

6. Social Benefits of Heavy Industry at Kwinana

6.1 Introduction and Background

6.1.1 Approach to Social Benefit Study

The social benefits study aimed to identify the key social benefits to the local and wider community that flow from existing industrial activities in the study area. In addition, the potential effects of future development opportunities were highlighted. The local community for the purpose of this study was defined as the local government areas of Cockburn, Rockingham and Kwinana. This area will be referred to as CRKLA for the remainder of the report.

An issues based approach has been taken, with the pertinent issues identified through the following processes:

- ❑ Discussions with local planners, government training departments and Industry Community Liaison Officers; and
- ❑ Review of regional and local government demographic data and planning documents.

In addition, a comprehensive database detailing the Kwinana industries community focussed initiatives and employee benefits programs has been compiled. This has been enabled by the inclusion of several questions in the Industry Questionnaire, specifically designed to reflect the social aspects of environmental corporate reports and social research elements that integrate with sustainability principles.

Several community projects initiated by the KIC's Community Relations Advisory Committee have also been reviewed.

Having established the existing social environment, industry initiatives and workforce characteristics, the potential social effects and benefits that could be associated with some of the future development opportunities in the KIA have been identified. This was undertaken with a view to enhancing the positive effects, and identifying gaps and service delivery needs.

6.1.2 Key Criteria for Determining Social Benefits

The criteria for determining social benefits associated with the KIA relate to the following:

- ❑ Direct and indirect employment provided by the industries to the CRKLA and wider community;
- ❑ Services and social initiatives provided to the industry workforce; and
- ❑ Industry attempts to understand and positively respond to significant local community issues.

There has been no attempt to determine the social performance of any industry in isolation. Through its extensive community focused activities, however, the KIC allows all companies to contribute to social issues, regardless of their ability to act corporately. The activities of the KIC are therefore also highlighted in this report.

6.2 Existing Social Environment

6.2.1 Regional Overview

The communities of Cockburn, Rockingham and Kwinana are located in the Coastal Area Consultative Committee Region. The Coastal Area Consultative Committee as defined pre June 2001 has been used as a basis for establishing a regional profile as a "benchmark" against which the CRKLA can be compared, as this definition includes all three local government areas under

consideration¹. The regional boundaries therefore include the local government areas of Claremont, Cottesloe, Mosman Park, Peppermint Grove, Cockburn, East Fremantle, Fremantle, Melville, Kwinana, Rockingham, Boddington, Mandurah, Murray, Wandering and Waroona.

Important characteristics of the more metropolitan parts of this region are highlighted below:

- ❑ Dominance of the retail and manufacturing sectors;
- ❑ A retail industry that is the largest employer in the region with major retail outlets at Booragoon, Fremantle and Rockingham;
- ❑ The KIA;
- ❑ The port of Fremantle supporting the maritime industry;
- ❑ The St John of God Hospital at Murdoch and the Fremantle Hospital are the major hospitals in the region; and
- ❑ The construction industry has an active presence in the region, especially in the area covered by the local government authorities of Cockburn, Rockingham and Kwinana, which are rapidly growing.

The non-metropolitan areas in the region display characteristics such as:

- ❑ An economy and labour market that are more dependent on the manufacturing and service sectors than for other non-metropolitan areas. This is as a result of a number of operations which mine bauxite and gold;
- ❑ A major regional and commercial centre at Mandurah that is well serviced by the retail and finance sectors;
- ❑ Low tertiary education levels, which are being addressed since the opening of the southern campus of Murdoch University at Rockingham;
- ❑ Mixed economy; and
- ❑ A rapid population growth.

In addition, there is a lack of passenger rail infrastructure within the South West corridor² and a history of poor connectivity and poor level of service provided by buses³ (Kwinana Community Profile: 16).

Through discussion with industry and local government bodies, the impact of the extension of the Kwinana Freeway is identified to have the following potential effects on the future of the CRKLA:

- ❑ Facilitating a greater number of employees travelling from Perth and competing for local employment;
- ❑ Facilitating local unemployed to gain employment farther afield through ease of access and probable increase in public transport;
- ❑ The Kwinana freeway will directly affect the rate of increase in residential development and associated support industries in the region; and
- ❑ The potential exists for increased residential growth to affect the type of industry that may be attracted to future industrial areas such as the FRIARS redevelopment area.

¹ Business Horizons 1998, Coastal Area Consultative Committee Strategic Regional Plan July 1 1998- June 30 2001, Rockingham.

² The South West Metropolitan Railway is planned for 2006, and will increase the ease of travel from the study area to north and south, but will not however increase the ease of transport locally. For example it would not impact on the ease of public transport to the KIA.

³ The Fremantle Rockingham Busway project will provided a limited stop public transport route for residential areas.

6.2.2 CRKLA

As previously mentioned, the local community defined as forming the KIA incorporates the local government areas of Cockburn, Rockingham and Kwinana (CRKLA). An overview of local area demographics, community values, visions and critical issues identified by the town councils have been summarised below.

6.2.3 Kwinana

Demographic Profile^{4,5}

- ❑ As at 1996, the Town of Kwinana had a high proportion of children under 10 years of age at 19% of the total Kwinana population. This compares with 14% for the Perth metropolitan area;
- ❑ There was also a high proportion of 30-35 year olds in the area (18% compared with 15% in the Perth metropolitan area);
- ❑ The unemployment rate in Kwinana in 1996 was 13.2%, which was much higher than for the Perth metropolitan area (3%);
- ❑ There were fewer secondary school age students in Kwinana (23%) compared with the Perth metropolitan area (28%);
- ❑ There were significantly lower proportions of the population undertaking tertiary education (5%) than for the Perth metropolitan area (11%);
- ❑ The manufacturing sector stands out as the key industry in Kwinana employing nearly 20% of the workforce compared with about 11% for the Perth metropolitan area. Sectors such as finance and insurance, and health and community services were under-represented in Kwinana in comparison with the Perth metropolitan area;
- ❑ There were generally higher proportions of households in Kwinana with incomes less than \$300 per week and generally lower proportions of households with incomes greater than \$400 per week than for the Perth metropolitan area; and
- ❑ The percentage of people using public transport is significantly less for the Kwinana area than for the metropolitan area (5% of people using public transport in Kwinana compared with 9% for the Perth metropolitan area).

Community Values

The Kwinana Strategic Plan 2001 identifies the following values for the residents of Kwinana:

- ❑ The relaxed lifestyle in a semi rural environment close to Perth and beaches;
- ❑ Community spirit;
- ❑ The trees, parklands, hills, valleys, ocean, bushland, wetlands and The Spectacles;
- ❑ History and heritage of the local area;
- ❑ Community facilities, especially the arts centre; and
- ❑ Variety of land uses including industrial, commercial, rural and residential.

Community Vision

According to the Kwinana Town Council, the local community wants:

- ❑ A prosperous and harmonious town with a balance between community, environment and industry;
- ❑ A caring community which work together and are proud of the town of Kwinana;
- ❑ A safe place to live and raise a family;
- ❑ An attractive town in a green, bushland setting;
- ❑ A town with a cultural history; and
- ❑ A town of opportunity and choice for everyone – in lifestyle and employment.

⁴ Kwinana Community Profile, based on 1996 Census data.

⁵ Perth Metropolitan Area demographic data is based on 1996 Census data.

The critical issues identified for the Town of Kwinana by the town council include:

- ❑ Developing business confidence and attracting new investment in order to create employment opportunities;
- ❑ Ensuring an appropriate balance between environment and development;
- ❑ Overcoming negative perceptions of industry by the community; and
- ❑ Creating effective partnerships with State and Federal Government in order to implement key strategies such as transport, industry and economic growth.

Other important issues include:

- ❑ The expansion and management of the KIA and its impact on the town;
- ❑ Maintaining the style, character and bushland feel as the town expands;
- ❑ Achieving a viable transport system locally and regionally;
- ❑ Maintaining and enhancing facilities and opportunities for youth;
- ❑ Providing for an ageing population;
- ❑ Creating a positive and pro-active approach to the changing community demographics; and
- ❑ Facilitating new community social and recreational facilities to encourage people to stay in the town.

