RoeROC Shires of Corrigin, Kondinin, Kulin and Narembeen

Investment in 29 Key Worker Dwellings in the Roe Regional Organisation of Councils

PRELIMINARY BUSINESS CASE

V1.0 28 February 2025

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Abbreviations

Abbreviation	Description
BCR	Benefit Cost Ratio
CBA	Cost Benefit Analysis
EIA	Economic Impact Assessment
IO	Input-Output
GFA	Gross Floor Area
GVA	Gross Value Added
HA	Hectare
NPV	Net Present Value
PV	Present Value
RoeROC	Roe Regional Organisation of Councils
RWHI	RoeROC Workforce Housing Investigation 2024
SQM	Square Metres
VROC	Voluntary Regional Organisation of Councils

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1 EXECUTIVE SUMMARY

Proposal

Funding for the construction of 29 residential and services accommodation across the Roe Regional Organisation of Councils (RoeROC) to meet key worker accommodation and housing needs in the regional communities for the benefit of the local economies.

Need

Analysis by JE Planning in the *RoeROC- WORKFORCE HOUSING INVESTIGATION 2024 (RRWHI)* Report estimated figures for housing workforce range between 227 and 331 dwellings by 2031, which correlates to between 32 and 47 additional worker accommodation units across the sub-region needed per annum. This was confirmed through multiple modelling techniques and scenarios drawing on demographic, housing market and survey data and evidence.

Rationale for Investment

RoeROC is home to a series of regional communities which are susceptible to housing market failure issues due to their comparative remoteness, small size/lack of demand critical mass and labour force constraints.

Private housing markets in Australian communities are experiencing "market failure" conditions due to slowing and declining population growth signals, poor development feasibility attributes (based on traditional development models) and below replacement median house prices. These signals mask significant economic-led demand from public and private sector organisations requiring quality accommodation options for key workers.

Options

Vacant residential land supplies are constrained by servicing, tenure, ownership, environmental overlays and suitability for investment. The Wheatbelt Development Commission reviewed available land within the major townships of the RoeROC LGAs and confirmed that number of lots across the region meeting short-listing criteria was limited. Across them 29 potential dwellings were identified for development over 4 sites located in across Corrigin, Kondinin, Kulin and Narembeen.

- Lot 1 (24) Lynch Street, Corrigin
- Lot 16 (7) & 17 (5) Currall Street, Narembeen
- Lot 16 (35), 17 (37) & 18 (39) Price Street, Kulin
- Lot 151 (43) Radbourne Drive, Hyden

Local Government Development and Ownership was identified as the preferred delivery model due to the regional and remote nature of the market and the significant gap between market prices and feasibilities. Other options struggle in light of the regional and remote nature of the market and the significant gap between market prices and feasibilities.

Evaluation

Cost estimates from Chadwick Consulting identified an average development cost per dwelling requirement of $424,216. This represents a total cost, excluding land value of ***$12.3m for the servicing of sites and the construction of the 29 residential and serviced accommodation dwellings***.

A Cost Benefit Analysis of the preferred option was undertaken by Econisis. This identified a series of economic and social benefits including:

- Construction Supply Chain Benefits
- Economic Contribution of Key Workers
- Household Expenditure-Based Economic Impacts
- Business and Employment Visitor Expenditure Impacts
- Social Benefit of Housing Access
- Housing Market Normalisation
- Residual Asset Value

The below table summarises the results of the cost benefit analysis.

Table 1 Summary of Cost Benefit Analysis Results

Summary	4%	7%	10%
Total Costs	**-$13.62**	**-$13.09**	**-$12.68**
Capital Costs	-$12.07	-$11.90	-$11.74
Maintenance	-$1.55	-$1.19	-$0.94
Total Benefits	**$44.89**	**$34.30**	**$27.04**
Construction Supply Chain Benefits	$0.86	$0.84	$0.83
Economic Contribution of Key Workers	$32.99	$25.23	$19.86
Household Expenditure-Based Economic Impacts	$4.58	$3.51	$2.76
Business and Employment Visitor Expenditure Impacts	$1.39	$1.06	$0.84
Social Benefit of Housing Access	$2.39	$1.83	$1.44
Housing Market Normalisation	$1.55	$1.19	$0.94
Residual Asset Value	$1.12	$0.64	$0.37
NPV	**$31.27**	**$21.21**	**$14.36**
BCR	**3.30**	**2.62**	**2.13**

BCRs and NPVs are positive for the 29 dwelling project at all discount rates, with BCRs exceeding 2.0 at 4% and 7% discount rates and 3.0 at the 4% discount rate.

Examining the results of the analysis on a per dwelling basis provides a series of “unit measures or values” which reflect a per dwelling cost and benefit. The purpose of these unit measures is to provide metrics and indicators for use by RoeROC Councils to apply to potential other key worker housing projects.

Based on the CBA results, Econisis estimates (at 7%):

- Present value of per dwelling cost - $451,316
- Present value of per dwelling benefits - $1.18m
- Net Present Value per dwelling - $731,423

The project has the capacity to delivery $21.4m in economic out to the WA economy over the construction phase (assuming 2 years). This includes $6.7m over 2 years of Gross Value Added to the regional economy. Approximately 11.2 FTE construction job years will be supported during the construction phase.

Table 2 Summary of Economic Impact, Construction Phase, Total Impact

Indicators	Direct Impact	First Round	Industry Support	Simple Multiplier
Output ($m)	$6.2	$3.0	$1.5	$10.7
Incomes ($m)	$0.8	$0.6	$0.3	$1.8
Employment (FTEs)	3.0	1.8	5.9	11.2
GVA ($m)	$1.6	$1.1	$0.6	$3.3

Preliminary Implementation Advice

A likelihood and consequences based risk assessment of the project identified no Extreme Risks. Only one Major Risk was identified – that Project-related housing assets have a negative value upon delivery. However, such negative value unlikely to be realized due to own-and-lease model proposed in the delivery model analysis and governance options. Financial contribution by the State Government will also alleviate such impacts.

Governance of the Project, from a procurement, delivery and ongoing operational perspective, can take a number of potential forms. While no recommendation on specific governance model was recommended, options for consideration include:

- Individual Local Government project management and delivery
- Coordinated regional project management and delivery
- Establishment of a regional community housing entity to manage the procurement, delivery and operations
- Engagement of an established Community Housing Organisation as a delivery partner
- Partnership with State Government agencies (Development WA, Department of Communities) in the procurement and delivery of the assets

Each options have positive and negative implementations, though retaining a strong involvement and leadership role of Local Government in the operation of the housing assets was viewed as critical to allowing the specific local key worker housing needs to be responded to in a flexible manner.

The following next steps are recommended for consideration:

- Engage with State Government agencies to secure in principle support for the projects and confirm appropriateness of governance and delivery models.
- Seek a design partner on the market to secure designs and costings for the project.
- Provide these details as part of a targeted investment application and funding submission to the State Government (or the relevant identified agencies). This may require minor amendments to financial and CBA elements of this business case.

Upon successfully securing funding, it is recommended that a procurement and project management plan be established to guide further steps in the delivery and implementation of the project.

Recommendations

This preliminary business case and associated analysis and evidence confirms the recommendation that:

State Government investment to be provided which will enable the construction of 29 residential and service accommodation dwellings across the RoeROC Councils for the purposes of providing accommodation and housing for key workers in the region.

2 PROJECT PURPOSE

2.1 Introduction

Key worker housing supply and affordability challenges are increasingly common across regional areas in Australia, impacting the ability to attract and retain key workers. The combination of small labour markets, flat and declining populations, comparatively low median housing market prices, and development feasibility issues require coordinated government intervention.

The RoeROC Workforce Housing Investigation (RRWHI) provides evidence that confirms the scale of demand for worker housing in the RoeROC Shires of Narembeen, Kulin, Kondinin, and Corrigin (the RoeROC subregion) through to 2031.

