	2009 - 10	
Health Boddington Hospital	300,000			300,000
Main Roads	500,000	3,000,000	3,000,000	6,500,000
Classrooms Boddington		1,400,000		1,400,000
Classrooms Wandering		280,000		280,000
GROH Housing Boddington	2,300,000	1,700,000	500,000	4,500,000
GROH Housing Wandering	100,000	300,000		400,000
Affordable Housing	2,500,000	2,500,000	1,000,000	6,000,000
Water Supplies Boddington	6,500,000	6,500,000	12,000,000	25,000,000
Wastewater Boddington	1,000,000	1,500,000		2,500,000
Wastewater Williams			3,500,000	3,500,000
Power Muja to Boddington	16,350,000	16,350,000		32,700,000
Power Town Supplies		300,000		300,000
TOTAL	29,550,000	33,830,000	20,000,000	83,380,000

Infrastructure and Services provided by the Commonwealth government

The Commonwealth government services delivered at a local level are Medicare, Australia Post and Centrelink.

The nearest Medicare Offices are at Pinjarra and Mandurah. Medicare has refund facilities at Boddington, Wandering and Williams.

Australia Post has a Local Post Office in Boddington, Dwellingup, Wandering and Williams.

Centrelink does not have offices in any of the four towns. The nearest offices are Mandurah, Collie, Narrogin and Armadale. Centrelink agents operate in Boddington, Williams and Wandering. These agents provide a restricted range of services and are not able to review or check Centrelink eligibility, provide payments, electronic banking transfers or health cards.

Each of these Commonwealth agencies was contacted and advised of the anticipated growth in populations for the towns of Boddington, Wandering and Williams. They advised that they were unlikely to be changing their service arrangements in the foreseeable future.

Retail and commercial infrastructure and services

A directory of local service businesses on the BGM website has 350 listings covering more than 24 business sectors (Table 18). However, it is estimated that only nine of these are actually located in, or close to, Boddington (Table 18)².

Table 18: Business sectors listed by BGM

Architecture & Drafting	Building (4)
Building Material Suppliers (15)	Catering (13)
Cleaning (3)	Communications (10)
Concrete Services (10)	Earthmoving/Excavation (Large) (11)
Employment/Placement (5)	Engineering (36)
Fuel & Oil (1)	Hire (23)
Human Resources Services (10)	Maintenance & Contract Supplies (35)
Manufacturing (23)	Office Equipment & Furniture (7)
Security/Safety & Protection (12)	Surveying (1)
Testing (14)	Training & Development (12)
Transport (Heavy) (8)	Transport Services (21)
Transportable Accommodation (3)	Waste Disposal/Recycle (4)
Other (63)	

Table 19: Boddington Yellow Pages listings

Building contractors (1)	Equipment hire (1)
Florist (1)	Hardware (1)
Hotel (1)	Motel (1)
Motor engineer and repairer (1)	Service Station (1)
Supermarket (1)	

² Telstra Yellow Pages On-Line listing

With the population of Boddington expected to double over the next decade, all of these services are expected to come under pressure to expand and there will be a case for some replication of the existing shops and businesses. This pressure will be exacerbated by the lack of a major alternative centre within easy driving distance for shoppers.

Given that many of the new residents in town will be establishing new homes and gardens, it is expected that areas of particular need will be hardware and supermarket services - as well as the building services which have already been discussed in the population projections. Whether these services are provided by an expansion of existing services or by new businesses will be a result of commercial considerations by the interested investors.

The town of Williams appears able to cater for the anticipated increase in population. The population declined by 174 between the 1996 census and the 2006 census. The projected population growth will allow the commercial sector to take up existing surplus capacity and then expand slowly.

The town of Wandering has limited commercial facilities and the Shire has identified priority needs as a general store and petrol station. The Shire has expended considerable effort in attracting these services to the town and has set aside land for a roadhouse. The Shire now plans to build the facility itself and then lease the right to operate the facility.

Community infrastructure and services

Boddington has a wide range of sporting clubs including badminton, junior and senior basketball, men's and ladies bowls, cricket, ladies darts, football, golf, running, junior hockey, judo, kickboxing, netball, riding, rifle, soccer and tennis. The Shire has identified a recreation centre as a priority need for the town.

The town of Williams is reasonably well provided with sporting facilities, as well as community activity groups such as Lions and Rotary. This is for the most part because it was a larger town and has lost some population over the past decade.

Wandering and Dwellingup have limited community infrastructure reflecting the small town and area population. The proximity to other towns means that most services require travel to these centres.

Review of the BGM Social Impact Analysis study of December 2004

An earlier study³ came to similar conclusions as this study - a significant workforce, largely located in Boddington and giving rise to a marked increase in the local population. However, at that time the BGM operations workforce was put at 400 with a consequential increase in the population of Boddington of 2,150 compared with this study estimate of 2,500 by 2012.

Gap Analysis

This study has identified the gaps in services and infrastructure needed in the study area as required by the Study brief.

³ QandA Communications: Social Impact Assessment for Boddington Gold Mine Expansion. December 2004.

The gap analysis involved an assessment of the financial capacities of each of the four Shires. This assessment was based on the annual financial reports prepared by the Local Government Grants Commission of the Department of Local Government and Regional Development. These reports demonstrate that each of the four shires runs a balanced budget and is reliant on equalisation grants to maintain the level of services.

The next component of the gap analysis was to identify the time lag between the expenditure of monies by the Shires and the increases in their rate revenue from dwellings and businesses. This question was put to the Shires. The consistent response was that, while there would be a modest increase in revenues in financial year 2009-10, the major flow through of revenues would not occur until 2010-11, with some being delayed until the year following, 2011-12.

It was decided in the current analysis to assume that expenses should be estimated over a three year period, to 2009-10. The flow of revenues is assumed to occur, in full, in 2010-11 - even though some will occur in the preceding year and some in the following year.

5. HOUSING AND INDUSTRIAL LAND

Land release strategies

Land release in the area is governed by a range of planning instruments including local and town planning schemes. For Boddington, both schemes are in place:

- Shire of Boddington Town Planning Scheme. This scheme zones land for urban and other uses. The scheme can be amended to increase the density and amount of land zoned for residential use (this is a 12-18 month process) and needs to be reviewed at 5 year intervals although this is not common.
- Boddington Local Planning Strategy. This plan is the pre-cursor to a town planning scheme review. It identifies areas for future development and triggers any rezoning through a Town Planning Scheme amendment.