6.2.4 Cockburn

Demographic Profile⁶

- ❑ As at 1996, the City of Cockburn had a higher proportion of children under 10 years of age at 16%, compared with 14% in the Perth metropolitan areas;
- ❑ There was also a lower proportion of 30-35 year olds in the area (10% compared with 15% in the Perth metropolitan area);
- ❑ The unemployment rate in Cockburn in 1996 was 8.2%, which was higher than for the Perth metropolitan area (3%);
- ❑ There were fewer secondary school age students in Cockburn compared with the Perth metropolitan area;
- ❑ There were significantly lower proportions of the population undertaking tertiary education (5%) than for the Perth metropolitan area (11%);
- ❑ The manufacturing and retail sectors stand out as key industries in Cockburn employing nearly 31%;
- ❑ There were generally higher proportions of households in Cockburn with incomes less than \$300 per week and generally lower proportions of households with incomes greater than \$400 per week than for the Perth metropolitan area; and
- ❑ The percentage of people using public transport is lower for the Cockburn area than for the metropolitan area (7% of people using public transport in Cockburn compared with 9% for the Perth metropolitan area).

Community Values

The City of Cockburn mission is to make the district of the City of Cockburn the most attractive place to live, work and visit in the Perth metropolitan area.

This mission suggests that job opportunities, tourism and the environment are all valued highly by City residents.

⁶ Cockburn Community Profile, based on 1996 Census Data.

In addition, a number of council committees have been set up to oversee and progress of work in portfolio and policy areas that are valued by the community. These include:

- ❑ Community and culture;
- ❑ Equity;
- ❑ Employment;
- ❑ Environment;
- ❑ Safety;
- ❑ Access and transport;
- ❑ Tourism; and
- ❑ Young people.

Community Vision

The following discussion of community vision is based on a review of the council's Strategic Plan and its Principal Activity Plan, which are in turn based on extensive community consultation.

The City of Cockburn's vision involves:

- ❑ Managing the City in a competitive, open and accountable manner;
- ❑ Planning the development of the City to achieve high levels of convenience; amenity and a sense of community;
- ❑ Conserving and influencing a balance between development and the natural and human environment;
- ❑ Facilitating a range of services responsive to the community needs; and
- ❑ Maintaining and providing roads, parks and community buildings to acceptable standards.

The critical issues identified for the City of Cockburn include:

- ❑ Cockburn's population is just over 70,000 people and is expected to grow to more than 100,000 by the year 2010;
- ❑ Cockburn is very much a developing City, with a good mix of residential and rural areas, and is at an exciting stage of its growth; and
- ❑ With about 23,000 residential places and over 1,500 businesses, it still has the capacity for another 15,000 residential areas and the city centres and community facilities that must come with such residential growth to meet peoples needs and expectations.

Other important issues include:

- ❑ Retaining the City of Cockburn's historical and tourism features along with its agriculture and ship building industries;
- ❑ Retaining Cockburn's reputation as a place with clean, inviting beaches and picturesque inland lakes; and
- ❑ Protecting Cockburn's unique features such as a chain of five lakes running north to south through the heart of the City. Sixteen Aboriginal campsites have been identified throughout Cockburn, most of them on the fringes of two of the larger lakes, North Lake and Bibra Lake.

6.2.5 Rockingham

Demographic Profile⁷

- ❑ As at 1996, the City of Rockingham had a high proportion of children under 12 years of age at 14% of the total population, compared with 12% of the Perth metropolitan area;
- ❑ There was a lower proportion of young singles and couples (18-24 year olds; 9% compared with 11% for the Perth metropolitan area) and mature families (13% compared with 15% in the Perth metropolitan area);

⁷ Rockingham Community Profile, based on 1996 Census Data.

- ❑ The unemployment rate in Rockingham in 1996 was 4%, which was higher than for the Perth metropolitan area (3%);
- ❑ There were fewer secondary school age students in Rockingham compared with the Perth metropolitan area (15% and 28% respectively);
- ❑ There were also lower proportions of people who attended tertiary education in Rockingham than for the Perth metropolitan area (1% compared with 11%);
- ❑ Compared to the Perth metropolitan area, higher proportions of people were employed in manufacturing, construction, government, administration and defence and a lower proportion of people were employed in finance, insurance, property and business services, education and health and community services;
- ❑ Compared to the Perth metropolitan area, there were higher proportions of people with a household income of less than \$500 a week and lower proportions of households earning more than \$1000 a week; and
- ❑ Low proportions of people used public transport as a method of travel to work when compared with the Perth metropolitan area.

Community Values

City of Rockingham conducted a survey in 1995, and held several open meetings in order to assess the community's views on important local issues (City of Rockingham undated). Key issues included:

- ❑ Law and public safety;
- ❑ Health and the environment;
- ❑ Traffic and transport;
- ❑ Recreation, leisure and culture;
- ❑ Human services;
- ❑ Economic development and tourism; and
- ❑ Planning and community amenities.

Community Vision

- ❑ Rockingham is a city with pride and confidence where the sense of community promotes a full range of opportunities in a unique and healthy social and natural environment.

The critical issues identified for the City of Rockingham by the city council include:

- ❑ Traffic and transport;
- ❑ Recreation, leisure and culture; and
- ❑ Community amenities.

Other important issues include:

- ❑ Law and public safety;
- ❑ Health and the environment;
- ❑ Human services; and
- ❑ Economic development and tourism.

6.2.6 Summary

The demographic overviews of the local government areas forming the CRKLA area indicate the following general patterns in comparison with the Perth metropolitan area:

- ❑ Lower education levels;
- ❑ Higher proportions of school age children;
- ❑ Higher proportions of young adults (possibly intending to start families, or with young families);
- ❑ Dominance of the manufacturing industry supported by a diverse industry base that contributes to the economy of the area;
- ❑ Higher proportions of low income families; and

- ❑ Very low proportions of people using public transport.

In general the communities in CRKLA area value:

- ❑ Their proximity to the metropolitan area;
- ❑ Their history and culture;
- ❑ Their growth employment;
- ❑ Opportunities for employment; and
- ❑ Their environment.

The desire to develop a strong sense of community featured in the vision statements for all three councils. In addition, the visions reflected: a desire for diverse economic and lifestyle options; opportunities to increase the number of visitors to the area; opportunities to preserve and enhance the natural environment; and employment opportunities.

The critical and important issues generally reflect community and council efforts to overcome or mitigate existing barriers to the achievement of the community visions. They include:

- ❑ A need to develop and increase economic prospects;
- ❑ A need to increase education and training opportunities;
- ❑ A need to address issues to do with a lack of public transport;
- ❑ A need to effectively manage future residential growth;
- ❑ Providing for young people;
- ❑ Providing for older people;
- ❑ Increasing people's sense of safety; and
- ❑ The appropriate development of human services and facilities.

6.3 Survey Responses

The following sections provide a summary and discussion of the responses to questions in the study survey, which relate to the Social Benefit analysis. This section included 24 questions related to employment, training, earnings, employee benefits and community relations.

6.3.1 Employment

Type of Employment by Gender

All 28 respondents to the survey provided information relating to the gender and occupational structure of their full time workforce. A total of 18 respondents returned the same information on their part time workforce. The total full time workforce was 3,490, with the wages paid in salaries for 1999-2000 being \$203.5M. The total part time and casual workforce, excluding contractors, was 146 people and the total wages and salaries paid for 1999-2000 was \$3.9M. **Table 6.1** shows that the highest proportion of the workforce are employed as production and transport workers, which are semi skilled jobs, while labourers only make up about eight percent of the total workforce of respondents. This excludes contract staff.

While the workforce is predominantly male, women are represented in the professional (12%) and clerical and administrator (43%) categories, which make up 15% and 10% of the total workforce respectively. Female employees score the highest representation in the clerical and administrative area, which is one of the least represented employment categories as a proportion of the total workforce.

Overall the gender breakdown shows very high proportionate representation of males in the full time workforce.

