

Opportunities in Manufacturing

Overview

The availability of well serviced industrial sites, competitively priced energy and proximity to major export markets, together with a skilled workforce, make the regions attractive as a location for a wide range of manufacturing activities.

Food processing, iron and steel, boat-building, timber products and furniture, building products, chemical manufactures and metal fabrication and equipment manufacture are some of the manufacturing activities that are or could be undertaken in regional Western Australia.

Industrial Infrastructure

The capability of regional manufacturing is supported by the availability of good industrial infrastructure in all regions.

For example, Kemerton is a well established industrial complex in the **South West** which is well supported by general industry infrastructure.

A world class industrial estate and associated deepwater port is to be developed at Oakajee, north of Geraldton in the **Mid West** region. This industrial complex will complement an existing industrial development at Narngulu and will have the capability to accommodate a wide range of industries.

Industrial infrastructure is to be expanded in the **Pilbara and Goldfields-Esperance** regions, which will further enhance the capability and opportunity for local manufacturers to supply and service the world class oil and gas and minerals sectors. This will also open new export opportunities. The Mungari heavy industrial Estate located between Coolgardie and Kalgoorlie-Boulder is linked to the

deepwater port at Esperance by road and standard gauge rail.

The Avon Industrial park, east of Northam in the **Wheatbelt** region is an ideal location for manufacturing activities with affordable land, close proximity to Perth and the port of Fremantle and excellent road, rail and utility infrastructure.

There are also industrial estates in **the Peel, Great Southern, Gascoyne and Kimberley** regions.

Investment Opportunities

Food Processing

Western Australia has a world-wide reputation for the quality of its primary produce. The regional food processing sector is based on high quality produce sourced from an unpolluted environment, a skilled workforce and strict quarantine and health laws.

Despite the stalling of some Asian economies, notably Japan, the long term outlook for the demand for processed foods in Asia is very promising. Regional Western Australia is well placed to take advantage of this expected growth by adding value to traditional primary production.

Fish Processing

The **Gascoyne** region has identified opportunities for adding value to the region's fishing industry with smoking, bottling or pickling of fish product.

The central coast within the **Wheatbelt** region has a well established rock lobster industry and the



State's only commercial finfish hatchery for temperate species. There is an opportunity to add value to the diverse range of fish sourced either from coastal fisheries or from aquaculture stock.

Opportunities in Aquaculture are covered in detail in the separate Investment Opportunities in Aquaculture sheet.

Meat Processing

The meat processing industry in Western Australia is export oriented. Increasing population in the Asian regions, a shift in dietary habits and liberalisation of trade have combined to provide long term prospects for the regional meat processing industry. Moreover, metropolitan plants are under increasing operational constraints.

The south of the State, including the **Wheatbelt**, already has a number of regional export oriented meat processing facilities and has suitable infrastructure throughout the regions for additional plants. Potential also exists in the **Mid West** due to its ready access to the Asian and Indian Ocean markets.

Moora, in the **Wheatbelt** region, has been identified as a 'comparative advantage' location for the establishment of a major pork export and processing plant within the State.

The potential integration of pastoral operations with irrigated pasture in the **Kimberley** region offers opportunities for the production of high quality beef products.

Canola Oil

Western Australia is the largest producer of canola seed in Australia. The State's processing capability falls well short of output levels. At present most of the State's canola output is sold overseas or interstate as bulk seed. A by-product of the oil processing operation, canola meal is used as an animal feed. Asia is a highly prospective market where demand for protein is expected to increase.

The **Great Southern, Wheatbelt and Mid West** regions provide ready access to raw canola seed and have excellent transport and industrial

infrastructure and provide excellent opportunities for canola processing.

Strawboard

The price of wood-based panels is set to rise substantially over the next few years in face of increased worldwide demand for tightening wood supply for panel manufacture.

A suitable site has been identified around the town of Gnowangerup for the manufacturing of solid strawboards using Swedish technology. Similar strawboard manufacturing plants have successfully established themselves overseas. The most likely sized plant would have the capacity to produce 13,000 tonnes of board a year.

Timber Products and Furniture

The beauty and diversification of Western Australia's native hardwoods result in a range of high quality products and particularly fine furniture.