At the time this study was developed, the availability of residential and industrial lots was expected to be a major obstacle to the expansion of the local towns. This has not been the case. The Shires of Boddington, Murray, Wandering and Williams have active land release programs with private developers active in all areas. The government agency, LandCorp, is also working in the area, and will add to the land supply.

Impediments to the timely provision of housing and Industrial lots

While land supply has not proven to be an issue, significant challenges remain with the supply of new dwellings.

The first impediment has been the timing of the expansion and the existing demand for new dwellings in the area. With the very high prices being paid for land for weekenders and holiday homes in coastal locations to the south of Perth, there has been a surge in interest in rural areas away from the coast. As well as weekend retreats, buyers are looking for affordable homes within commuting distance of the bauxite mines and the industry and commerce of Pinjarra and Armadale.

A second challenge for the Shires is recruitment of support staff to manage the approvals processes for new house construction. The generally strong demand across the State has prevented the Shires from early recruitment. Attracting the necessary staff to manage the increased activity is a longer term process.

A third obstacle, and seemingly the most significant, is a shortage of home builders in the region. Construction demands coincide with (or near the end of) an extended period of strong residential housing construction in Perth and other areas of the State.

The Shires have made considerable progress with the availability of industrial land. This was seen as an early issue and the Shires have made sure that the obstacles have been overcome. The Shire of Boddington is working to improve its supply of industrial land by completing development of the Shire Light Industrial Area and endorsing private development of a new industrial precinct. The Shire of Wandering is developing four light industrial lots and more are planned. The Shire of Williams has some light industry lots and has land suitable for use by new light industry activities.

General Industrial land has been earmarked at Dwellingup adjoining the Shire's Waste Transfer Station and an area east of Del Park Road, north of Banksiadale Road. These areas will require more detailed planning and consultation with Department of Environment and Conservation as they abut areas of State Forest and require land exchange for other land that could be included in the Conservation Estate. These negotiations will be finalised as part of the review of the Dwellingup Structure Plan recently commenced by Murray Shire.

Recommendations to expedite delivery of housing and land

The recommendations for increases in the staff of the Shire of Boddington will go a considerable way to improving the speed with which applications for building licenses are processed and building/health inspections are made.

In the meantime, there is a need for an interim measures to assist the Shires to speed up the approvals processes. It is suggested that contractors be engaged as a short term measure. The Shires are best able to identify the exact needs, but it would seem that they would benefit from the availability of shared resources. The staff nominated as immediate needs are:

- Town Planner
- Building/health inspector
- Consultant engineer

The Shires will also need assistance to prepare submissions for Commonwealth funding.

A second area in need of attention is the shortage of builders in the local area. Until recently, builders could not be attracted to such work because there was plenty of work nearer to where most of the construction workforce lives – Perth, Mandurah, Rockingham or Bunbury.

With the demand declining in Perth, there may be opportunity to attract a housing contractor to build a large number of “spec” homes. The attraction for the builder could be the assured market for 27 GROH and HomesWest Houses as well as the potential for other home sales. The Peel Development Commission has been actively investigating this potential option.

The Boddington Shire proposal to develop around 38 aged units based on a ‘lease for life’ approach on reserve land behind the hospital makes the Shire the largest housing developer at this stage and may allow them to use this development as the foundation to attract a large private building investor and developer.

6. IMPACTS ON SHIRE REVENUES AND EXPENSES

Revenue bases and costs for the Shires

The prospective growth in resident populations presents a financial challenge for the Shires of Boddington, Wandering and Williams. This is a less significant issue at Dwellingup given the smaller population increase and the larger resources and population of the Murray Shire.

The challenge for the smaller Shires is to manage the lag between the time when a shire needs to make expenditures on new and upgraded infrastructure and the time when the increased populations begin to generate increased revenues. Roads, houses and services need to be provided a year or two before the new residents start paying for services and making rates payments.

Normally this lag in revenues is accommodated because the increase in expenditures in any year is only a small proportion of the total. However, this is not the case for the shires impacted by the re-development of BGM. The BGM re-development will require expenditures that would appear to be beyond the capacity of the Shires to fund.

The financial capacity of all Local Government Authorities in Western Australia is assessed each financial year by the Western Australian Local Government Grants Commission.

The Commission calculates the funding needs of each local government by assessing the revenue raising capacity and expenditure need of each local government in what is called the Balance Budget approach. Five categories (called standards) are used to calculate revenue raising ability and seven categories are used to establish expenditure need. The equalisation requirement is the difference between the assessed expenditure need and the assessed revenue raising capacity. A range of disability factors have been developed by the Commission, for example location, population dispersion and climate, and these are applied to the standards so as to increase the assessed equalisation requirement of a local government.

The results of the Western Australian Local Government Grants Commission assessments for the Shires of Boddington, Wandering, Murray and Williams show that these Shires do not have the financial ability to take on any significant new expenditure responsibilities (Table 20). They each run balanced budgets and rely on grant funding to provide them with the capacity to remain viable.

Table 20: Assessed and Actual Budget Capacity of Local Shires 2007-08 (\$) ⁴

	Boddington	Wandering	Murray	Williams
Assessed expenditure need	1,209,284	644,425	5,882,015	1,045,821
Assessed revenue capacity	1,181,277	580,469	5,412,962	1,145,351
Net payment equalisation requirement	28,008	63,956	469,053	-99,530

⁴ Department of Local Government and Regional Development website: www.dlgrd.wa.gov.au/lggc

Net assessed equalisation requirement	219,443	143,584	1,185,768	48,551
General purpose grant	217,512	142,320	1,176,391	59,124
Road funding	188,677	170,768	600,101	236,340

The Shires of Boddington, Murray and Wandering have assessed expenditure needs greater than the assessed revenue capacities for 2007-08. For the Shire of Williams there is a relatively small surplus of assessed revenue capacity over assessed expenditure need.

This calculation by the WA Local Government Grants Commission is then used to distribute the Commonwealth Financial Assistance Funding Grants for local government purposes. The whole process demonstrates that the four Shires of primary interest to this project each have a very limited financial capacity to cover large unusual expenditures. Other sections of this report provide a discussion of the anticipated items of expenditure that the Shires will be required to meet.