■ **Table 6.1 Full Time Employment – Excluding Contractors**

	Males as a proportion of employment type	Females as a proportion of employment type	Employment type as a proportion of total fulltime workforce
Managers and Administrators	93%	7%	6%
Professionals	88%	12%	15%
Trades People	98%	2%	19%
Clerical and Administrative	57%	43%	10%
Production and Transport Workers	98%	2%	42%
Labourers	97%	3%	8%
Total	92%	8%	100%

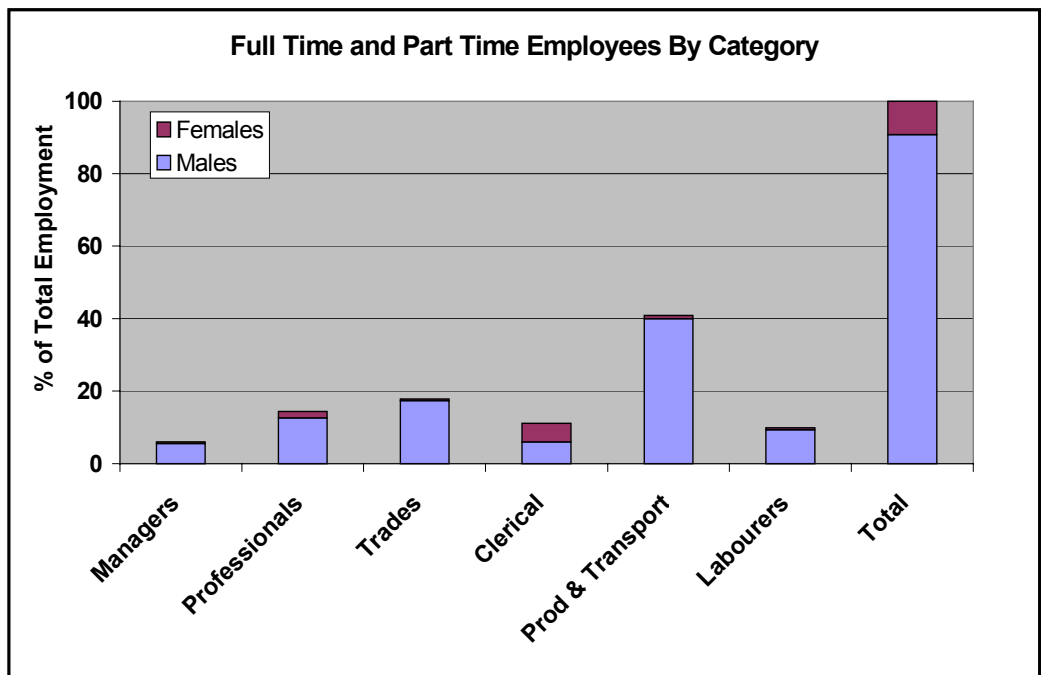
Table 6.2 shows that the highest proportion of the part time and casual workforce are employed as labourers (61 people in total). Men occupy a high proportion of these jobs (85%). Part time labourers make up 17% of the total non-contracted labourer workforce (61 part time labourers, 293 full time labourers).

Female employees have a few part time or casual jobs as managers and administrators and professionals (1 person and 3 people respectively), while there are no males part time in these roles.

■ **Table 6.2 Part Time Employment – Excluding Contractors**

	Males as a proportion of employment type	Females as a proportion of employment type	Employment type as a proportion of total part time workforce
Managers and Administrators	0%	100%	1%
Professionals	0%	100%	2%
Trades People	0%	0%	0%
Clerical and Administrative	15%	85%	32%
Production and Transport Workers	100%	0%	8%
Labourers	85%	15%	57%
Total	61%	39%	100%

Figure 6.1 is a graph showing the full time and part time employment by category and gender.



■ Figure 6.1 Full Time and Part Time Employees By Category

Apprenticeships and Traineeships

Of the 28 respondents to the survey, ten provided information relating to the number of apprenticeships/traineeships and eight provided wages data for these programs. The data is provided in Table 6.3 and relates to the apprenticeships in place as at 30 June 2000.

■ Table 6.3 Number of Apprenticeships and Traineeships

	Males	Females	Total
Managers and Administrators	0	0	0
Professionals	5	1	6
Trades-people	76	0	76
Clerical and Administrative	0	5	5
Production and Transport Workers	7	0	7
Labourers	0	0	0
Total	88	6	94
Wages and Salaries Paid (1999-00)			\$1,282k

The data indicates that males hold 94% of apprenticeships, the majority being trades-people. The female positions remain mostly in the traditional areas of clerical and administration.

The data on the type of apprenticeships (**Table 6.4**) indicates that the majority of apprenticeships are trade apprenticeships (86%). There are also a number of more innovative school-based and KIC initiated programs.

■ **Table 6.4 Type of Apprenticeship/Traineeship**

	Males	Females	Total
Graduate Trainees	5	1	6
Professional Institutions	0	0	0
Trade Apprenticeships	81	0	81
CES Job Start	0	0	0
Other (School based, KIC traineeship, part time)	2	5	7
TOTAL	88	6	94

Employment Outside Operations in the Kwinana Industrial Area

Respondents were asked to highlight the total employment (full time, part time, and apprenticeships) and wages and salaries paid in establishments of their organisation which are located outside the KIA, in relation to activities which have a direct supplier or customer relationship to operations within the KIA. A total of 11 respondents provided information on the number of establishments outside the KIA. Eleven provided information regarding the occupational structure of the associated workforces and nine provided information on wages. **Table 6.5** shows that 46% of the jobs (excluding contractors) occupied by employees of respondents to the survey are located in the KIA. The table also highlights the significant employment created in the Perth metropolitan area and Western Australia in general as a result of the activities in the KIA.

■ **Table 6.5 Number of Establishments, Wages/Salaries and Total Employment in Related Organisations Located Outside the CRKLA Area**

	Within KIA	Elsewhere in Perth metropolitan area (Outside the KIA)	Elsewhere in WA
Number of Establishments reported		16	21
Number of Jobs			
Managers and Administrators	216	224	169
Professionals	517	329	336
Trades People	642	253	602
Clerical and Administrative	398	172	420
Production and Transport Workers	1,469	12	1,444
Labourers	354	173	81
Job Type Unspecified	40		
Total	3,636	1,163	3,042
Total Wages paid 1999- 2000	\$207,325,000	\$82,365,000	\$150,344,000

Employment History

Of the 28 respondents to the survey, 25 provided information relating to employment history and 12 provided a history of apprenticeships/traineeships.

Table 6.6 shows that full time employment, as indicated by 25 companies, has increased each year since 1996, except for the last year, which has shown a decrease of full time employment of 55. Part time employment has increased continuously over the same period. This pattern of near static or decreasing full time employment and increasing part time employment is in line with world-wide trends towards increasing casualisation of workforces.

■ **Table 6.6 Full time and Part time (excluding contractors)**

As at 30 June for the year:	Full time	Part time	Total	Total employment index (%)
1996	2,933	51	2,984	100.0
1997	2,945	57	3,002	100.6
1998	3,029	71	3,100	103.9
1999	3,049	73	3,122	104.6
2000	3,291	74	3,365	112.8
2001	3,236	82	3,318	111.2

Note: The year 2000 employment is lower than quoted elsewhere in the report (3,636 total jobs) as it reflects the employment trend data provided by the 25 respondents to this question. Inclusion of the year 2000 employment data generated elsewhere in the questionnaire for the other three industries is inappropriate.