This Preliminary Business Case has been prepared in the WA Government Business Case Template for use by The Roe Regional Organisation of Councils (RoeROC) in engagement with the State Government to seek funding for land development and construction for key worker housing.

2.2 Proposal Background

2.2.1 Roe Regional Organisation of Council

The Wheatbelt Development Commission (WDC), in partnership with the RoeROC Shires, engaged JE Planning Services and Econisis to analyse key worker housing needs and challenges and highlight opportunities to stimulate housing development and investment in the RoeROC region.

The subregion encompasses a land area of approximately 18,700km2 and comprises the following LGAs:

- The Shire of Kulin
- The Shire of Corrigin
- The Shire of Narembeen
- The Shire of Kondinin

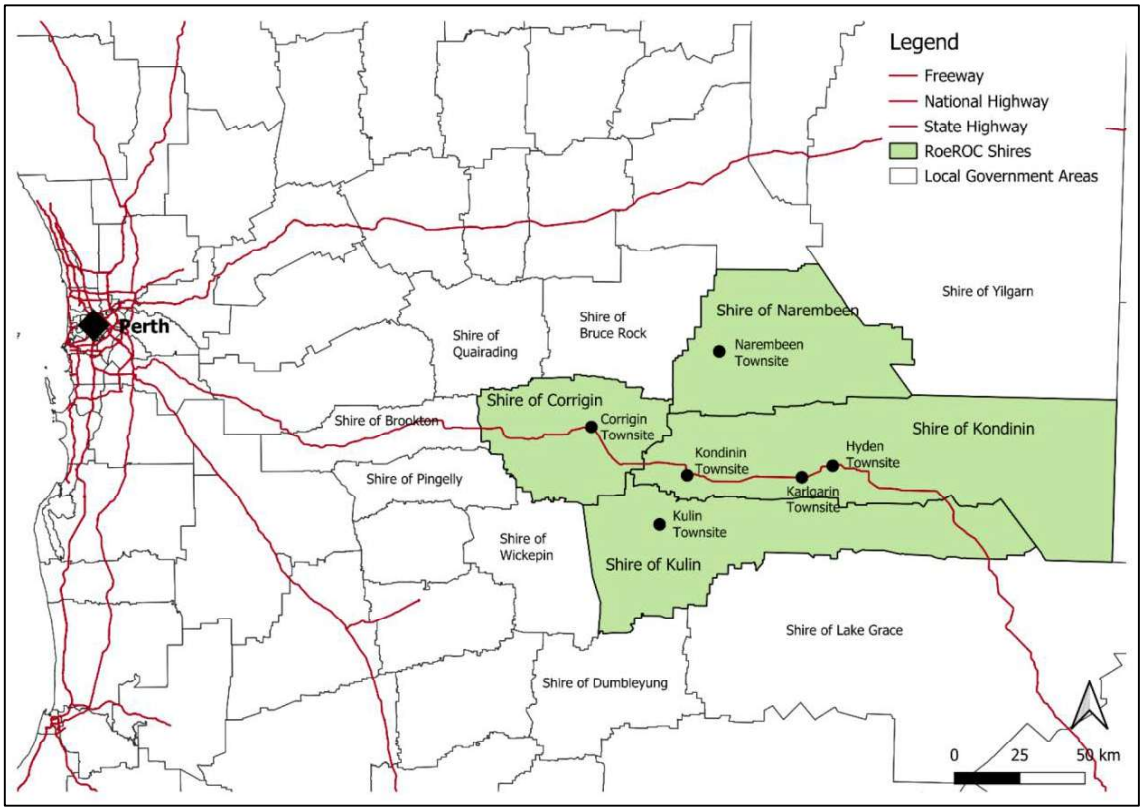

Figure 1 Location Plan – RoeROC Study Area

The *RRWHI Report* identified and quantified housing demand in four local government areas and identifying key development feasibility constraints, land availability, and potential development models to address future regional key worker housing.

While the region continues to experience economic growth, limited capital gains and lending restrictions in recent years have impacted the construction of new houses. The RoeROC Shires have identified a critical shortage of suitable key worker housing, which is impacting the ability of the private and public sectors to attract and retain skilled workers and their families in the region. Subsequently, this has increased reliance on drive-in-drive-out workers and the need for accommodation investment.

2.2.2 Socio-Demographic and Housing Profile

According to the ABS census data, the aggregate population of the RoeROC subregion in 2021 was 3,410, representing a gradually declining population of 336 people since 2011. This data also indicates a reduction of 49 dwellings since 2011 (see Table 1).

Table 3 Population and Total Dwellings Trends by Local Government Area (LGA), 2011 – 2021

LGA	Kulin	Narembeen	Corrigin	Kondinin	Total
2011					
Population	826	812	1,063	1,045	3,746
Dwellings	441	435	638	509	2,023
2016					
Population	765	809	1,146	873	3,593
Dwellings	467	412	558	440	1,877
2021					
Population	769	787	1,007	847	3,410
Dwellings	394	395	501	460	1,750

The population distribution across the RoeROC shires is relatively even. The Shire of Corrigin is the largest population centre, comprising 29% of the RoeROC subregion, followed by the Shire of Kondinin at 25%. The Shires of Kulin and Narembeen each account for 24% of the population.

Table 4 RoeROC Population Distribution and Household Size, 2021

Indicators	Kulin	Narembeen	Corrigin	Kondinin	Total
Population	769	787	1,007	847	3,410
Population Percentage	23%	23%	30%	25%	100%
Total Dwellings	394	395	501	460	1,750
Household Size	2.5	2.3	2.3	2.2	2.3

The subregion's average occupancy is 2.3 persons per household (see Table 2). Table 3 indicates that the proportion of lone households represents 29.2%, which remained relatively stable between 2011-2021. The well-aged bracket has increased by 6% since 2011. Family households have reduced, with the representation of children and youth shifting from 21% to 18% of the population.

Table 5 RoeROC Housing Composition

RoeROC Trends	2011	2016	2021
Share of Population 0-14 (%)	21.2%	19.0%	18.5%
Share of Population 65+ (%)	16.8%	20.7%	22.8%
Family Households	69.7%	68.2%	68.9%
Lone Person Households	29.3%	29.4%	29.2%
Group Households	1.0%	2.4%	1.9%

Table 6 RoeROC Housing Occupancy, Type and Tenure Trends 2011 – 21

RoeROC Trends	2011	2016	2021
Dwelling Occupancy			
Occupied	73.7%	76.1%	78.8%
Unoccupied	26.3%	23.9%	20.4%
Dwelling Type			
Separate house	93.9%	95.4%	94.8%
Semi-detached, row or terrace house, townhouse etc	2.0%	3.2%	3.7%
Flat or apartment	3.4%	0.0%	0.0%
Another dwelling	0.8%	0.2%	1.0%
Tenure			
Owned outright	46.8%	48.0%	51.5%
Owned with a mortgage	19.3%	19.4%	18.2%
Rented	29.6%	27.9%	20.9%
Other tenure type	1.7%	1.8%	8.1%
Tenure type not stated	2.7%	3.1%	1.3%

The RoeROC subregion housing occupancy type and tenure indicate the following trends across the census periods:

- The level of dwelling occupancy has increased, with 79% of dwellings occupied and 20% registered as unoccupied.
- Single houses are the dominant dwelling typology, representing 95% of housing stock.
- An increase of 1.7% in grouped dwellings (semi-detached, row or terrace house, flat or apartment).
- An increase in home ownership since 2011, with 70% of properties privately owned or owned with a mortgage.
- There has been a 9% decrease in rented properties since 2011.
- A marked 7.5% increase in 'other tenure type' may represent employer provided housing and other social and community housing (not-for-profit/non-public sector).