Business Plans for the Shires

The Shire of Boddington does not have a business plan but it does have a Principal Activities Plan for the period from 2004 to 2008. Apart from other capital expenditures, such as staff housing which are dealt with separately in this report, the Plan identifies an upgrade to the Caravan Park as a principal activity. It proposes the expenditure of \$318,730 on cabin accommodation which is to be funded using Loan Funds (\$200,000) and a grant from the Peel Development Commission Regional Development Scheme (\$100,000).

Williams and Wandering do not appear to have Business Plans but Williams has a Principal Activities Plan.

7. FUNDING MECHANISMS

Funding from the Shires

The three shires have a very limited capacity for additional expenditure. Even relatively small expenditures for feasibility investigations appear beyond their budget capacity.

The Social Infrastructure Package

The Social Infrastructure Package was predicated on BGM expending some \$128 million on infrastructure for the project. Of this, the major single item is the upgrade of the power transmission line from Muja to Boddington. This, together with other project expenditure is adjudged to bring significant community benefits.

The government recognised also that meeting the infrastructure needs in local towns would be beyond the day to day capability of Local Government Authorities. For all these reasons, and because there would be further important flow on benefits from the operational phases of the project to both the regional communities and to the State, the State government decided that a large budget contribution to infrastructure costs was warranted.

The total BGM infrastructure contribution includes:

\$ million

• Transmission line upgrade	57.8
• Construction camp	48.0
• Land exchange - conservation offset	3.0
• Wastewater treatment plant	1.5
• Telstra communication towers	1.6
• Community development projects etc	16.1
TOTAL	128.0

The State Infrastructure package totaled \$67 million, which did not include the project costs that were incurred “off-site”. These off-site costs included a \$32.7 million share of the upgrade for the Muja to Boddington transmission line.

The \$67 million package is made up of State services and infrastructure, Local Government services and infrastructure, and project planning and management. A preliminary breakdown in costs suggested expenditure of \$20.5 million in Boddington Shire, \$0.5 million in Wandering and \$3.0 million in the Shire of Murray (Table 21).

Table 21: Social infrastructure expenditure by State government

BODDINGTON GOLD MINE RE-OPENING PROJECT					
Project and related social infrastructure					
	TOTAL	2006 - 07	2007 - 08	2008 - 09	2009 - 10
	(\$ m)	(\$ m)	(\$ m)	(\$ m)	(\$ m)
State provided services and infrastructure					
Water Corporation - water supply	5.500	2.500	3.000		
Water Corporation - wastewater	7.500	2.000	2.500		3.000
State Roads	6.500		3.000	3.500	
Power supplies to Boddington/Wandering	0.300		0.300		
GEHA and affordable housing	10.800		4.900	4.500	1.400
Health Dept - Boddington Hospital	9.000		3.000	6.000	
Education - Boddington and Narrogin High Schools	1.400			0.700	0.700
Total of State Provided Services	41.000	4.500	16.700	14.700	5.100
Building capacity of local government					
Shire of Boddington					
Community and social services facilities	6.500	0.500	3.000	3.000	
Staffing requirements	3.275	0.500	1.505	1.270	
Plant equipment and waste management	1.600	0.500	0.650	0.450	
Shire staff accommodation	2.100		1.600	0.500	
Shire administration centre	2.000	0.500	1.500		
Relocation of shire works depot/industrial land	1.725	0.300	1.225	0.200	
New medical centre	1.000		1.000		
Main street upgrade	0.800			0.800	
Drainage and upgrade of local roads	1.500	0.200	1.100	0.200	
Total - Shire of Boddington	20.500	2.500	11.580	6.420	0.000
Shire of Murray					
Improved community services and facilities	3.000	0.100	1.300	1.600	
Shire of Wandering					
Improved community services and facilities	0.500	0.100	0.400		
Total of local government capacity building	24.000	2.700	13.280	8.020	0.000

State Agencies' Funding

The Department of Local Government and Regional Development has a Grants Directory, which can be accessed at the website:

<http://grantsdirectory.dlgrd.wa.gov.au/Publications/GRDirectory>

The programs of most relevance to this project are largely taken from this Grants Directory.

Community Facilities Grants Program

Agency: (WA) Department of Local Government and Regional Development

The Community Facilities Grants Program (CFGP) provides financial assistance to help fund the capital cost of providing community facilities in regional areas. The State Government recognises that the need for this type of assistance is particularly acute in regional areas and has allocated \$2 million over four years to help establish amenities for local communities and tourists.

Grants of between \$2,000 and \$25,000 are available to local governments, incorporated community groups and Indigenous communities that can demonstrate a need for assistance.

Funding is available for capital works that provide facilities for public use, such as:

- public toilets and nursing rooms
- public playgrounds, including equipment located in parks, ovals or public open spaces
- shelter (eg shade sails) for public facilities
- tourist information signs
- rubbish bins
- youth facilities

Funding is not available for recurring maintenance or operational costs of existing facilities, for non-fixed equipment or landscaping, or where public access to the facility is not provided.

Crisis Accommodation Program (CAP)

Agency: (WA) Department of Housing and Works

Crisis Accommodation Program is a Commonwealth funded program, and provides capital funds to build and buy crisis service premises such as women's refuges, night shelters, and emergency accommodation for youth. Crisis Accommodation Program accommodation is temporary, dealing directly with people who are homeless or in immediate housing crisis.

Other features of the CAP include:

- community agencies must have support service funding to enable them to effectively manage an appropriate level of crisis service (most commonly the source of support funds is the Supported Accommodation Assistance Program administered by the Department of Communities)
- once the properties are built or bought, Department of Housing and Works leases them to community agencies at a subsidised rent

Community Housing Program

Agency: Department of Housing and Works

Community Housing is rental housing managed by non-profit, non-government organisations or local government authorities. Its main features include:

- tenant involvement and participation
- links to local community supports
- alternatives to public housing for people on low incomes or people with special needs

Community based landlords include housing associations, cooperatives, aged care housing providers, and church & welfare groups who have established accommodation programs.

Eligible organisations include non-profit, non-government organisations and local governments. Preference will be given to applications from regional housing associations or key providers or those organisations in negotiated partnerships with regional housing associations or key providers.

The CHP is a Commonwealth funded program. Funds are allocated for the purchase or construction of rental housing for people on low to moderate incomes. Funds can also be used for extensions, conversions or upgrades. Capital contributions from groups are encouraged, but they are not a prerequisite for funding.