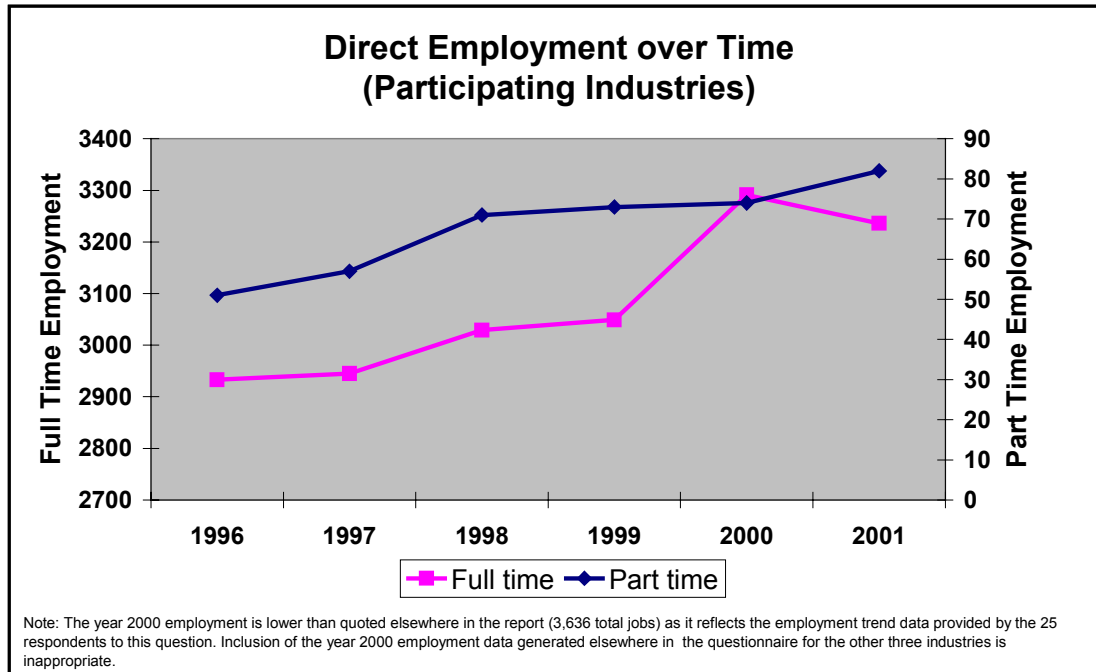
Table 6.7 indicates that the number of traineeships has increased from a total number of positions of 61 in 1996 to a total of 90 in 2001. There was a slight drop of 2 positions from 1998 to 1999.

■ **Table 6.7 History of Traineeships**

As at 30 June for the year:	Males	Females	Total	Total traineeship index (%)
1996	58	3	61	100.0
1997	60	4	64	104.9
1998	72	4	76	124.6
1999	69	5	74	121.3
2000	81	6	87	142.6
2001	83	7	90	147.5

Note: The year 2000 traineeships is lower than quoted elsewhere in the report (94 total) as it reflects the traineeship trend data provided by the 25 respondents to this question. Inclusion of the year 2000 traineeship data generated elsewhere in the questionnaire for the other three industries is inappropriate.

Figure 6.2 provides a graph showing the trend in full time and part time employment over the last six years.



■ **Figure 6.2 Direct Employment over Time**

Factors Affecting Level of Employment

Of the 28 respondents to the survey, 20 provided information relating to factors affecting future levels of employment, which is provided in **Table 6.8**. Not all respondents provided a level of importance to the factor.

Table 6.8 indicates that the factor most likely to positively influence the level of future employment for a given industry is the level of product output, followed by the level of capital investment. Seven companies see that changes to subcontracting practices are likely to negatively impact on employment numbers.

■ **Table 6.8 Factors Affecting Future Employment Levels**

Factor	Positive	Negative	Neutral	Importance (H=3, M=2, L=1)
Level of Output	18	0	5	2.3
Level of Capital Investment	13	0	9	2.3
Labour Supply Quality	9	1	12	2.1
Labour Supply Quantity	5	1	16	1.9
Changes in Industrial Plant Technology	9	5	9	2.4
Sub-contracting Practices	4	7	11	1.7
Land Availability	3	0	17	1.5
Environmental Restrictions	4	5	13	2.4
Port Capacity & Development	4	1	15	1.5
Transport Access	4	0	16	1.9
Other (rationalisation of organisational structure at a global level, profitability, number of contracts available).	2	1	1	2.8

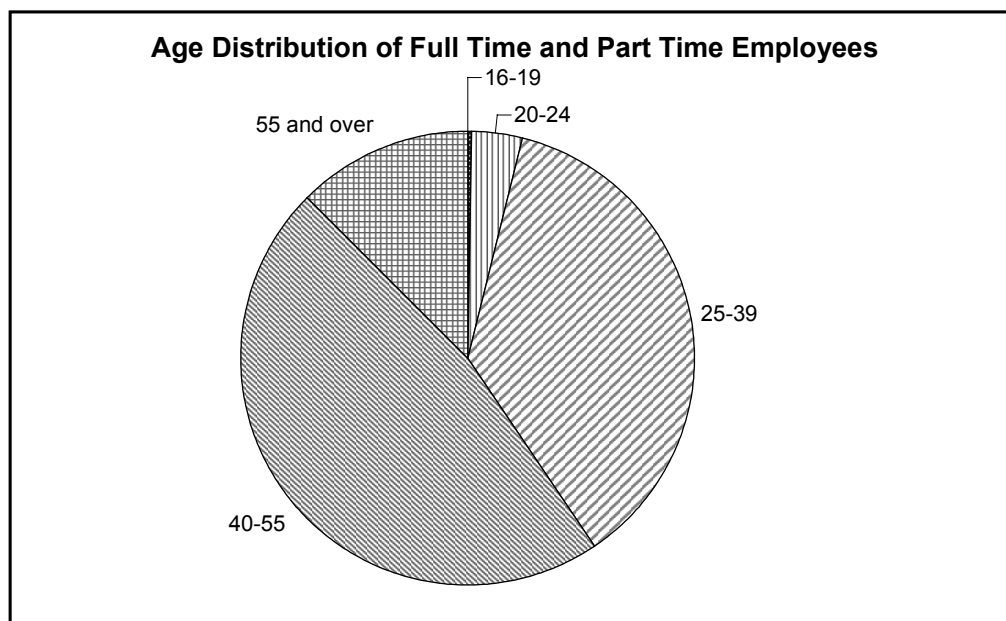
Age Distribution of Employees

Of the 28 respondents to the survey, 27 provided information relating to the age distribution of their full time and part time workforce in the CRKLA. **Table 6.9** shows high proportions of older males in the 40+ age range in the CRKLA area which may suggest an ageing workforce profile. There is also a high proportion (55%) of females in the 25-39 year old age group. This may be related to the incidence of part time clerical work available, which often suits the needs of working parents.

■ **Table 6.9 Age of Employees**

Age Bracket	Males as a proportion of employment age	Females as a proportion of employment age	Employment age as a proportion of total (full and part time) workforce
16-19	0%	0%	0%
20-24	3%	3%	4%
25-39	36%	55%	37%
40-55	48%	37%	47%
55 and over	13%	4%	12%

Figure 6.3 is a graph showing the age distribution of full time and part time employees.



■ **Figure 6.3 Age Distribution of Full Time and Part Time Employees**

Key Trends in Workforce Profile

Of the 28 respondents to the survey, 11 provided a response when asked to identify key trends in their workforce. **Table 6.10** below shows the proportion of responses for each category.

A large proportion of the total respondents (82%) provided no comment or noticed little or no change in the workforce profile. Key trends in the workforce that were highlighted through responses to this question include: an ageing workforce (30%); increased part time employment (11%); increased females in operations/management (7%); increased females in apprenticeships (4%); and more ethnic diversity (7%).

■ **Table 6.10 Key Trends in Workforce Profile**

Category	Proportion of Total Respondents
No Comment	46%
Little or No Change	36%
Reduction in Term Contracts	4%
Increased Females in Operations/ Management	7%
Increased Part Time Employment	11%
Increased Number of Female Apprentices	4%
Ageing Workforce	30%
More Ethnic Diversity	7%

Distribution of Employee Residences

Respondents to the survey were asked to provide an estimate of the numbers of their staff located in each suburb in the CRKLA area, the metropolitan area and in Western Australia in general. A total of 25 respondents provided information regarding this section of the survey, which is presented in **Table 6.11**.

Table 6.11 shows that the highest proportion of the CRKLA area’s employees travel to work from Rockingham, followed by Cockburn and Kwinana. Responses to this question show a high level of local employment is provided by the KIA, with less than a third of employees travelling to work from the metropolitan area or other places.