As hardwood supply throughout the world continues to tighten the prospects for value adding milling and dressing of Western Australian hardwoods becomes more attractive.

The **South West** and **Great Southern** regions offer great opportunities for the manufacture of fine furniture. The **South West** already has native wood furniture makers who have successfully established overseas markets. There are also softwood manufacturing facilities and hardwood sawmills providing a full range of high quality timber products.

The current rapid growth in the volume of plantation timber offers opportunities for an environmentally clean pulp mill utilising chips from the **South West** or the **Great Southern** region.

There is also potential for the production of oil from supplies of sandalwood trees grown in the **Great Southern** region. The **Mid West** has also identified an opportunity for the commercial harvesting and production of tea tree oil for therapeutic goods.

Chemicals

There is potential in the **Pilbara** region for the establishment of a world scale integrated

petrochemical complex utilising the region's natural gas supplies and abundant raw materials such as salt. Current opportunities include plants for synthetic hydrocarbons ammonia and urea production.

The **South West** and **Mid West** regions with well established industrial infrastructure, ready access to gas feedstock, (via the Dampier to Bunbury gas pipeline) and heavy industry also offer potential for the development of petrochemical manufacture.

The **Gascoyne** region also contains gas and salt resources which are suitable for feedstock to a chlor-alkali chemical plant.

Basic Metal Products and Fabrication

Two major iron and steel plants, a magnesium plant and other minerals processing plants are under active consideration for the **Mid West**. Any one, or all, of these will attract additional service and support industries to the regions, upgrading the **Mid West** to a significant industrial resource base.

The **South West** region's manufacturing sector is the largest outside Perth. The **South West** has excellent and established industrial infrastructure that provides ready support to new and expanding fabrication opportunities as regional Western Australia shifts to higher value added processing and manufacturing activities.

On-shore industrial complexes to service the platforms and structures on the North West Shelf and downstream processing of the regions' abundant resources are also being developed in the **Pilbara and Kimberley**.

With the availability of land within the Perth Metropolitan area becoming increasingly limited for industrial requirements, the **Peel and Wheatbelt** regions hold considerable potential to attract new metals and fabrication industries.

Mining Equipment

Kalgoorlie, in the **Goldfields-Esperance** region is at the heart of the State's mining sector. The Pilbara-Goldfields pipeline will further promote an already well developed mining equipment supply and service industry.

The **Goldfields-Esperance** region is building upon its existing comparative advantages to increase both the scale and scope of the region's capacity to service the State's diverse minerals sector and interstate and international markets.

Given the tremendous level of interest in mining and resources processing in the **Mid West and South West** regions, there are good opportunities for the manufacture and maintenance of mining equipment. With the establishment of a road connection from northern goldfields to Geraldton, the manufacture and maintenance of mining equipment is taking on added significance to the **Mid West**.

Bio-technology

Opportunities exist in the **Gascoyne** region to produce beta carotene, used as a food colouring agent and other algal products such as spirulina, used in the health food industry.

The **Mid West** accommodates one of the world's largest algal beta carotene facilities at Hutt Lagoon north of Geraldton. There are further opportunities to enhance this and related industries within the region.

Western Australia has a large range of unique flora providing the potential for the development of a bio-pharmaceutical industry, which could be wholly or partly located in the regions. Regional Western Australia also has access to world class research facilities and tertiary institutions and a highly educated professional and skilled workforce. The size and potential pay-off for successful bio-pharmaceuticals makes research into Western Australian flora a very attractive long term investment.

The Department of Industry and Technology offers assistance to private sector companies seeking to participate in co-operative research centres.

Boat Building

Western Australia leads the world in the design and manufacture of aluminium boats.

The **Mid West** region has a boat building sector of international renown based in Geraldton. This

reputation has been forged on the building of fishing boats and leisure craft. A contract is close to completion for the design and construction of 20 patrol boats for the Asian market. There are opportunities for investors to take advantage of the experience, expertise and excellent reputation of **Mid West** boatbuilders to design quality craft suitable for operation in a wide variety of challenging environments.