Applications can be made at any time and will be treated on individual merits. A detailed information package outlining the assessment criteria is available on the Department's website. Enquiries should be directed to the Co-ordinator Program Development, Department of Housing and Works

Website: [http://www.dhw.wa.gov.au/\(Community Housing\)](http://www.dhw.wa.gov.au/(Community Housing))

Regional Development Scheme

Agency: Regional Development Commissions

The Regional Development Scheme is a component of the Regional Investment Fund, which provides \$80 million over 4 years from 2005/06 to assist with the economic and social development of regional Western Australia or improve the access by regional communities to services.

The Scheme provides financial assistance for a mix of capital works projects and other projects, which may include feasibility studies, regional and local marketing programs as well as festivals and events.

Each of the nine regional development commissions administers its own scheme. Further information on the application process and the availability of funding is available from the local regional development commission.

Eligible applicants may include local government, voluntary organisations, business groups, educational institutions, philanthropic foundations and community organisations. State Government agencies may apply but projects deemed to be within their core business functions will not be supported.

The Scheme is not intended to provide support to individuals or individual businesses unless it can be shown that a significant benefit will accrue to the broader community.

Grants of between \$5,000 and \$150,000 are available. \$500,000 per annum for four years from 2005/06 is available from each regional development commission.

Contact the relevant regional development commission for further information.

Website: <http://www.dlgrd.wa.gov.au/>.

Lotterywest Grants and Community Development

Lotterywest is able to support a wide variety of not-for-profit, community-based proposals that enhance the lives of Western Australians right across our State.

Lotterywest's grant-making approach continues to be submission based, and is flexible and responsive to changing community needs. Its grants support people with special needs, disadvantaged people in our community, and initiatives that contribute towards the quality of life for all members of the Western Australian community.

Lotterywest grants are an investment in the future of community organisations and the Western Australian community. Grant opportunities support the diversity of communities and community services complementing contributions from the applicant, State Government and the private sector. Five broad objectives provide the framework for grants:

- extending the capacity of not-for-profit Organizations
- strengthening Community Service Delivery
- enhancing Community Development Initiatives
- valuing our State's Heritage
- Advancing Participation in Community Life.

Various grant opportunities are offered within these five areas. The ranges of expenditures that are supported by Lotterywest include:

- equipment
- information Technology
- vehicles
- buildings
- Time Limited Projects.

The Lotteries Commission Act 1990 determines that the types of organisations that are eligible for Lotterywest grants are not-for-profit organisations; and local governments. Details of Lotterywest grants and more specific information and application forms are available from the website at <http://www.lotterywest.wa.gov.au/grants>. Organisations are invited to contact Lotterywest direct if they have a proposal that does not fit any of its grant areas. Lotterywest will explore whether there is any potential for a grant.

Joint Venture Housing Program

Agency: (WA) Department of Housing and Works

The Joint Venture Housing Program is targeted towards organisations that have resources to contribute to the development of rental accommodation options for people on low incomes. In a typical arrangement, the organisation provides the land and Department of Housing and Works contributes to the construction of the properties. Other arrangements can be made between parties through negotiation.

While there is a range of arrangements that the Department of Housing and Works will consider, it is normal for the partner organisation to take responsibility for managing the tenancy and the property, and to make a cash contribution of \$10,000 a bedroom towards the cost of the building.

The standard term of JV agreement is 25 years. Because both parties in a joint venture make a substantial capital contribution, each has an equity stake in the assets.

Eligible organisations include non-profit, non-government organisations and local governments.

Projects can be undertaken on freehold land, leased land (subject to conditions) and crown land, which has been vested for community purposes.

There is no specified closing date for applications. Applications can be made at any time throughout the year and will be treated on their individual merits.

A detailed information package outlining the assessment criteria is available to all applicants and can be accessed online via the website of the Department of Housing and Works - <http://www.dhw.wa.gov.au/> (Community Housing)

Network City - Communities Program

Agencies: Western Australian Planning Commission and Department for Planning and Infrastructure

The Communities Program is an initiative to assist local government in the development of strategies, plans and projects that will contribute to meeting the emerging objectives of Network city.

Round 1 funding has now closed and was applied to support local governments in working with their communities. Funds are available for local governments.

Enquiries should be directed to the Project Manager, at the Department for Planning and Infrastructure. Website: <http://www.wapc.wa.gov.au/>

Record Keeping and Archival Services

Agency: State Records Office of WA

The State Records Office (SRO) provides a consultancy and advisory service on all aspects of records management in local government. This includes advice on the selection and implementation of manual and automated systems, retention and disposal activities, storage strategies and archives management and preservation advice. Subject to resources being available, the SRO also conducts specialised training for local governments in the management, retention, disposal and archiving of government records. The Policies and Standards Manual, General Disposal Authority for Local Government Records and Records Disposal: A Handbook for Government Agencies, are a few of the publications available.

A nominal fee is charged for a records management consultation. The cost for publications and training can be obtained on request. Discount packages can be negotiated for training conducted in regional areas. Archival-quality microfilming can be arranged under the

GAAMP (Government Agency Archival Microfilming Program) which was established to ensure that State archives in government agencies at risk because of poor storage, age or fragility are copied for preservation purposes. Agencies are charged only for the cost of materials used (no charge for labour).

There is no specified closing date for applications which can be made at any time. Enquiries relating to archival quality microfilming, State Records Office publications, records management training for local government, and advice on local government record keeping issues, should be directed to the State Records Office of WA at the Alexander Library Building.

The electronic addresses are: Email: sro@sro.wa.gov.au Website: <http://www.sro.wa.gov.au/>

Regional Collocation Scheme

Agency: (WA) Department of Local Government and Regional Development

The Regional Collocation Scheme encourages government agencies, service providers and regional communities to look at opportunities to share resources, such as staff and accommodation; and deliver compatible services from one location. By developing a more coordinated approach to collocation and assisting communities develop the appropriate infrastructure, the Scheme has the potential to increase the number and quality of services delivered in regional communities and to reduce capital and operational costs at a local, state and national level. In smaller communities, clustering compatible services can add value to existing services and help ensure they are sustainable in the future.

The Regional Collocation Scheme assists with the development of appropriate infrastructure (such as multi-function outlets or community resource centres) for the collocation of government and non-government organisations involved in regional or community economic development. Regional development commissions are the lead agencies for collocation projects within their regions, and collocation projects must be located in regional communities.