■ **Table 6.11 Employee Residences**

Postcode	Suburbs Included		Percentage of Employees
Kwinana			10%
6167	Wattleup	Anketell	8%
	Postans	Casuarina	
	Spectacles	Parmelia	
	Kwinana Beach	Calista	
	Mandogalup	Medina	
	Wandi	Orelia	
6165	Hope Valley	Naval Base	0%
6170	Leda	Wellard	2%
Rockingham			43%
6169	Shoalwater	Waikiki	22%
	Safety Bay	Warnbro	
6168	Cooloongup	Rockingham	14%
	Hillman		
6171	Baldivis		1%
6178	East Rockingham		0%
6174	Golden Bay		1%
6176	Karnup		1%
6172	Port Kennedy		2%
6173	Secret Harbour		1%
6175	Singleton		1%
Cockburn			17%
6163	Bibra Lake	North Lake	7%
	Coolbellup	Spearwood	
	Hamilton Hill		
6164	Atwell	South Lake	4%
	Banjup	Success	
	Beeliam	Yangebup	
	Jandakot		
6166	Coogee	Munster	3%
	Henderson	Wattleup	
6155	Leeming		2%
6150	Murdoch		1%
Outside CRKLA:			29%
Perth metropolitan area			22%
Mandurah			6%
All Other Places			1%

6.3.2 Travel to Work

Respondents to the survey were asked to estimate the percentage of their workforce that travels to work by private vehicle and other forms of transport.

Table 6.12 shows a high dependence on private vehicles to travel to work with very little use of public transport. This supports the ABS data discussed earlier, which shows a very low proportion of people using public transport to travel to work in the study area.

■ **Table 6.12 Method of Travel**

Method of Travel	% of Employees
Private Vehicle (car/motorbike)	86
Private Vehicle – carpooling	12
Public Transport	1
Bicycle	1
Other	0

6.3.3 Community and Employee Performance

Employee Health and Personnel Services

Respondents were asked to indicate any health programs or personal services made available to their employees. Of the 28 respondents, a total of 25 companies in the KIA responded to this section of the survey.

Table 6.13 shows that a large proportion of the companies that responded to this question provide a range of health and personal services to their employees. The value of personal counselling to staff was clearly acknowledged with 82% of respondents indicating that they provided access to counselling services for their employees. In addition, many companies provided free vaccinations (61%), visiting or resident doctors (43%), career planning advice (25%) and financial planning advice (25%). Some companies provided innovative staff support programs such as low fat meals in the canteen (14%), access to a physiotherapist (7%), weight loss programs (21%) and access to a dietician (14%). The responses to the “other” category included general fitness assessments, shift fitness programs, subsidised or fully paid gym or sporting club memberships, visiting medical coordinators, first aid training, health and fitness tests and counselling, retirement and redundancy advice, and superannuation share plan services.

■ **Table 6.13 Employee Services**

Employee Health Program	Percentage of Respondents Offering Program to their Employees
Personal Counselling	82%
Free Vaccinations	61%
Doctors	43%
Financial Planning	25%
Career Planning	25%
Weight Loss Programs	21%
Dietician	14%
Provision of Low Fat Meals in Canteen	14%
Physiotherapist	7%
Other, including: fitness training and first aid training	39%

Support and Options for Employees with Family Commitments

Of the 28 respondents, 26 companies in the KIA responded when asked to indicate what support options are provided for employees with family commitments. One company included innovative employee support such as adoption and ceremonial leave.

Table 6.14 shows that most of the respondents provided basic assistance to employees with families, such as leave to care for sick members of a family and bereavement leave (93%). A high proportion of respondents also provided options for paternity leave (79%). Just under half of the respondents indicated they provided flexible working hours for employees with families (50%), while only a very few (4%) provided childcare support facilities. Some respondents indicated the provision of innovative family support arrangements such as adoption leave and ceremonial leave.

■ **Table 6.14 Support Options for Employees with Family Commitments**

Type of employee Support	Percentage of total companies offering such support
Sick and Bereavement Leave (family)	93%
Paternity Leave	79%
Flexible Working Hours	50%
Childcare Support Facilities	4%
Other, including adoption and ceremonial	7%

Liaison and Consultation Policies

Of the 28 respondents to the survey, 22 responded when asked if they had a community liaison and consultation policy.

The results in **Table 6.15** indicate that a significant proportion of companies responding to the survey consider themselves as having “active and continuous” community liaison and consultation policies (32%). A further 29% of respondents highlighted their use of the KIC or other community forums as vehicles for community consultation. Some companies (21%) considered themselves as “not very active” in this area, while some indicated that liaison and consultation activities were carried out as required (11%). A few companies (7%) indicated that they considered their liaison and consultation policies to be widespread.

■ **Table 6.15 Liaison and Consultation Policies**

Category	Proportion of Total Respondents
Active and Continuous	32%
Use KIC, Community Forum, Environmental Groups	29%
Not Very Active	21%
No Comment	21%
As Required	11%
Widespread	7%

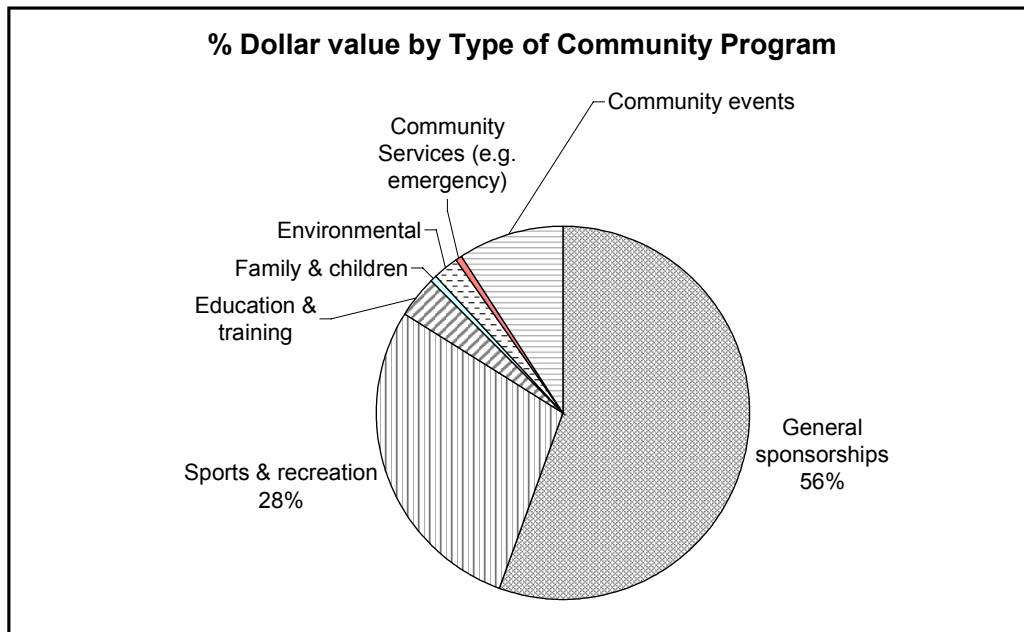
Community Programs

Table 6.16 shows that the total dollar value of community programs contributed by 14 respondents who provided data was \$344,845 (year ending June 2000). Of this amount, most (55%) was spent on general community sponsorships (unspecified), and on sports and recreation (28%). Other funded categories included education and training, family and children, environmental, community services and community events. **Figure 6.4** provides a graph showing the percentage of total community funds for each category.

■ **Table 6.16 Community Programs – Dollar Value - Year Ending June 2000**

Description of Community program	Dollar Value (year ending June 2000)	Percentage of total community donations
General Sponsorships	\$191, 200	55.4%
Women’s Support	\$0	0%
Sport and Recreation	\$97, 745	28.3%
Education and Training	\$12, 900	3.7%
Family and Children	\$1, 500	0.4%
Business and Industry Associations	\$0	0%
Environmental	\$7, 500	2.2%
Community Services (e.g. emergency)	\$2, 500	0.7%
Community Events	\$31, 500	9.1%
Total	\$344, 845	100%

■ **Figure 6.4 Percent Dollar Value by Type of Community Program**



Fourteen respondents indicated the locality of the recipients of community funding. This represents half of the total number of companies who responded to the survey. **Table 6.17** shows that most of the recipients of community funding derived from the companies that responded to the survey are in the local CRKLA area (58%). The wider community is the next largest proportion receiving community funding (31%). Companies own workforces received proportionately the least amount of funding (11%).

■ **Table 6.17 Community Programs – Locality of Recipients**

Own Workforce	Local Community (CRKLA)	Wider Community
11%	58%	31%

Community Information Events

Participating industries were asked to indicate how frequently they host or participate in community information events. **Table 6.18** below shows a summary of the responses.