The statistical reliability of ABS data based on smaller population catchments can also be low; therefore, the statistics on the rate of occupied/unoccupied dwellings may need verification. Also, understanding the tenure, age, condition, and location of unoccupied dwellings may provide some understanding of why the percentage of unoccupied dwellings is relatively high. A ground truth investigation into the number of unoccupied dwellings in the RoeROC subregion by LGA may be important to uncover the number of unoccupied dwellings available for use or refurbishment.

An investigation into the number of unoccupied dwellings was conducted for the 4WDL Region under the "Key Worker Housing Analysis 2023", may also provide some insight into occupancy rates in other Wheatbelt towns. This analysis found:

- Some of the houses that are vacant may need a fair bit of work – a new bathroom/kitchen, new floor coverings, and paint to get them up to a modern living standard. But they are not worth spending the money on.

- Other dwellings may not have anyone living in them because they are on satellite farms, which the farmer may use when they're working on that property.
- Another category is when older houses on farms are quite close to the newer main farmhouse. Farmers did this to utilise existing infrastructure. The old house is sometimes used for storage or may have a room or two for hobbies. But because it is so close to the main homestead, it would never be suitable as a rental.
- There are farmers who are not willing to rent out a farmhouse based on previous tenant experience.
- Many unoccupied dwellings would be farm dwellings – and there has been a reduction in farm dwelling occupancy for several reasons. Rentals are not cared for and have now been left empty rather than dealing with the hassles of renting. Many of these dwellings now deteriorated beyond repair.
- Farmers purchasing adjacent properties but already have their own house and do not need the second house.
- Occupational health and safety prove to be a problem with families on farms. This risk is too high for children on farms, and therefore, farmers are reluctant to rent out these properties.

Population Forecasts provided through WA Tomorrow No.11 are based on growth rates projected from ABS 2016. WA Tomorrow includes a forecast range (A to E), indicating five probable futures. A and B contain the lower forecasts, C is the median forecast and D and E represent the higher forecasts. It is noted that WA Tomorrow No.12 report has been released but LGA breakdown data is still pending release, these forecasts will be based on 2021 ABS census information.

WA Tomorrow No.11 Band C projects a decline in the RoeROC subregional population. The recorded population from ABS 2021 is higher than WA Tomorrow Band C's forecast for 2031, indicating that the forecast does not represent current population trends.

Table 7 WA Tomorrow Population Forecast Band C, 2016 – 2031

WA Tomorrow (No.11)	2016	2021	2026	2031
Kulin	795	700	670	635
Narembeen	820	795	790	770
Corrigin	1 195	1 135	1 090	1 055
Kondinin	880	820	770	740
Total	3,690	3,450	3,320	3,200

Econisis presents the following population projects below. The projections are based on WA Tomorrow No. 11 projections Band E (higher growth rates due to the population recorded in 2021) rebased and annualised to 2031, using ABS Estimated Residential Populations (ERP) from 2016 to 2023. The forecast predicts a population of 3,442 people by 2031, representing a stable population with a marginal decline from the 2023 ERP (3,466 people).

Table 8 Rebased and Annualised Population Forecast (WA Tomorrow Band E)

Population	2016	2021	2026	2031
Kulin	783	789	798	767
Narembeen	815	820	851	840
Corrigin	1193	1028	1033	1000
Kondinin	894	872	884	834
Total population	3685	3509	3566	3442

2.3 Project Context / Service Need

While the RoeROC subregion is experiencing a population decline, forecasts and trends suggest that this decline will likely be gradual. The observed ERP trends of slight decline followed by slight growth in some LGAs indicate that each town has the potential to sustain economic activities over time. Addressing the shortfall in workers and suitable worker accommodation is crucial for maintaining current activities and supporting future growth.

'State Planning Policy 3.0 (SPP3) Urban Growth and Settlement' (WAPC,2006) recognises that local government should assess housing demand, and the type of additional housing needed to identify sufficient land to meet future population and housing needs. SPP3 states that planning strategies should secure an appropriate mix of housing types considering housing demand and the changing composition of households. The RRWHI housing demand forecast focuses on better-aligning dwelling typology to household composition, as it is recognised that increased housing choice and a greater variety of dwelling types are needed to cater for the varying needs of the subregion's workforce and the broader community.

While the RoeROC subregion is experiencing declining population trends, and forecasts predict this trend will continue; the decline rate is slow. Conversely, some of the LGAs within the area recorded slight growth over the past ten years. These trends may indicate that each town has the potential to sustain economic activities over time. However, addressing a shortfall in key workers and worker accommodation is vital to sustaining current activities.

Business Community and Local Government surveys were undertaken as part of the development of the RRWHI Report.

Survey outcomes and engagement feedback highlight the need for adequate worker accommodation and houses to support families with a yard. Key priorities from business owners regarding housing needs for workers in order of frequency of response included:

1. More short-term worker housing is needed/as short-stay accommodation for seasonal workers.
2. Lack of availability of any housing.
3. Attractive housing options to suit a family and couples with backyards.
4. More rental availability is needed for smaller housing units/townhouses for single workers
5. Replace or upgrade older accommodation. Modernise houses.
6. Housing people in caravan parks or in dongas is undesirable.

The RoeROC sub-regional workforce needs, and the overall 'Study Area' housing needs are based on a detailed analysis by LGA described in the 'Local Government Profile and Workforce Housing Needs' chapter. The forecast trends that apply to the Study Area have been translated to provide a high-level forecast of workforce housing needs for the RoeROC Subregion towards 2031. From 2019 to 2023, a total of 57 new dwellings were constructed in

the RoeROC subregion, averaging 11.4 dwellings per year. If current trends continue, the subregion would see an additional 81 dwellings by 2031, which falls short of the forecasted need.

Table 9 The Study Area Housing Needs Analysis[1]

RoeROC Subregion Housing Needs Analysis (Workforce Housing)						
	Assessment Category	High Scenario (A) 2024-2031	Conservative Scenario (B) 2024-2031	Current Trends (ABS and LGA Survey) Scenario (C)	Scenario A Worker housing	Scenario B Worker Housing
A	Lone Households (cap figure)	241	144			
A1	Aged Accommodation	56	34			
A2	Public Sector Worker Accommodation	71	53		71	53
A3	Private Sector Worker Accommodation	123	60		123	60
B	ABS Building Trends/Shire Building activity\	81	81	81	48	48
	Additional Dwellings to 2031	331	227	81	242	160
	Average Per annum	47	32	12	35	22

The overall dwelling demand is predicted to be 3 – 4 times greater than current building activity and is estimated to require between 227 and 331 additional dwellings in the RoeROC subregion. To accommodate the public and private sector workforce between 2024 and 2031, an additional 160 (low estimate) to 242 (high estimate) dwellings are required.

To meet current building activity and increased workforce housing requirements, it is recommended that 32-47 dwellings be constructed each year over the next 6-7 years within the RoeROC subregion, with at least 22-35 dwellings being for workforce accommodation. This figure may incrementally address worker housing shortages and maintain ongoing replacement stock and additional dwellings for the broader community.

2.4 Policy Setting

2.4.1 State Government

2.4.1.1 Department of Communities and GROH

The WA Department of Communities operates across the construction, property finance and human services sectors to create affordable housing opportunities for people who would otherwise have difficulty accessing appropriate housing.

[1] JE Planning Services (2024) RoeROC Workforce Housing Investigation 2024 Report

The Department of Communities (Communities) works in partnership with the private, government and not-for-profit sectors to deliver social housing across Perth and in regional and remote WA. This includes:

- direct management of more than 36,000 public housing dwellings, and approximately 8,000 dwellings in partnership with community housing organisations
- managing approximately 5,000 properties for Government employees under the Government Regional Officer Housing (GROH) Program
- providing housing for 122 Aboriginal communities in remote locations throughout the state
- constructing new social housing and overseeing the maintenance and refurbishment of social housing properties[2].