Incorporated community groups and local governments are eligible to apply for funding to help meet a proportion of the capital costs associated with the collocation of compatible agencies and services.

Applicants must demonstrate:

- community need for the project. Preference will be given to remote or otherwise isolated communities with limited access to services and infrastructure
- the participation and support of all relevant stakeholders including the local community, service providers, funding agencies; local and State government agencies
- significant funding contributions from the community and other sources
- the ongoing viability of the facility through the preparation of a feasibility study and business plan
- an appropriate management structure to operate the facility

The Regional Collocation Scheme has been allocated \$7.3 million in funding. The funding available for a particular project is at the discretion of the Department of Local Government

and Regional Development. The Scheme provides financial assistance by way of a grant to help meet a proportion of the capital costs associated with:

- enhancement or restoration of an existing building
- construction of a new or refurbished facility
- purchase of an existing building
- purchase of fixtures that are normally an integral part of new buildings
- final design and development costs

Applications need to be discussed with the relevant Regional Development Commission or the Department of Local Government and Regional Development. The Department electronic address is Email: info@dlgrd.wa.gov.au Website: <http://www.dlgrd.wa>

Community Sporting and Recreation Facilities Fund

Agency: (WA) Department of Sport and Recreation

The purpose of the program is to provide Western Australian Government financial assistance to community groups and local government authorities to develop basic infrastructure. The program aims to increase participation in sport and recreation with an emphasis on physical activity, through well-planned facilities.

The types of projects which will be considered for funding include:

- Upgrade and additions to existing facilities where they will lead to an increase in physical activity or more rational use of facilities;
- Construction of new facilities to meet sport and recreation needs;
- Floodlighting projects;
- New or replacement (not resurfacing) of synthetic surfaces.

Where an application is made for a new or replacement synthetic surface, the substructure which typically has a life of 30 years, evidence of long term community planning for all nearby facilities is required; and

Two grant categories are available:

1. Annual Grants: \$2,500 - \$90,000 for projects where the total project cost (excluding GST) is \$270,000 or less and the project requires less complex planning
2. Forward Planning Grants: \$90,001 up to 3 x \$600,000 (\$1.8m) where the total project cost (excluding GST) is greater than \$270,000 for more complex projects that require a planning period of between one and three years. Grants in this category may be allocated to the first, second or third year of the triennium.

The maximum level of grant is one-third of the total estimated cost of the project. The State Government's contribution must be at least matched by the applicant's own cash contribution, with the balance of funds required being sourced by the applicant.

Applicants are encouraged to liaise with their local councils about planning and building approvals pertinent to their project. Your local government has an opportunity to assess all relevant applications and to rank applications in priority order for the municipality.

Applicants should also liaise with their state sporting association to discuss the project. State sporting associations are involved in the assessment of applications and may be able to provide valuable information during the planning stages of the project particularly on information related to technical design issues.

Applicants must liaise with department staff to ensure that you adequately address the key principles of facility provision and that the information in your application can be clearly understood.

Applications are available from your local government authority after the first weekend in July. Your application form, together with the necessary supporting documentation, should be submitted to your local council by the last working day in September.

The Departmental contact for these grants is the Facilities Consultant CSRFF, Department of Sport and Recreation The website is: <http://www.dsr.wa.gov.au/funding/csrff/csrff.asp>

Country Pathways Grants Scheme

Agency: Department for Planning and Infrastructure

The Country Pathways Grant Scheme (CPGS) provides funding assistance to local government and community groups to assist in planning, development and promotion of shared paths and cycling facilities in regional Western Australia.

The scheme's primary aims are to:

- encourage the integrated planning of shared paths and on-road bike lanes;
- develop an integrated network of shared paths and on-road bike lanes;
- provide safe access to schools, sport, recreation and community facilities; and
- improve the safety of cyclists, pedestrians and other path users.

Only local governments in regional Western Australia can apply for funding. Local Governments are expected to operate and maintain the facilities on a long-term basis.

The maximum grant amount is \$50,000, which is provided on a dollar-for-dollar basis.

Guidance on how to apply for a grant can be obtained from the Project Officer, Country Pathways, Department for Planning and Infrastructure.

The website address is <http://www.dpi.wa.gov.au/cycling/1515.asp>

Commonwealth Funding

Supported Accommodation and Assistance Program

The Supported Accommodation and Assistance Program (SAAP) offers Commonwealth funding that is managed by the WA Department for Community Development (DCD) and is used to fund support services for people that are in housing crisis.

The Department of Housing and Works (DHW) manages the Crisis Accommodation Program and works closely with DCD to ensure preference is given to SAAP funded agencies to provide complementary housing and support services to clients in housing crisis.

Eligible organisations include non-profit, non-government organisations and local governments. Community organisations must have support service funding to enable them to effectively manage an appropriate level of crisis service. Most commonly, the source of support funds is the Supported Accommodation Assistance Program administered by the Department of Community Development.

The Department of Housing and Works allocates funds for purchase or construction of accommodation.

Applications can be made at any time throughout the year and will be treated on their individual merits.

A detailed information package outlining the assessment criteria is available to all applicants. It can be accessed online via the Department's website: <http://www.dhw.wa.gov.au/> (Community Housing).

Regional Partnerships Program

Agency: Commonwealth Department of Transport and Regional Services

The Regional Partnerships program is an Australian Government initiative supporting the development of self-reliant communities. The Program was announced in the May 2006 Commonwealth Budget and provided \$270.5 million over the four years to 2009-10.

The Regional Partnerships program funds projects that help communities by:

- stimulating growth in regions that creates opportunities for economic and social participation
- improving access to services that then become self sustaining - especially in regional communities with a population of less than 5,000 people
- assisting communities to plan their futures
- facilitating the process of structural adjustment

The program also provides a framework for delivering Australian Government assistance under other programs, of which the potentially important one for the Shires is the Rural Medical Infrastructure Fund.

Most organisations are eligible to apply for funding under the Regional Partnerships program. However, it is not available for individuals, unincorporated organisations, and Australian or

State Government departments. It is available for local governments and for commercial organisations

The Regional Partnerships Area Consultative Committees (ACCs) covering all regions of Australia are available to help applicants develop and submit applications. Applicants are strongly encouraged to involve their local ACC in the development of their project proposal and application. Applicants and their other project partners are expected to make a financial contribution to the project. All applications are assessed against assessment criteria relating to outcomes, partnerships, support, project viability, applicant viability, competitive advantage and cost shifting.