■ **Table 6.18 Companies Collecting Information on Community Perception**

Category	Proportion of Total Participants in Survey
No Comment	21%
Never	29%
Sometimes	11%
Once a Year	0%
Twice a Year	4%
Three Times a Year	7%
Four Times a Year	7%
Five or More Times a Year	21%
Women's Education	4%
KIC Communities and Industries Forum	18%
General Community Events	14%
Community Liaison Group	7%
Press Releases Etc	4%
Facility Tours	11%

While a large proportion of respondents to the survey indicated that they never collect information regarding their local community (29%), a similar proportion of respondents indicated that they collected information about the community five or more times a year (21%). In addition to the high proportion of respondents that collect community information this regularly, there were other companies that collect information, sometimes (11%), twice a year (4%) and three and four times a year (7% and 7% respectively).

The consistent use of the KIC and South Coast Regional Chambers of Commerce was also highlighted in the responses to this question.

Community Meetings

Respondents to the survey were asked to estimate the number of people involved in discussions about community issues by locality. A total of 2,833 people were consulted by CRKLA industries who responded to the survey.

A total of 15 companies responded to this question in the survey. This represents just over half of the total number of responses to the survey (28). **Table 6.19** shows that, of the total number of people consulted, a large proportion were from the wider community, outside of the CRKLA area (45%). Over a third of consultations were conducted within respondents own workforces and nearly 20% were conducted with the local CRKLA community.

■ **Table 6.19 Number of People Consulted on Community Issues**

Locality	Number and Proportion of People	
Own Workforce	1,003	(36%)
CRKLA Area	550	(19%)
Wider Community	1,280	(45%)

Information about Local Community

A total of nineteen industries responded when asked to indicate how they obtain information about the local community. The most commonly mentioned form of gathering information about the local community mentioned in the “other” category was through the KIC and the South Coast Regional Chambers of Commerce. Other information collection techniques included: discussions with councillors; discussions with employees living in the area; the Outer Harbour Community Liaison Group; discussions with social clubs; press clippings; and attendance at community forums.

Table 6.20 shows the high proportion of respondents to the surveys that rely on the KIC and the local Chamber of Commerce for information about the local community. Information collection techniques such as one on one meetings, complaints systems and community services were fairly evenly used, and statistical profiles were the least used form of collecting information about the local community.

■ **Table 6.20 Most Used Community Information Gathering Techniques**

Information Gathering Technique	Proportion of Respondents Using Technique
One on One Meetings	36%
Complaints Systems	36%
Community Surveys	36%
Statistical Information	11%
Other, including the KIC	39%

Tracking Social and Environmental Perceptions by the Community

Of the 28 respondents to the survey, 24 provided a response when asked if they track the social and environmental perception of their industry by the local community. **Table 6.21** summarises these responses.

Overall, large proportions of respondents to the survey do not track their social and environmental perceptions by the community. There were some companies, however, that indicated they did participate in tracking community perceptions of their organisations at the local level (18%) and at the corporate level (18%). The prominent role of the KIC was again highlighted by the proportion of respondents who identified the KIC survey as a means of tracking community perceptions of their industry (18%).

■ **Table 6.21 Tracking of Community Perceptions**

Category	Proportion of Total Respondents
No Comment	14%
No/Never	36%
Sometimes	4%
Yes – Local Community	18%
Yes – Corporate Level	18%
Trust Rating	4%
Tracking Complaints	4%
KIC Survey	18%

Complaints Systems

Of the 28 respondents to the survey, six provided no comment in relation to this question. Over two thirds of respondents did however, provide a response. A summary of these responses is provided in **Table 6.22**.

Many respondents do not use a complaints system for local communities to use (39%). A similar proportion, however, do provide complaints systems for their local communities (39%). A few companies had complaints systems at a wider community level (7%) and some for employees (4%).

■ **Table 6.22 Complaints Systems**

Category	Proportion of Total Respondents
No	39%
Yes	39%
No Comments	21%
For Community	7%
For Employees	4%

Performance Trends Regarding Community Relationships

About two thirds of total respondents (18) provided comment when asked to identify performance trends in their relationship with the community. **Table 6.23** shows that a high proportion of respondents indicated there was no change in their performance regarding community relationships (32%). There were similarly high proportions of respondents who felt that their performance regarding community relationships was improving (25%). A few felt their performance with regard to community relationships was worsening (7%), while some respondents noticed improvements in environmental issues (4%), and in the level of trust between themselves and the community as a result of open communication (4%).

■ **Table 6.23 Trends in Community Relationships**

Category	Proportion of Total Respondents
No Comment	36%
No Change	32%
Yes, Improving	25%
Yes, Worsening	7%
Environmental Performance Improving	4%
Greater Spread of Awareness and Trust	4%

Local Community Profiles

Of the 28 respondents to the survey, 20 responded when asked whether they collect or review information on the profile of the local community. **Table 6.24** shows that, not surprisingly, most respondents to the survey do not collect or develop local community profiles (54%). There were a few companies, however, that collected community profile information at a local level (14%) and at a corporate level (4%).

■ **Table 6.24 Collection or Review of Community Profiles**

Category	Proportion of Total Respondents
No Comment	29%
No	54%
Yes, Locally	14%
Yes, at Corporate Level	4%

Decommissioning Policies

About three quarters (21) of the total number of respondents to Part B of the survey provided comment when asked if they have policies for their workforce or the community at the decommissioning of their operations. **Table 6.25** indicates that the highest proportion of respondents did not see the relevance of, or had no decommissioning policies (46%). A few had comprehensive decommissioning policies (14%), while others indicated the existence of policies regarding a particular aspect of decommissioning such as land, soil and ground water rehabilitation (7%), employee entitlements (14%) and occupational health and safety policies (4%).

■ **Table 6.25 Existence of Decommissioning Policies**

Category	Proportion of total Respondents
None/ Not Relevant	46%
No Comment	25%
Yes	14%
Employee Entitlements	14%
Land Soil and Ground Water	7%
Occupational Health and Safety	4%

6.4 Initiatives of the Kwinana Industries Council (KIC)

While many Kwinana industries do not have specific policies and initiatives related to the community, they participate and support the work of the KIC. The KIC has focussed its efforts in three main areas as described below.

Community Relations Advisory Committee (CRAC)

This is a sub committee of the KIC which aims to foster two way communication between industries and the community. Specifically, the CRAC aims to ensure that:

- ❑ companies recognise and respond to community concerns or inquiries; and
- ❑ the community understands the operations of local industry and how they are striving to protect the environment.

Protecting Employees and the Community

In keeping with obligations to protect the safety of employees and the community, KIC established the Kwinana Industries Mutual Aid (KIMA) agreement in 1990. Under KIMA, Kwinana industries share emergency response expertise, manpower and resources in the unlikely event of a major emergency.

Kwinana Industries Education Partnership (formerly KIC Excellence in Education Compact Inc)

In the early 1990s KIC recognised that, while employees were looking for recruits with increasingly higher levels of skill, the youth in the CRKLA were leaving school early and seemed to have difficulty envisioning a future in industry. Launched in 1995, the Kwinana Industry Education Partnership (KIEP) is a formal agreement between members of the KIC and nine local senior high schools. The agreement is a commitment to work together to develop mutually beneficial long-term relationships, in order to achieve excellence in education that broadens the experiences of students. Some of the initiatives facilitated under this agreement have been:

- ❑ School based traineeships
- ❑ Teacher in industry experience
- ❑ Industry support for Vocational Education Training (VET)
- ❑ Post-school transition forum
- ❑ Funding to support the sustainability of KIEP
- ❑ Co-operation between Murdoch University and Challenger TAFE for improving training pathways and entry to tertiary education
- ❑ IT upgrades
- ❑ Environmental Projects within KIA
- ❑ Support for Forward Education Practice Conference
- ❑ schools
- ❑ Speaker programmes
- ❑ Access to industry library resources
- ❑ Performing Arts
- ❑ Annual “KIC Design for Industry” Competition
- ❑ Nufarm Youth Encouragement Art Awards and exhibitions
- ❑ Mobile Careers Plus Caravan
- ❑ One day engineering experience
- ❑ Tree Planting Projects
- ❑ Alcoa Women in Industry project

The success of the KIEP has been nationally and internationally recognised through a number of awards, the most recent being the Australia Day Council 2001, Chairman's Award. The (then) Premier of Western Australia, Mr. Richard Court, noted the impact of the Compact on school retention rates in the districts of Rockingham, Kwinana and Hamilton. School retention rates in these districts are well above the national average, having increased from an average 68% (early 1990s) to an impressive 82%.