The Department of Housing provides accommodation for government employees through the Government Regional Officers' Housing (GROH) program. This program is managed by the Housing Programs Directorate; property and tenancy management services are provided by Service Delivery staff in the relevant Regional Offices.

The Department of Housing manages over 5,500 GROH properties in over 250 locations across Western Australia. Approximately 55% of the stock is owned by the Department, and the remainder is leased from the private market. Additional accommodation is acquired via leasing, spot purchase and construction.

To meet ever increasing demand for government employee housing, Communities forms partnerships with the private sector. These include:

- Property owners who lease to Communities
- Real e-state agents who source properties to sell and or lease to Communities
- Builders and developers who construct properties for Communities[3]

2.4.1.2 Regional Development Assistance Program

Development WA also plays a critical role in regional housing supplies. Development WA's Regional Development Assistance Program (RDAP), with funding support from the State Government, helps Local Authorities build communities across Western Australia.

Established to address the sometimes prohibitive costs associated with development in regional WA, which can make them unviable for private developers, it also frees up land supply in areas where the supply of privately developed land is often limited, or non-existent.

Through the RDAP, the State Government provides funding to deliver regional projects which are essential in supporting revitalisation and growth of regional towns and centres. Potential

[2] Department of Communities (2024) Housing accessed at https://www.wa.gov.au/organisation/department-of-communities/housing
[3] Department of Communities (2024) GROH Fact Sheet accessed at https://www.wa.gov.au/system/files/2023-07/groh_fact_sheet.pdf

projects are assessed against established criteria outlined in the submission guide which will lead to built-form outcomes by a third-party participant.

Under the RDAP, local authorities can apply to Development WA for assistance to progress potential land development projects in their local government areas[4].

2.4.1.3 State Infrastructure Strategy

Additionally, housing is identified as a key issue and focus is on the State Infrastructure Strategy. Access to appropriate and affordable housing is a critical enabler for community wellbeing and economic participation. However, WA's population and household structures are changing, living costs are increasing and more people are seeking social housing support services.

Housing has long been recognised as an issue that no state government can address on its own. Participation by federal and local governments, as well as community and not-for-profit providers and private industry, is required for a balanced system that reduces cost and maximises choice.

Five housing related recommendations were identified in the State Infrastructure Strategy including:

- Recommendation 71 - Improve long-term planning and inform investment for social and affordable housing
- Recommendation 72 - Prioritise further investment in social and affordable housing
- Recommendation 73 - Enable and diversify social and affordable housing providers and housing choice
- Recommendation 74 - Respond to the need for affordable and available housing in regional areas
- Recommendation 75 - Improve Aboriginal housing outcomes and enable options for housing infrastructure[5]

This project relates specifically to Recommendations 72 and 74 of the State Infrastructure Strategy.

2.4.1.4 Housing Diversity Pipeline Program

The Department of Planning, Lands and Heritage (the Department) is working collaboratively with other Government agencies, to identify and offer suitable surplus Government owned land to the market for innovative housing developments, that may also provide for social housing and deliver more housing choice for our communities.

This model breaks away from traditional housing development approaches and encouraging the market to propose their specific design solutions to deliver new land and housing supply.

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[4] Development WA (2024) RDAP accessed at https://developmentwa.com.au/our-work/rdap
[5] Infrastructure WA (2024) Housing accessed at https://www.infrastructure.wa.gov.au/state-infrastructure-strategy/term/housing

The Housing Diversity Pipeline is an opportunity for industry to join the Government to develop innovative and fit-for-purpose solutions that deliver better housing outcomes for all Western Australians.

2.4.2 Australian Government

The Housing Australia Future Fund (HAFF) and the National Housing Accord are Federal Government initiatives to improve housing outcomes for Australians and will collectively support the delivery of 20,000 new social and 20,000 new affordable homes across Australia over five years. These programs are administered by Housing Australia.

The HAFF is a $10 billion investment fund established by the Federal Government and managed by the Future Fund. The income generated by the HAFF will provide disbursements used to deliver 20,000 new social and 10,000 new affordable homes over five years, including housing to support acute housing needs. Housing Australia is expected to administer the majority of disbursements from the HAFF which will be provided to the Housing Australia Future Fund Facility (HAFFF).

The National Housing Accord Facility (NHAF) is the instrument through which Housing Australia will support the delivery of affordable homes via financing under the National Housing Accord[6].

Another part of the Accord is the Australian Government's $1.5 billion Housing Support Program (HSP). This is one of a range of measures designed to help achieve the National Housing Accord's target of building 1.2 million new, well-located homes over 5 years from 1 July 2024. There are three streams under the HSP.

Up to $500 million is available for state, territory and local governments over 2023-24 to 2024-25 to support the delivery of increased housing supply by funding projects that seek to deliver enabling infrastructure and provide amenities to support new housing development or improve building planning capability. More specifically the program will support:

- Infrastructure projects that support new housing, such as connecting essential services like water, power, sewage, and roads; and
- Infrastructure projects that provide amenities to support new housing, including shared facilities like community centres and parks.
- Building planning capability, including resources to support increased delivery of new housing and master planning to support increasing housing in well-located areas[7].

2.5 Rationale for Intervention

While private markets are the preferred method in Australia and most Western countries, for the supply of goods and services to the population, such markets are subject to failure. "Market

[6] Housing Australia (2024) Housing Australia Future Fund Facility and National Housing Accord Facility accessed at https://www.housingaustralia.gov.au/housing-australia-future-fund-facility-and-national-housing-accord-facility
[7] Infrastructure Australia (2024) Housing Support Program, accessed at https://www.infrastructure.gov.au/territories-regions-cities/cities/housing-support-program

failure" represents a situation in which, for a diverse range of reasons, the private sector is unable to meet the needs and requirements of a community. Issues of market depth/liquidity, capital intensity and feasibility are common factors in situations where markets fail.

Regional communities such as those in RoeROC are more susceptible to issues of market failure, due to their comparative remoteness, small size/lack of demand critical mass and labour force constraints. This is particularly the case for housing, where the cost of construction often exceeds the market median price of housing.

The average estimated market cost of housing in the RoeROC subregion between 2014 and 2024 in Table 10 below is based on ABS data which suggests the average estimated market cost of a dwelling in 2024 was $146,000.

Table 10 Average Estimated Market Cost of Housing

Year	Kulin	Narembeen	Corrigin	Kondinin	Average of Estimated Cost
2015	$116,000	$130,000	$150,000	$70,000	$116,500
2016	$50,000	$103,000	$149,000	$73,000	$93,750
2017	$90,000	$120,000	$130,000	$35,000	$93,750
2018	$90,000	$57,000	$151,000	N/A	$99,333
2019	$72,000	$143,000	$175,000	$81,000	$117,750
2020	$75,000	$115,000	$102,000	$80,000	$93,000
2021	$67,000	$112,000	$135,000	$71,000	$96,250
2022	$15,000	$155,000	$190,000	$60,000	$105,000
2023	$120,000	$131,000	$180,000	$77,000	$127,000
2024	$155,000	$162,000	$168,000	$101,000	$146,500

2.6 Stakeholders

Stakeholder engagement underpins the project outline. The collection of data informs the RoeROC workforce housing analysis (worker housing needs analysis) through the following engagement processes:

- Business Community Survey (Business Community Stakeholders)
- Local Government Housing Survey (RoeROC working group)
- State Agency Stakeholder Survey (SGAS)
- Liaison with WA Country Health Service (WACHS) and Department of Communities (Government Regional Officers Housing Program (GROH)).

This Stakeholder Outcomes report summarises the findings and outcomes of the engagement activities. The RoeROC Housing Needs Investigation Report will include a comparative data analysis of the engagement outcomes presented, considering broader ABS data and a Literature Review.

The stakeholder group table identifies the stakeholders involved in the project, the level of engagement, and the terms of reference supporting the engagement activities and outcomes.