Information about the Regional Partnerships Program is available from the local ACC (website www.acc.gov.au). The ACC has a regional office in Mandurah as well as an office in Perth.

The Rural Medical Infrastructure Fund (RMIF)

This fund is an Australian Government initiative designed to improve regional communities' access to medical practitioners. Funds are available to local councils, including Indigenous Community Councils and local Divisions of General Practice to contribute to the cost of infrastructure for 'walk-in walk-out' health and medical facilities in regional communities, making it easier for the community to recruit or retain the services of general practitioners and allied health professional services. These projects are funded under the Regional Partnerships programme.

The application process is the same as for other Regional Partnerships programme projects, although there are additional specific requirements. Projects must be in rural areas with a population of less than 10,000 people.

Funding will not be provided for operational expenses, practice management or ongoing building or equipment maintenance and repair. Residential housing for doctors cannot be funded, although consideration will be given to projects that incorporate self-contained flats within a practice to provide short-term accommodation for medical students, locums and visiting registrars.

Funding is for \$5 million a year nationally over three years with up to \$400,000 a clinic.

Long Day Care Capital Funding Program

Agency: Department of Families, Community Services and Indigenous Affairs

Funding under this program is targeted to eligible Long Day Care services which require an upgrade or expansion of existing facilities and infrastructure in order to better meet the need for child care in the community. The program aims to support existing Long Day Care services to increase their long term viability and improve the accessibility and quality of child care for children and families.

Funding is a total of \$3 million over three years.

Community Water Grants

Agency: Australian Government Department of the Environment and Water Resources

The Australian Government has run a Community Water Grants program from the Australian Government Water Fund. The program, which is currently in suspension with the change of Australian Government, offers grants to help local community organisations to save, recycle, or improve the health of their local water resources.

Grants are available for projects related to:

- water saving and efficiency
- water recycling
- water treatment - improving surface and groundwater health.

Grants for the recycling of wastewater or grey water on to ovals and parks have been a typical use of the money.

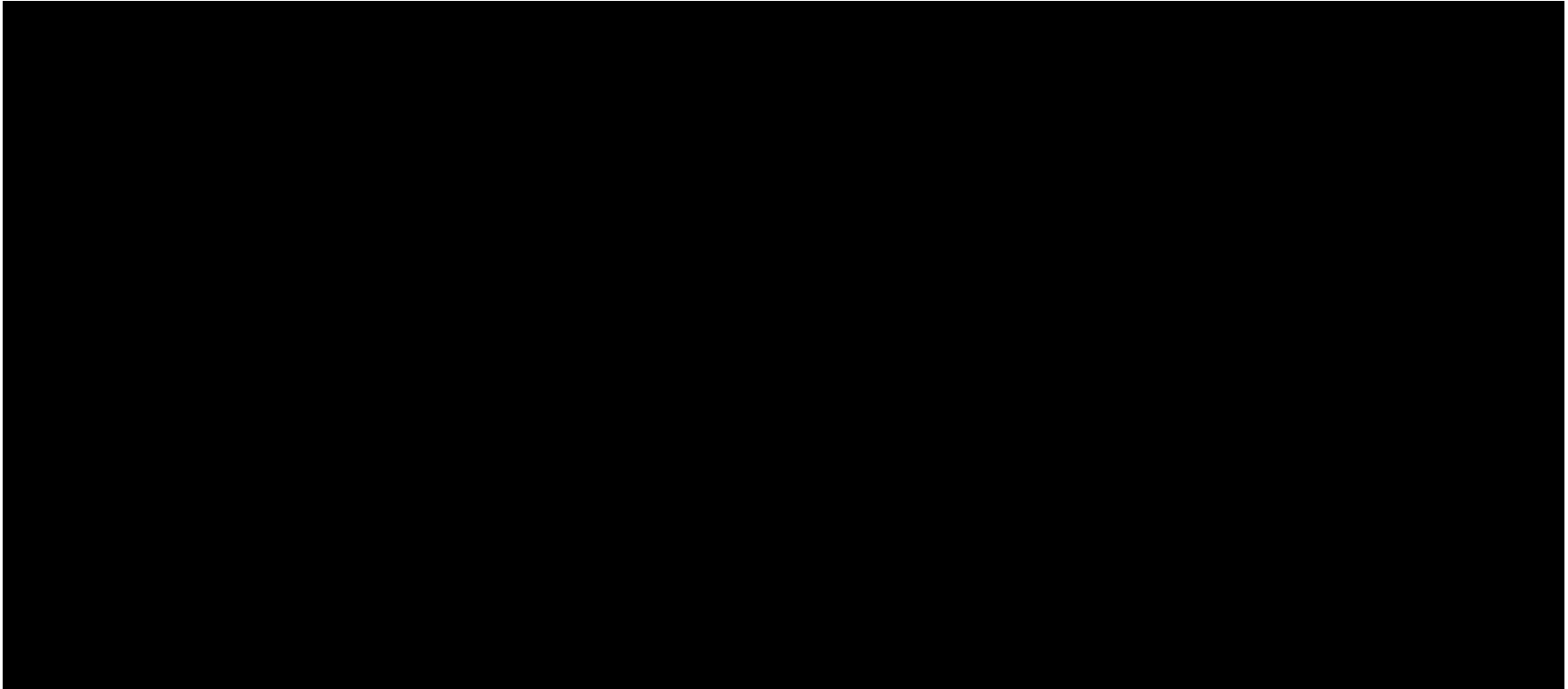
Grants are matching monies and are dependent on the local community making a contribution in money or in kind. Most funding has been for grants to a value of \$50,000 but funding of between \$100,000 and \$250,000 has been provided for about 40 projects across Australia.

The program has been available to applicants from local governments, schools, sporting clubs and other community organisations.