6.5 Analysis and Discussion

As defined in **Section 6.1.2**, the key criteria for determining the social benefits associated with the KIA relate to the following:

- Direct and indirect employment provided by the industries to the CRKLA and wider community;
- Services and social initiatives provided to the industry workforce; and
- Industry attempts to understand and positively respond to significant local community issues.

This section reviews the collective performance of the Kwinana industries against these three criteria.

6.5.1 Direct and Indirect Employment Provided by the Industries to the CRKLA and Wider Community

- The survey results show that there is a fairly high level of direct employment benefits in the CRKLA area, especially for men in semi skilled jobs. However, the workforce profile is seen to be changing towards more skilled jobs and a need for higher education levels.
- There are relatively low levels of employment for women in the CRKLA, especially at senior levels, however, these patterns of workforce profile are seen to be changing towards greater levels of female employees.
- The highest proportion of the CRKLA areas employees travel to work from Rockingham, followed by Cockburn and Kwinana.
- High proportions of men occupy the part time and casual workforce as labourers.
- Female employees have a few part time or casual jobs as managers and administrators (1) and professionals (3), while there are no males part time in these roles.
- Men hold the majority of apprenticeships, most of which are traditional trades apprenticeships. There are also a number of more innovative school-based and KIC initiated programs.
- Women are mostly employed in the traditional areas of clerical and administration.
- Significant employment is also created in the Perth metropolitan area and Western Australia in general as a result of the activities in the KIA. Just under one third of employees travel to work from the metropolitan area or other places.
- Full time employment has increased each year since 1996, except between June 2000 and June 2001, when there was a decrease of 55 employees.
- Part time employment has increased continuously over the same time period. This pattern of static or decreasing full time employment and increasing part time employment is in line with world-wide trends towards increasing casualisation of workforces.
- The number of traineeships has increased since 1996, however, there was a slight drop of two positions from 1998 to 1999.
- The factor most likely to positively influence the level of future employment for a given industry is the level of product output, followed by the level of capital investment. Seven companies see that changes to subcontracting practices are likely to negatively impact on employment numbers.
- High proportions of older males in the 40+ age range in the CRKLA area which may suggest an ageing workforce profile.

- ❑ Key trends in the workforce that were highlighted by respondents include: an ageing workforce (30%); increased part time employment (11%); increased females in operations/management (7%) and apprenticeships (4%); and more ethnic diversity (7%).
- ❑ A high dependence on private vehicles to travel to work with very little use of public transport. This supports the ABS data discussed earlier, which shows very low proportion of people using public transport to travel to work in the study area.

Discussion

The KIA workforce is generally seen to have a very stable history, with little staff turnover. As a result, dependent on the age of the company, there are different stages of an ageing workforce in different companies. Some employers are starting to see a change back to a younger workforce as long time employees reach retirement age. Kwinana is generally seen to attract employees who wish to be stable (possibly with families). In addition, many of the employees are not willing to move to more remote locations for family or lifestyle reasons and therefore tend to be older than the workforce employed at more remote industrial sites who often receive higher wages.

In addition, the skills required by employees at Kwinana were seen to be changing in response to increased technology levels.

In some cases, an increase in females in particular industries has been as a result of programs to increase the diversity of employees.

6.5.2 Services and Social Initiatives Provided to the Industry Workforce

- ❑ Large proportions of the companies provide health and personal services to their employees. Most companies also provide access to counselling. In addition, many companies provided free vaccinations, visiting or resident-doctors, career planning advice and financial planning advice. Some companies provided innovative staff support programs such as low fat meals in the canteen, access to a physiotherapist, weight loss programs, and access to a dietician. Large proportions of respondents to the survey provide free or subsidised memberships to local gyms or sporting clubs for their employees.
- ❑ Most of the respondents provide basic assistance to employees with families such as leave to care for sick members of a family and bereavement leave. A high proportion of respondents also provided options for paternity leave. Just under half of the respondents indicated they provided flexible working hours for employees with families while only a very few provided childcare support facilities. Some respondents indicated the provision of innovative family support arrangements such as adoption leave and ceremonial leave.

Discussion

There are a range of social benefits offered to the (many local) employees of companies in the KIA. In general, it appears that survey respondents provide a high level of support to their employees with a range of services and flexible work options. There is some evidence of innovative employment condition such as ceremonial leave.

6.5.3 Industry Attempts to Understand and Positively Respond to Significant Local Community Issues.

- ❑ High proportions of companies consider themselves as having “active and continuous” community liaison and consultation policies. Many respondents highlighted their use of the KIC or other community forums as vehicles for community consultation. A few companies considered themselves as “not very active” in this area, while some indicated that liaison and consultation activities were carried out as required.

- ❑ The total dollar value of community programs provided by 14 respondents to the survey was \$345,000 (year ending June 2000). Of this amount, just over half was spent on general community sponsorships (unspecified), and another third spent on sports and recreation. Other funded categories included education and training, family and children, environmental, community services and community events. Note the above figure (\$345,000) is a conservative estimate because only 14 participants to the questionnaire provided data. In addition “in kind” support to the community would be equivalent in value.
- ❑ Over half of the recipients of funding are located in the local CRKLA areas with a further third being received by the wider community. Companies’ own workforces received the remainder.
- ❑ Just under a third of companies indicated that they never collect information regarding their local community and a similar proportion indicated that they collected information about the community five or more times a year.
- ❑ The consistent use of the KIC and the South Coast Regional Chambers of Commerce was also highlighted in the responses to this question.
- ❑ A total of 2,833 people were consulted by CRKLA industries who responded to the survey.
- ❑ Of the total number of people consulted, a large proportion were from the wider community, outside of the CRKLA area. Over a third of consultations were conducted within respondents own workforces and nearly 20% were conducted with the local CRKLA community.
- ❑ The most commonly mentioned form of gathering information about the local community mentioned in the “other” category was through the KIC and the CCI.
- ❑ Overall, large proportions of respondents to the survey do not track their social and environmental perceptions by the community. There were some companies, however, that indicated they did participate in tracking community perceptions of their organisations at the local level and at the corporate level. The prominent role of the KIC was again highlighted by the high proportion of respondents who identified the KIC survey as a means of tracking community perceptions of their industry.
- ❑ Complaints systems are used by over a third of companies in CRKLA area and about a third do not use complaints systems. A few companies had complaints systems at a wider community level and some for employees.
- ❑ About a third of respondents indicated there has been no change in their performance regarding community relationships. There were similarly high proportions of respondents who felt that their performance regarding community relationships was improving. A few felt their performance with regard to community relationships was worsening, while some respondents noticed improvements in environmental issues, and in the level of trust between themselves and the community as a result of open communication.
- ❑ Not surprisingly, most respondents to the survey do not collect or develop local community profiles. There were a few companies, however, that collected community profile information at a local level and at a corporate level.
- ❑ Most respondents did not see the relevance of, or had no decommissioning policies. A few had comprehensive decommissioning policies.

Discussion

In general the KIA contributes a high degree of social benefit to the local and wider community, with at least half of the funding for community activities being spent locally according to the survey responses. There are several companies who provide active and continuous community consultation processes, contribute to the local community and seek to understand the key issues and priorities of the local communities. The KIC clearly plays a key role in providing a comprehensive community liaison function for the collective industries in the Kwinana area. Most companies who responded to the survey mentioned the KIC as an integral aspect of their community relations exercises.

A few companies demonstrate innovative approaches to community relations, and use community profiles or other processes to understand the key issues in the local communities in which they are situated. Many companies offer complaints system in order to understand their impact on near neighbours and the local community.

6.6 Summary and Conclusions

The following key issues for the local CRKLA area have been highlighted from discussions with local planners, government training departments and Industry Community Liaison Officers and review of regional and local government demographic data and planning documents. This section highlights the way in which industries in the KIA are responding to these local, and wider community issues.