Table 11 Stakeholder Groups

	Consultation Level – keywords	Communication Methods/Terms of Reference
Project Control Group – • Wheatbelt Development Commission • ROE ROC Organisation of Councils • Consultants (Project Management)	Involve Collaborate	- Confirm Project Process and Content - Confirm Objectives - Develop Key messages - Emails/Phone calls/Teams calls/Meetings - Teams Presentation - Confirm Recommendations
RoeROC Working Group • Shire of Narembeen • Shire of Kondinin • Shire of Corrigin • Shire of Kulin (Steering Group)	Inform Involve Consult Collaborate Empower	- Provide data, local knowledge and other technical information. - Complete the Local Government Survey/Questionnaire. - All LGAs to engage local businesses and other key employers (& community stakeholders) to seek responses on the Community Business Survey. - Emails/ and phone calls - Teams Meeting/ Final Presentation - Document Review
State Agency/ Service Agency Stakeholders • WA Country Health Services • Department of Community Services - GROH • Police • Local Public Schools • Western Power • Water Corporation • Department of Planning Lands and Heritage • Development WA (RDAP)	Inform Consult Involve	- Building awareness - Gather views/information - Emails/ and phone calls - Feedback
Business Community Stakeholders • Industry • Farming • Commercial • Not for Profit • List to be developed by each Shire	Inform Consult	- Gather views/information. - Survey - Emails/phone calls - Feedback

3 STRATEGIC OPTIONS IDENTIFICATION AND ANALYSIS

3.1 Potential Solutions

3.1.1 Vacant Residential Land Analysis

The Wheatbelt Development Commission undertook a vacant land assessment across the RoeROC main townsites. The assessment details are contained in the 'RoeROC Development Capacity Assessment and Town Action Plan'. Based on the data provided, there are approximately 165 vacant residential zoned lots in the main towns of Corrigin, Kulin, Narembeen, Kondinin, Hyden, and Karlgarin. A high-level review of the forecast housing need and current land supply is provided in Table 42 below. The table reveals that 10% of the vacant land has access to full servicing, 66% of the vacant residential zoned land is partially serviced, and 24% of the vacant land is not serviced.

A comparison of the dwelling forecast data with the vacant land reveals that there may be a shortage of vacant residential zoned land to accommodate additional dwelling demand toward 2031 unless significant efforts are made to improve servicing and planning outcomes (i.e. subdivisions, development and increased density). Short-term housing needs may be addressed with current land supply (subject to servicing) given the high-level assessment that the overall demand of 160 dwellings (Scenario B – Low) may be facilitated on the 165 vacant residential lots (albeit a significant portion of these are not supported by power, water or waste services. Improved planning and servicing may significantly increase the capacity of this land supply. Otherwise, each of the Shires will likely face a shortage of available land to meet the housing forecasts presented in this study.

Table 12 LGA vacant lots and RRWHI forecast worker housing demand

	Scenario A - High		Scenario B - Low		Vacant Residential Zone Land (main townsite)			
LGA	Additional Dwellings to 2031	Total Worker housing	Total dwellings	Total Key Worker housing	Vacant Residential Lots DPLH	Serviced	Partial Servicing	Not Serviced
Shire of Corrigin	125	96	81	59	58	10	41	7
Shire of Kulin	42	29	33	23	37	0	35	2
Shire of Naremebeen	69	42	50	30	30	6	21	3
Shire of Kondinin	95	75	64	48	40	0	13	27
Total	331	242	228	160	165	16	110	39

3.1.2 National Housing Delivery Models Examples

Case study research and review of other key worker housing projects nationally in NSW[8], Queensland[9], Victoria[10] and South Australia[11] confirmed that key worker housing supply and affordability challenges are increasingly common across regional areas in Australia. The combination of small labour markets, flat and declining populations, comparative low median house prices and development feasibility issues create an environment in which coordinated government intervention is required.

While State and national governments are best placed to provide financial support to incentivise and address fiscal shortfalls in key worker housing supply and development, Local Governments have the potential to play a critical implementation role in directly facilitating new key worker housing projects. This includes working independently or in collaboration with State Government and community housing organisations.

Local Government responses and actions in recent years have been varied, ranging from providing land supply and planning support, investment and demographic information provision and infrastructure and land development funding incentives and waivers. However, the most direct role of councils in other States has been through the direct development of key worker housing.

This includes through the provision/gifting of residential land to private developers and community housing organisations for agreed development for key worker and affordable housing, as well as direct development and owners of housing under affordable rental models.

A challenge with direct housing ownership for regional local governments however has been the issue of negative equity – with land and construction development costs commonly exceeding market prices in small regional markets, leading to Council budgets and balance sheets being impacted by asset write downs. As such, State and national Government's must play a critical role of removing this fiscal burden from local government, providing bridging grants and finance to allow Councils to play a direct role in key worker housing provision in a targeted and responsive manner.

A review of key worker housing projects nationally has added to this analysis and allowed for the refinement and delineation of 5 potential government-related housing delivery models for the RoeROC area. These include:

- **Local Government Development and Ownership** – the local governments receive capital funding support to develop housing for which they retain ownership and enter short- and long-term leases with key worker households.
- **Market/Community Housing Financial Development Subsidy** – the provision of a financial development subsidy to address the net residual value gap in the development

[8] NSW DPI (2022) Regional Housing Taskforce accessed at https://www.planning.nsw.gov.au/Policy-and-Legislation/Housing/Housing-Package/Regional-housing/Regional-Housing-Taskforce
[9] Queensland Treasury (2022) Housing Investment Fund accessed at https://www.treasury.qld.gov.au/programs-and-policies/housing-investment-fund/
[10] Planning Vic (2022) Big Housing Build accessed at https://www.planning.vic.gov.au/permits-and-applications/big-housing-build
[11] HomeSeeker SA (2022) Welcome to HomeSeeker SA accessed at https://homeseeker.sa.gov.au/

of key worker housing by private market, business and community and social organisations.

- **Build to Rent Partnership Model** – providing local government of occupancy and tenancy for build-to-rent housing providers.
- **Local Government Rating Incentives** – providing local government rating incentives that improve the commercial return on investment of private sector housing development, particularly for build to rent.
- **Headworks and Land Services Contributions** – financial contributions by the State Government to headworks and other infrastructure and servicing costs associated with the development of residential land for key worker housing.

These options all relate specifically to either direct or indirectly facilitating capital investment in key worker housing. They exclude specific models relating to governance and or JVs of the housing once delivered. Advice and recommendations on potential options are included in section 5.0 of the business case.

The delivery options identified have been assessed using a Multi-Criteria Analysis approach in section 3.2.2 of the business case.

3.2 Preferred Project Options

3.2.1 Short-Listed Sites

Vacant residential land supplies are constrained by servicing, tenure, ownership, environmental overlays and suitability for investment. The Wheatbelt Development Commission reviewed available land within the major townships of the RoeROC LGAs and confirmed that number of lots across the region meeting short-listing criteria was limited. Across them 18 potential dwellings were identified for development over 2 sites located in across Corrigin and Narembeen.

- Lot 1 (24) Lynch Street, Corrigin
- Lot 16 (7) & 17 (5) Currall Street, Narembeen
- Lot 16 (35), 17 (37) & 18 (39) Price Street, Kulin
- Lot 151 (43) Radbourne Drive, Hyden

3.2.2 Preferred Delivery Options

The suitability and preferences of the housing delivery and development options identified in section 3.1.2 have been assessed using a Multi-Criteria Analysis (MCA) approach.

3.2.2.1 MCA Approach

A Multi-Criteria Assessment or MCA is an appraisal and evaluation technique that accounts for the role of economic, social and environmental factors in decision-making. Unlike CBA or SROI it does not require the monetization (monetary valuation) of social and environmental outcomes.

An MCA incorporates a series of measures across a criterion with the results of the measures aggregated up to a single result for the criteria as a whole. The results can be weighted or

unweighted, with the latter providing a simpler and cleaner output at the potential risk of individual criteria/measures disproportionately impacting the results.