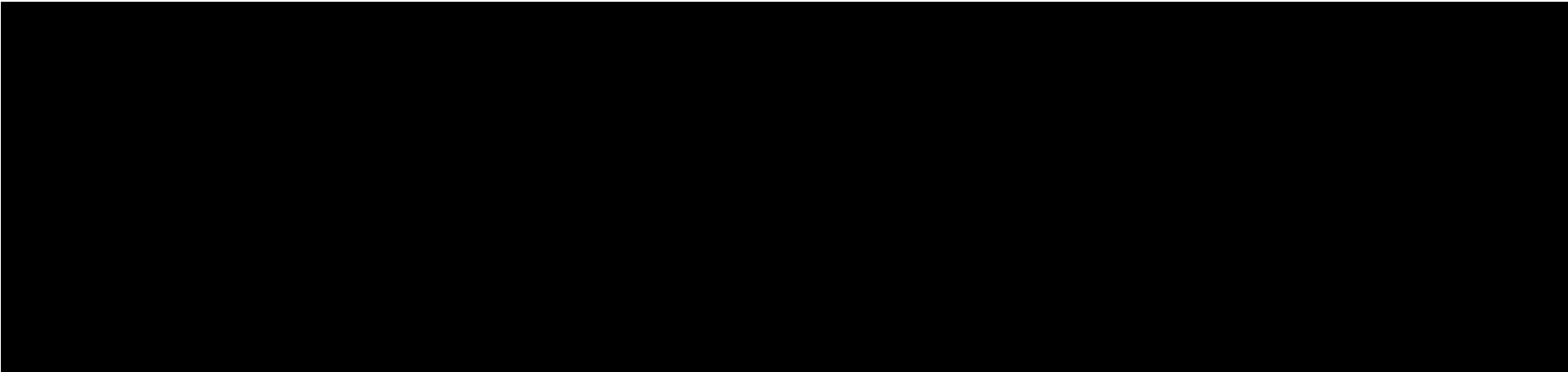
The website is www.communitywatergrants.gov.au/resources/index.html

APPENDIX 1: POPULATION PROJECTIONS BY LOCATION AND AGE

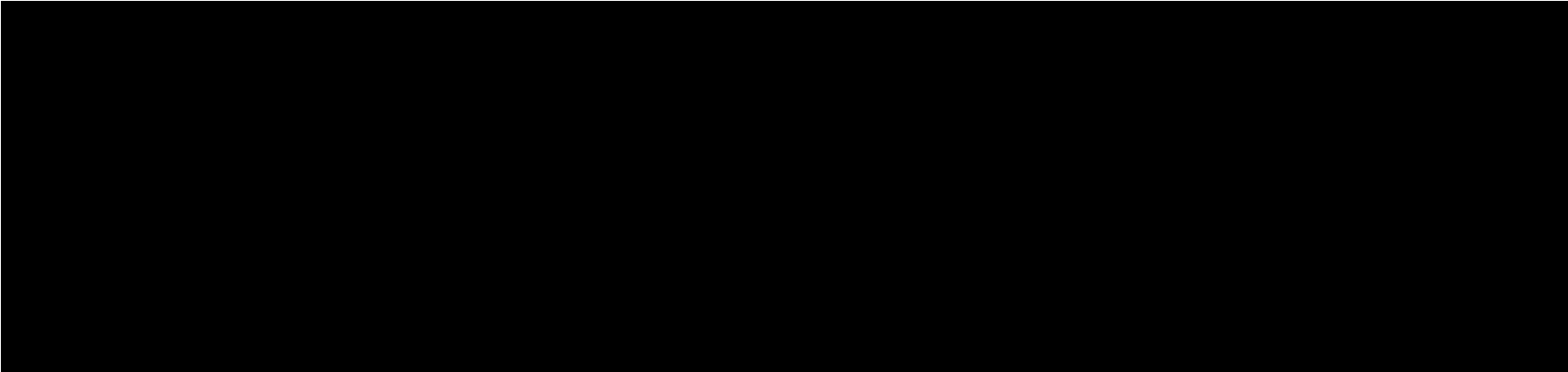
Boddington population forecast at start of year from 2007 (with and without camp- numbers rounded)



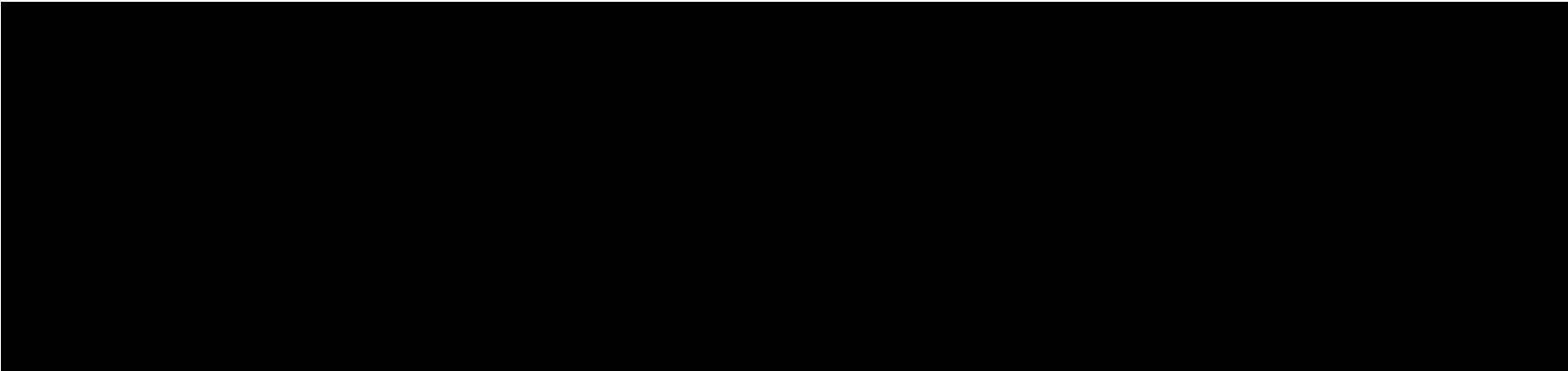
Wandering population forecast at start year from 2007 (numbers rounded)

A large black rectangular redaction box covering the entire content area of the first table.

Williams population forecast at start of year from 2007 (numbers rounded)

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Dwellingup population forecast at start of year from 2007 (numbers rounded)



Economics Consulting Services

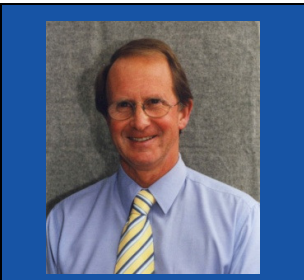


Economics Consulting Services provides strategic and financial advice to Western Australian organisations. We are a small office in which the three senior consultants undertake all of the work. We remain small because we are passionate about providing carefully researched and considered advice -experience is our strength.