The growth of eco-tourism centred on the Ningaloo Reef and the leisure fishing industry has led to the development of small boat facilities at Exmouth and Shark Bay, which will require support from light engineering and boat building industries.

Minerals Processing

Opportunities for downstream minerals processing are covered in the "Mineral Processing and Mining Services" information sheet.

For further information contact:

The Business Gateway
 Department of Industry and Technology
 170 St Georges Terrace,
 PERTH WA 6000
 Telephone: +618 9481 2525
 Freecall: 1800 199 251
 Fax: +618 9322 6095
 Email: gatewaywa@indtech.wa.gov.au
 Internet: <http://www.indtech.wa.gov.au>

FOR MORE INFORMATION ON INDIVIDUAL REGIONAL INVESTMENT OPPORTUNITIES CONTACT:

GASCOYNE DEVELOPMENT COMMISSION

Stuart House, 15 Stuart Street (PO Box 781)
 CARNARVON WA 6701
 Phone +618 9941 1803
 Fax: +618 9941 2576
 Email: info@gdc.wa.gov.au
 Internet: <http://www.gdc.wa.gov.au>

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION

Ground Floor, Viskovich House
 377 Hannan Street (PO Box 751)
 KALGOORLIE WA 6430
 Phone +618 9091 1166
 Fax +618 9021 7941
 Email: gedckal@gedc.wa.gov.au
 Internet: <http://www.gedc.wa.gov.au>

GREAT SOUTHERN DEVELOPMENT COMMISSION

110 Serpentine Road
 ALBANY WA 6330
 Phone +618 9842 4888
 Fax +618 9842 4828
 Email: gfdc@gfdc.wa.gov.au
 Internet: <http://www.gfdc.wa.gov.au>

KIMBERLEY DEVELOPMENT COMMISSION

Papuana Street (PO Box 620)
 KUNUNURRA WA 6743
 Phone +618 9168 1044
 Fax +618 9168 1473
 Email: kdc@kdc.wa.gov.au
 Internet: <http://www.kimberley.wa.gov.au>

MIDWEST DEVELOPMENT COMMISSION

SGIO Building
 45 Cathedral Avenue (PO Box 238)
 GERALDTON WA 6531
 Phone +618 9921 0702
 Fax +618 9921 0707
 Email: info@mwdc.wa.gov.au
 Internet: <http://www.mwdc.wa.gov.au>

PEEL DEVELOPMENT COMMISSION

45 Mandurah Terrace (PO Box 543)
 MANDURAH WA 6210
 Phone +618 9535 0000
 Fax +618 9535 2119
 Email: pdcc@peel.wa.gov.au
 Internet: <http://www.peel.wa.gov.au>

PILBARA DEVELOPMENT COMMISSION

Shop 2, 6 Wedge Street (PO Box 544)
 PORT HEDLAND WA 6721
 Phone +618 9173 8400
 Fax +618 9173 1881
 Email: pdcc@pdc.wa.gov.au
 Internet: <http://www.pdc.wa.gov.au>

SOUTH WEST DEVELOPMENT COMMISSION

9th Flr, Bunbury Tower
 61 Victoria Street (PO Box 2000)
 BUNBURY WA 6230
 Phone +618 9792 2000
 Fax +618 9791 3223
 Email: swdc@gateway.net.au
 Internet: <http://www.swdc.wa.gov.au>

WHEATBELT DEVELOPMENT COMMISSION

14 Wellington Street (PO Box 250)
 NORTHAM WA 6401
 Phone +618 9622 7222
 Fax +618 9622 7406
 Email: wdc@wdc.wa.gov.au
 Internet: <http://www.wheatbelt.wa.gov.au>



For general queries: Department of Local Government and Regional Development
 Telephone: +618 9327 5666, Fax: +618 9327 5921, Email: info@dlgrd.wa.gov.au

Disclaimer

This document has been prepared in good faith by the Department of Local Government and Regional Development and the Regional Development Commissions predominantly from information and data gathered in the course of their activities. No person or organisation should act on the basis of any matter contained in this document without considering and, if appropriate seeking professional advice. Neither the Department of Local Government and Regional Development or the Regional Development Commissions nor any of their employees undertakes responsibility to any person or organisation in respect to this document.