This has followed the Guide to Multi-Criteria Analysis – Technical Guide of the Assessment Framework, July 2021 from Infrastructure Australia. This process is outlined in the following diagram.

The key steps in the design and application of the MCA include:

- Setting objectives
- Setting criteria, measures and weights
- Defining how measures are scored
- Applying the MCA.

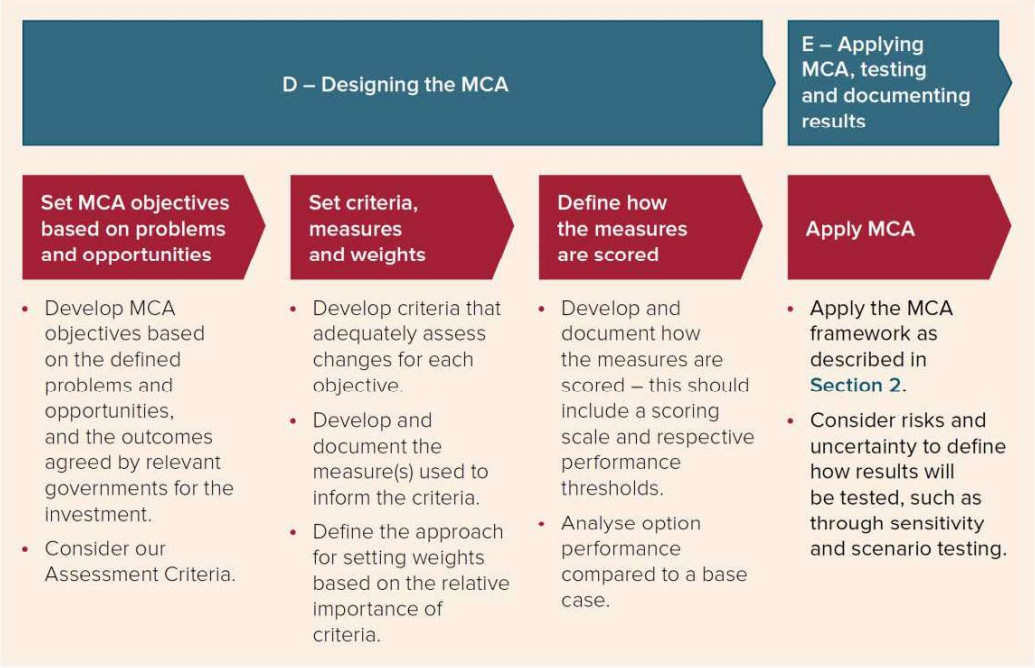

Figure 2 Overview of MCA Design Process[12]

Scoring measures:

- <5: Not suitable
- 5-9: Low level of suitability
- 10-14: Reasonable level of suitability
- 15-20: High level of suitability

[12] IA (2021) Guide to Multi-Criteria Analysis – Technical Guide of the Assessment Framework, July 2021 accessed at https://www.infrastructureaustralia.gov.au/sites/default/files/2021-07/Assessment%20Framework%202021%20Guide%20to%20multi-criteria%20analysis.pdf

3.2.2.2 Suitability Criteria

The assessment has utilised a qualitative unweighted and weighted approach to assessing the fundamental suitability of different delivery models to addressing key constraints and barriers to the development of key worker housing in the study area and the extent to which the models will facilitate housing delivery.

Key Criteria and their weightings include:

- **Residual Value/Feasibility Gap –** the extent to which residual asset values and feasibility gap are addressed (40%)
- **Housing Delivery Certainty** - extent to which the model delivers housing to the market (20%)
- **Market-Failure Solution** - extent to which non-financial barriers causing regional housing market-failure are addressed. This can include infrastructure and servicing (20%)
- **Non-Government Involvement** - extent to which non-government investment is induced or supported (10%)
- **Control of Delivery and Operational Risks** - extent of government has control or management over risks of delivery and operations of the housing (10%)

The results of the MCA are illustrated below and summarised in the following table.

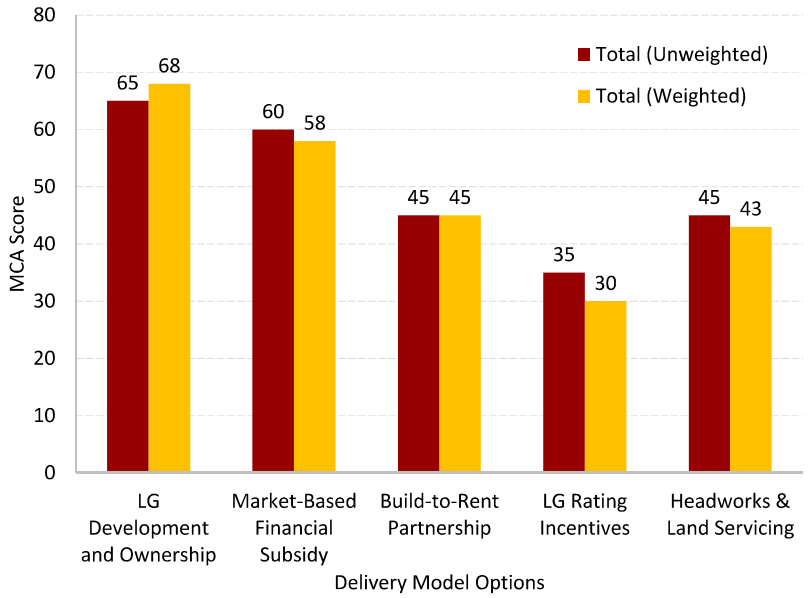

Figure 3 Delivery Option MCA Scores, Weighted and Unweighted

Overall, Local Government Development and Ownership (directly or through a community housing organisation) represents the preferred solution in the RoeROC Study Area. Other options struggle in light of the regional nature of the market and the significant gap between market prices and feasibilities. This is particularly the case for options relating to Local Government Rating Incentives, which is unlikely to be sufficient to change fundamental market failure attributes in the area.

While land availability is an issue in some locations, a small number of suitable sites have been identified for development in the short-term, requiring only facilitatory investments in servicing. This reflects the fact that head works, and land servicing costs are only part of the factors that contribute to feasibility challenges in the area.

The provision of a financial subsidy to private sector and community-based key worker housing models does have some potential, particularly based on a co-investment model with market, employer and community housing partners. However, this model heavily dependent on the rate of take up and capacity of organisations within the region to meet the remaining capital requirements of the developments.

Build-to-Rent models are increasingly attractive where Government and other organisations can provide certainty of long-term leasing and tenancy. This model has potential long-term benefits and there are examples of its implementation in locations in the Pilbara and larger communities where feasibility issues are due to affordability, and not market size and negative residual values. Rental returns are generally positive in the region based on low median house prices according to Regional Economic Analysis research. This is also likely to still require some form of financial or land related contribution to the Project from the public sector to ensure its viability.

4 PROJECT EVALUATION

4.1 Evaluation Approach

The preferred options have been evaluated across several domains including:

- Financial Feasibility Analysis of the preferred option.
- WA Treasury and Australian Government Office of Impact Analysis-compliant cost benefit analysis, assessing economic, social and environmental benefits.
- Economic and Employment Impact Assessment, based on WA-specific regional economic multipliers

4.2 Financial Analysis

4.2.1 Construction Cost Estimates

Chadwick Consulting was engaged by Wheatbelt Development Commission to provide preliminary construction feasibility and cost estimates for two housing investment concepts.