❑ *Low education levels in the CRKLA vs increasing skill set required by local industry*

As discussed above, the community related activities of the KIC have focussed strongly on the purpose of increasing education levels of the surrounding community through programs aimed at the youth of the CRKLA. These initiatives will create a stronger link for future employment in industry and, regardless of the future opportunities for employment within the KIA, students will be better armed to meet the challenges of finding employment outside their local area as the education programs do not focus directly on industry related skills.

Several companies in the KIA support the Structured Workplace Learning and Engineering Internship programs at Murdoch University's Rockingham Campus. This is a co-operative alliance that allows students to gain experience in industry relevant to their degree.

❑ *High unemployment in the CRKLA*

At present there are high levels of local unemployment in the local communities that form the CRKLA area. The survey shows a level of local employment provided, especially to those residing in the Rockingham area, with lower levels of employment provided to those who live in the Cockburn and Kwinana area.

❑ *Dependence on manufacturing industry in the CRKLA*

The local area depends on the manufacturing industry, but some places, such as Rockingham and Cockburn, also have developing retail industry to diversify their economic base. Residential growth predicted for the area, combined with any new jobs associated with an expansion of the industrial strip at Kwinana, is likely to contribute to demand for the retail industry.

❑ *Importance of the Kwinana Freeway, South West Metropolitan Railway and Fremantle Rockingham Busway*

The construction of the additional transport corridors may enable people from outside the local community to more easily commute to work in the KIA. This may reduce the opportunities for local residents to gain employment as a result of the expansion of the KIA.

❑ *Need for community identity in the CRKLA*

The desire to develop a strong sense of community featured in the vision statements for all three councils. In addition, the visions reflected: a desire for diverse economic and lifestyle options; opportunities to increase the number of visitors to the area; opportunities to preserve and enhance the natural environment; and employment opportunities. While much of the contributions made by Kwinana industries to the community was received locally, it may be possible to increase the level of contribution towards projects that enhance local identity. The total dollar value of community programs provided by 14 respondents to the survey was \$345,000 (conservative estimate). Of this amount, just over half was spent on general community sponsorships (unspecified), and another

third spent on sports and recreation. Other funded categories included education and training, family and children, environmental, community services and community events. It is probable that some of the money spent on unspecified contributions goes to projects which develop community identity.

□ *A lack of public transport*

The lack of public transport in the local area appears to be an issue that Kwinana industries could address through the KIC. Lack of public transport inhibits community cohesion by limiting the mobility of families without a second car. Often, if a family has one car and there is no public transport to work, the family car becomes unavailable to family members left at home, as the car is required by the breadwinner for transport to and from work. People without access to a car or to public transport can feel isolated from friends and family, as well as finding it difficult to access health and welfare services. If a family or individual has no car in an area with little public transport, then lack of public transport can limit employment opportunities.

As areas such as Kwinana and Cockburn have a fairly high proportion of residents on relatively low incomes, there are likely to be high number of single car families.

The activities of the KIC could support the efforts of local and the State Government to provide flexible public transport opportunities in the local CRKLA.

□ *A need to effectively manage future residential growth*

A high rate of residential growth is predicted for the area and councils will need to ensure that service provision is coordinated and meets the needs of the incoming population. The community relations and donation activities of the KIC could be expected to support the activities of Councils in ensuring these needs are met.

□ *Providing for young people*

As previously mentioned, the skill development and training activities of the KIC focus on young people and support the activities of local and the State Government to provide opportunities for young people in the area.

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7. Conclusions

The study has demonstrated that the KIA provides a wide range of economic, environmental and social benefits to the local community, wider Western Australia and Australia. In particular, Kwinana Industries contribute the following benefits:

Economic Benefits:

- ❑ They have a major impact on the Western Australian economy through their large operational and capital expenditures;
- ❑ They link to the energy, minerals and agricultural industries of the State, as suppliers of essential inputs and as value-adding processors of primary outputs;
- ❑ They make a major contribution to Australia's international balance of payments through exports and by production of commodities that would otherwise be imported from overseas. Every time an Australian purchases an imported item, the cost is lower than it would be if Kwinana industries were not here;
- ❑ They generate a much larger amount of employment than their direct employment. This is because of the multiplier effects of their large operational and capital expenditures; and
- ❑ They generate a much larger amount of income than the wages and salaries of their employees. This is because of the multiplier effects of their large operational and capital expenditures, through the distribution of dividends to Australian shareholders and through payment of government taxes.

Social Benefits:

- ❑ There is a high degree of direct employment (3,490 full-time jobs and 146 part-time jobs); 70 per cent of employees live in the CRKLA area; and significant indirect and induced employment (24,400 jobs);
- ❑ There is a high level of employee support with a range of services, flexible work options and innovative employment benefits provided;
- ❑ There is proactive support, including a high contribution of funding, for local and wider community activities (with at least half of funding spent locally); and
- ❑ Several companies provide active and continuous community consultation processes, contribute to the local community and seek to understand key local community issues and priorities.

Environmental Benefits:

- ❑ The interdependency of Kwinana industries helps provide environmental benefits beyond what is achieved by widely dispersed industries; and
- ❑ The Kwinana industries demonstrate a high level of environmental performance and are working to improve their environmental performance which also has significant benefits for the local community.

Maintaining Competitiveness

The continued operation of the Kwinana industries, and heavy industry in general, depends on its ability to remain competitive in a world where the barriers to trade and competition are progressively being dismantled. Whether a heavy-industry plant is wholly owned within Australia or is part of a multi-national company, its competitive standing is continually being tested. This occurs through the market, and through corporate assessments of where it is most profitable to locate plants.

To remain competitive, a plant has to maintain its "comparative advantage". This depends on a wide range of factors, many of which are beyond the control of governments or the owners themselves.

Factors that can be influenced by owners include:

- ❑ Maximising operational efficiency and productivity through: progressive continuous improvement; plant optimisation; elimination of bottlenecks; minimisation of input costs; and adoption of enlightened workforce training and safety procedures; and
- ❑ Exploiting opportunities for developing new products, production technologies and developing new markets. This report has charted a way forward for further synergistic development of the linkages between heavy industries at Kwinana.

Factors that can be influenced by government include:

- ❑ Maintenance of political stability, which is a major comparative advantage;
- ❑ Macro-economic management and tax regimes that support comparative advantage;
- ❑ Minimising the compliance costs of environmental protection;
- ❑ Providing adequate environmental and safety buffers between the heavy industry complex and the surrounding urban areas;
- ❑ Developing workable industrial relations policies and practices;
- ❑ Supporting development of complementary industry and infrastructure throughout the State to provide new processing opportunities, and cost-effective inputs and distribution systems; and
- ❑ Ensuring that appropriately sized land parcels remain available for industry growth.

The cooperation of key stakeholder groups in the design and implementation of this study reflects a strong understanding of the wider community benefits provided by the Kwinana industries. This cooperation has resulted in the benefits described within this report for the community, the industries and their employees. By continuing to work together with key stakeholders the future of the Kwinana industries can be secured and the associated community benefits will be maintained and enhanced.

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9. Abbreviations

ABS	Australian Bureau of Statistics
ANZSIC	Australia and New Zealand Standard Industrial Classification
B	Billion (10 ⁹)
bbbl	Barrels
CCI	Chamber of Commerce and Industry of WA
CRAC	Community Relations Advisory Committee
CRKLA	Cockburn- Rockingham-Kwinana Local Authority area
CSIRO	Commonwealth Scientific and Industrial Research Organisation
CWAI	Confederation of Western Australian Industry
d	Day
EPA	Environmental Protection Authority
EPP	Environmental Protection Policy
FRIARS	Fremantle Rockingham Industrial Area Regional Strategy
GDP	Gross Domestic Product
OECD	Organisation for Economic Cooperation and Development
KIA	Kwinana Industrial Area
KIMA	Kwinana Industries Mutual Aid
KIEP	Kwinana Industry Education Partnership
KIC	Kwinana Industries Council
kt	kilotonne
ktpa	kilotonne per annum
M	Million (10 ⁶)
ML	Megalitres
MW	MegaWatt
PM10	Particulate matter with an equivalent aerodynamic diameter of 10 microns or less
REU	Resource Economics Unit
SKM	Sinclair Knight Merz Pty Ltd
tpa	tonne per annum
WAPC	Western Australian Planning Commission
yr	year

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