We have completed over 325 assignments over the last nine years for a broad range of government and corporate clients. We have worked in all States of Australia and regions of Western Australia with work conducted for all levels of Government, businesses and Industry Associations.

Government clients have included agencies working in agriculture, water, electricity, natural gas, education, transport, regional development, industry, trade, commerce and tourism. We have worked for utility businesses and government regulators.

Corporate clients have included Telstra, Western Power, the Water Corporation, BHP Billiton, Rio Tinto, Woodside, Alcoa, Hamersley Iron, WMC Resources, Chevron, Wesfarmers, APPEA and the Chamber of Minerals and Energy.

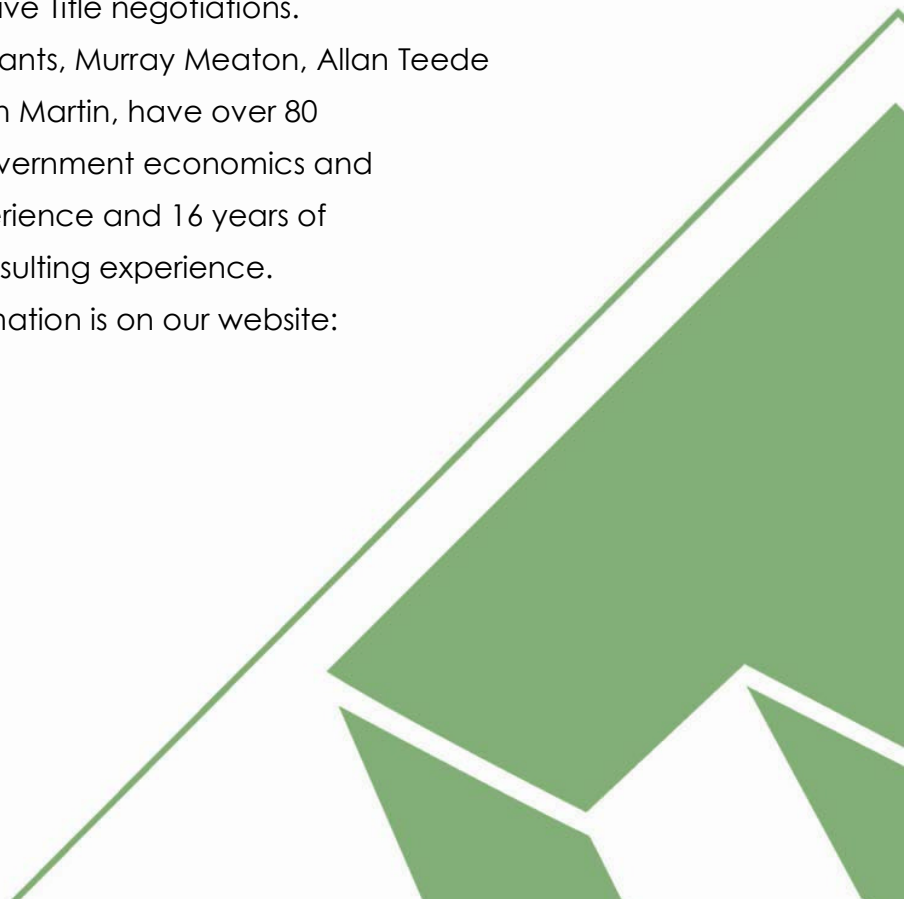


Projects have included

- Demographic, social and economic trends;
- Socio-economic impact studies;
- Financial evaluations and feasibility studies;
- Expert witness and compensation claims;
- Government submissions and reviews;
- Mineral and petroleum royalty studies; and
- Native Title negotiations.

Our consultants, Murray Meaton, Allan Teede and Dr Brian Martin, have over 80 years of government economics and policy experience and 16 years of private consulting experience.

More information is on our website:





DUNCAN FOSTER –SENIOR TRANSPORT AND LAND USE PLANNER

***Bachelor of Regional and Town Planning (Hons),
Postgraduate Diploma in Transport & Traffic***

Duncan joined WorleyParsons in 2004 bringing with him considerable knowledge and skill in the fields of transport and land use planning. He has worked in both the public and private sectors and has a strong understanding of both land use and transport planning processes.

Duncan has completed a number of structure planning studies for regional locations where expected population growth has been estimated and its impacts assessed. He has a strong background in stakeholder consultation and regularly runs workshops and meetings.

He has worked for a range of clients both within Australia and internationally including Department of Industry and Resources, Department for Planning and Infrastructure, Public Transport Authority Main Roads, Woodside and a range of local government clients.



MATTHEW WEGG –TRAFFIC AND TRANSPORT ENGINEER
BEng(Civil)

Matthew has over 5 years experience as a traffic and transport engineer, with a further 2 years pre-graduating. His broad range of experience encompasses urban development, traffic studies, modelling, transport planning, infrastructure requirements, risk assessments and road safety auditing.

Matthew has been responsible for the project management and delivery of professional transport related services and has gained broad experience in liaison with both internal and external stakeholders. In doing so, he has built a successful working relationship with various stakeholders including Main Roads WA, Department for Planning & Infrastructure, Public Transport Authority, LandCorp, Department for Housing and Works and various Local Governments as well as significant private sector clients including Multiplex, BHP Billiton and Blue Scope Steel.



Anna Munday anna@daa.com.au

BSc (Hons) (UWA)

Consulting Manager

Senior Consultant Statistician

Anna has gained extensive experience in statistical consulting since joining Data Analysis Australia in 2002. She has led and managed many consulting projects for a range of private, federal, state and local government clients. Her experience includes survey design and analysis, statistical modelling, population forecasting, feasibility studies, report writing and programming in statistical and database packages. Anna is a member of Data Analysis Australia's Executive and as Consulting Manager provides ongoing leadership and direction to the company.



Rhiannon Marchant rhiannon@daa.com.au

BCM (Hons) (UWA)

Consultant Statistician

Rhiannon joined Data Analysis Australia after graduating from the University of Western Australia. She completed a double major in Applied Statistics and Economics and has experience in data modelling and analysis, including simulation. Rhiannon has gained extensive experience in road crash statistics through collating reports.