These housing investment concepts are supported by high-level costings based on the following assumptions, inclusions, and contingencies:

- Dwelling costs are based on average square meter rates for each typology and configuration, account for the cost associated with construction in the Wheatbelt region, and include:
- Pad, house, driveways, carports (one carport for one bedrooms, two carports for two or more bedrooms).
- Liveable but not excessive specification that seeks to balance the cost of delivery against the desire to attract key workers into appropriate and comfortable homes. This includes standard kitchen cabinetry and fit-out specifications, middle-tier vinyl planking, air-conditioning to living spaces, a verandah to the outdoor living space, and carports (not garages).
- Dwelling configuration has been chosen to align with the demand demonstrated in the *RoeROC Workforce Housing Investigation 2024* report prepared by JE Planning, and to provide a comparison of differing development approaches.
- Initial investigations of planning frameworks, bushfire risk, and power, sewer and water network capacities have been undertaken.
- Estimated costs of any required capacity and network extension upgrades are included where necessary.
- No provision has been made for gas supply to the properties.
- A standardised provision is included for onsite drainage. This requirement may differ between sites, but accounting for the relatively small hard surface footprints of the modelled dwellings, it is unlikely these costs will dramatically impact project feasibility.
- Provision has been made for minor earthworks only. Desktop analysis indicates predominantly clear and level terrain on the subject sites.

- A 10% design and construction contingency, representing the uncertainty of costing construction without site surveys, engineering reports and validated design concepts.
- Costs are valid as of November 2024, and do not include escalation to account for inflation or changes in the construction market.

The total cost for the provision of the twenty-nine residential and serviced accommodation dwellings is estimated to be approximately $12,302,266, with an average estimated cost for servicing and construction of each dwelling being $424,216. Cost estimates provided for each of the sites, based on the expected yield is outlined in the tables below.

The cost estimates below relate to the development of three 2-bedroom/1-bathroom and three 3-bedroom/2-bathroom dwellings in Corrigin. These costings are based on indicative internal floor areas of 82m^2 and 100m^2 respectively.

Table 13 Cost Estimates for Lot 1 (24) Lynch Street, Corrigin

Lot 1 (24) Lynch Street, Corrigin	Costs
Headworks, connections and fees	$45,005
Site works and internal services	$240,000
Planning and technical costs provision	$22,000
Construction	$2,547,000
Three 2-bed, 1-bath	*$393,000 per dwelling*
Three 3-bed, 2-bath	*$456,000 per dwelling*
Design and construction contingency	10%
TOTAL	**$3,137,206**
Per dwelling	**$522,868**

Note that for the Narembeen site, the Seven 2 bed, 2 bath are expected to be serviced accommodation suitable for short and medium non-permanent residential style living for visiting and contracted key workers. These costings are based on indictive internal floor areas of 82m^2 and 100m^2 respectively.

Table 14 Cost Estimates for 5 & 7 Currall Street, Narembeen

5 & 7 Currall Street, Narembeen	Costs
Headworks, connections and fees	$227,401
Site works and internal services	$480,000
Planning and technical costs provision	$29,000
Construction	$3,187,500
Seven 2-bed, 2-bath (dual-key)	*$282,700 per dwelling*
Five 2-bed, 1-bath	*$235,000 per dwelling*
Design and construction contingency	10%
TOTAL	**$4,313,391**
Per dwelling	**$359,449**

The cost estimates below relate to a mix development of three 2-bedroom/1-bathroom and three 3-bedroom/2-bathroom dwellings in Kulin. These costings are based on an indicative internal floor area of 76m^2 and 126m^2 respectively.

Table 15 Cost Estimates for 35, 37, & 39 Price Street, Kulin

35, 37, & 39 Price Street, Kulin	Costs
Headworks, connections and fees	$67,565
Site works and internal services	$240,000
Planning and technical costs provision	$29,000
Construction	$1,951,125
Three 2-bed, 1-bath	*$240,875 per dwelling*
Three 3-bed, 2-bath	*$409,500 per dwelling*
Design and construction contingency	10%
TOTAL	**$2,516,459**
Per dwelling	**$419,410**

The cost estimates below relate to a mix development of two 2-bedroom/1-bathroom and three 3-bedroom/2-bathroom dwellings in Hyden (Shire of Kondinin). These costings are based on an indicative internal floor area of 76m^2 and 126m^2 respectively.

Table 16 Cost Estimates for 43 Radbourne Drive, Hyden

43 Radbourne Drive, Hyden	Costs
Headworks, connections and fees	$104,068
Site works and internal services	$200,000
Planning and technical costs provision	$18,000
Bushfire prone construction provision	$90,600
Construction	*$1,710,250*
Two 2-bed, 1-bath	*$240,875 per dwelling*
Three 3-bed, 2-bath	$409,500 per dwelling
Design and construction contingency	10%
TOTAL	**$2,335,210**
Per dwelling	**$467,042**

Based on this, the project will yield 22 residential dwellings and 7 serviced apartment dual key dwellings for a capital value of $12.302m over two years.

4.3 Cost Benefit Analysis

4.3.1 Benefits to be Delivered

A range of direct economic and social benefits of the Preferred Option have been identified. Those benefits which are capable of being monetised for inclusion in the CBA are outlined in the table below.

Table 17 Benefits Statement

Benefit	Theme/Description	Method of Calculation
Construction Supply Chain Benefits	Benefits to the WA and regional construction industry of the non-residential capital investment.	Applied a first round GVA economic multiplier of 7.1% to the capital expenditure. Based on WA specific regionalised input/output transaction table. Assumed a construction phase of 2 years.
Direct Economic Contribution of New Key Worker Households	The key workers moving into the houses will be able to be work in the region. This benefit measures their productivity by working in the local economy.	The relative productivity of an individual- worker was calculated by dividing the GVA of the Education, Health and Public Safety/Admin industries in WA by the number of workers in these industries. This was multiplied by the 22 new long-term households. Weighting of 80% applied to remaining 7 dwellings for short-term serviced apartment occupancy rate. It was assumed that there will be 1.25 key workers per household. An attribution rate of 50% was applied to account for other factors contributing to a worker's productivity e.g. the company they work for.
Household Expenditure Benefit	The contribution to the local economy of the new households spending at local retail businesses.	An average household's retail related expenditure is $33,000 per year[13]. This was applied to the 22 new long-term households and a GVA to expenditure conversion rate of 50% was applied.
Business and Employment Visitor Expenditure Impacts	The expenditure and Gross Value Added contribution of short-term workers accommodated in the	Based on an average occupancy rate of the 7 serviced apartments of 80% per year with 1.25 people per apartment and an average intrastate visitor expenditure per night. Converted to GVA in line with Tourism Satellite Account for WA 5 year average. An attribution rate of 50% was applied to reflect non-accommodation share of expenditure impacts
Social Benefit of Housing Access	The social benefits of housing access include health cost savings, reduced domestic	These social benefits were quantified and collated by SGS Economics in their 2022 'Give Me Shelter' report. The combined total of these

[13] Market Info 2022 (Market Data Systems)

Benefit	Theme/Description	Method of Calculation
	violence, enhanced human capital, reduced costs of crime, and education benefits.	benefits per household is $8,600[14]. This was applied to the 22 long-term households.
Housing Market Normalisation	Benefit relating to housing market normalisation due to no functioning housing market currently.	Multiplied the construction cost of the homes by 1% each year.
Residual Asset Value	A static residual value compares the direct and indirect costs associated with the construction of a dwelling with the notional market value of that dwelling.	Calculated by dividing the construction cost by 25 years and multiplying it by 5. Applied in the final year of the asset lifetime (20 years after construction).

4.3.2 CBA Results

This sections provides an overview of the present value and composition of costs and benefits for the project. It includes an outline of the Benefit cost Ratios and Net Present Value results for each project.

4.3.2.1 Costs

The evaluation estimates the present value of costs to range from $13.62m at the 4% discount rate to $12.68m at the 10% discount rate. The majority of this is the capital cost, with the remainder comprising the annual maintenance cost.

[14] SGS Economics and Planning (2022) Give Me Shelter. Accessed at https://sgsep.com.au/assets/main/SGS-Economics-and-Planning_Give-Me-Shelter.pdf

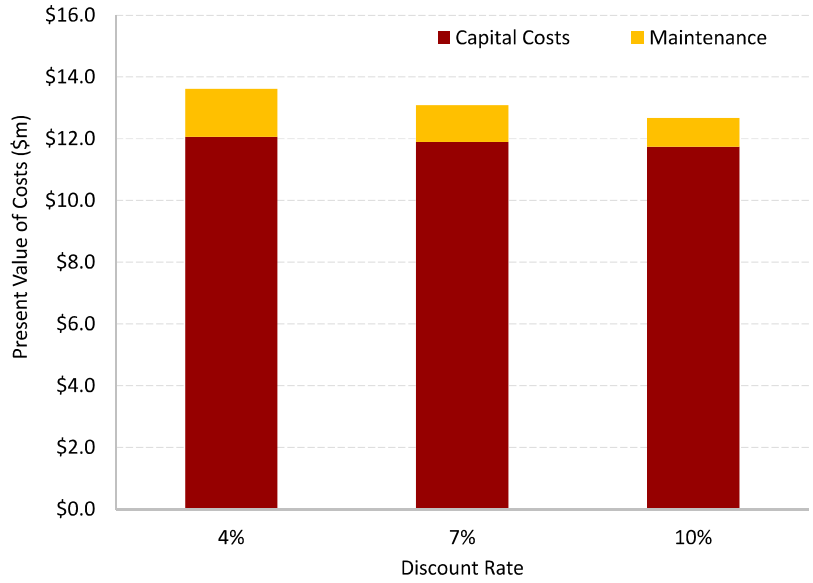

Figure 4 Present Value of Costs

4.3.2.2 Value of Benefits

Overall, the benefits of the project are approximately $34.30m at the 7% discount rate. This ranges from $27.04m at the 10% discount rate to $44.89m at 4%.

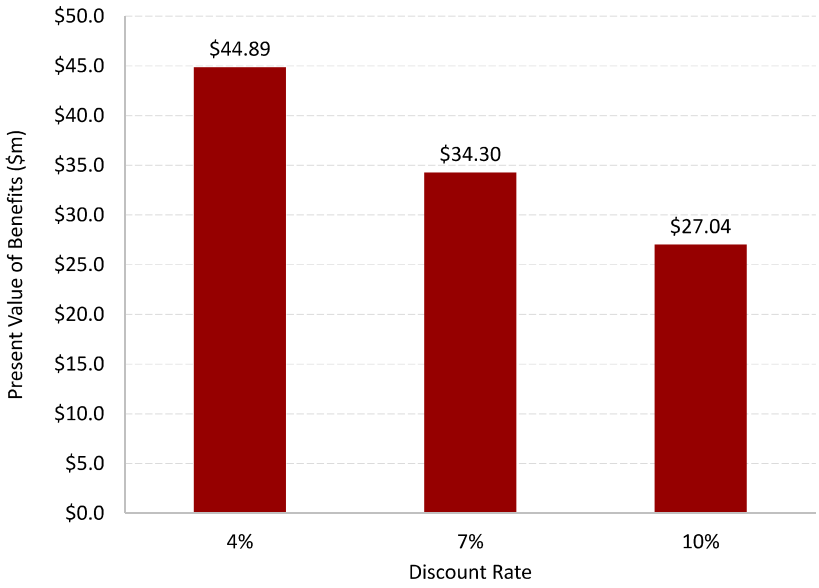

Figure 5 Present Value of Benefits

The largest benefit expected over the 20-year assessment period for the project (at a 7% discount rate) is the economic contribution of key workers (both short and long-term stays), accounting for $25.23m. Following this are Household Expenditure and Social Benefit of Housing Access, which account for $3.51m and $1.83m respectively. All other benefits are valued at less than $1.2m at the 7% discount rate over 20 years.

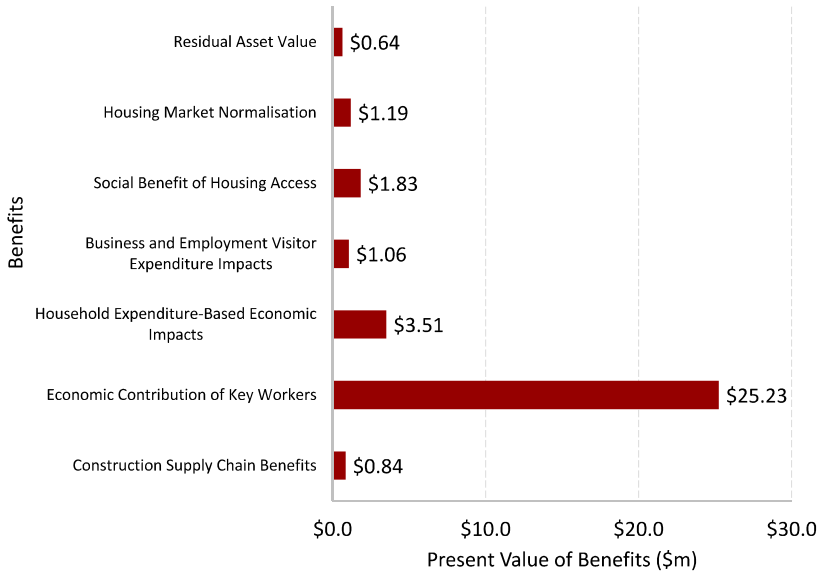

Figure 6 Present Value of Individual Benefits at the 7% Discount Rate

4.3.2.3 NPV and BCR

Comparing the present value of benefits to that of costs, Econisis estimates the project will yield a net present value of between $31.27m over 20 years at the 4% discount rate and $14.36m at the 10% discount rate. All net present value estimates are above $0, meaning that the present value of the benefits is greater than that of the costs across all discount rates.

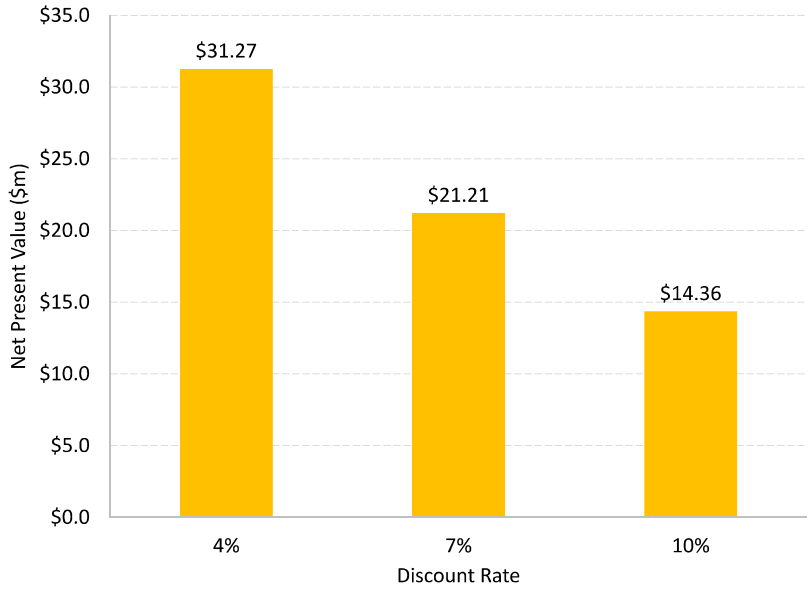

Figure 7 Net Present Value by Discount Rate

The benefit cost ratios ranged from 3.30 at the 4% discount rate to 2.13 at the 10% discount rate. Any BCR above 1.0 is regarded as positive, with BCRs at or approaching 3.0 particularly positive. This reflects the fact that benefits that accrue in the future have a higher degree of uncertainty, and while this is addressed to an extent by the discount rates, a higher BCR provides the project a greater "buffer" that it will indeed yield benefits greater than the costs.

In this instance, the predominantly economic nature of the assets means that the 7% discount rate is most relevant.

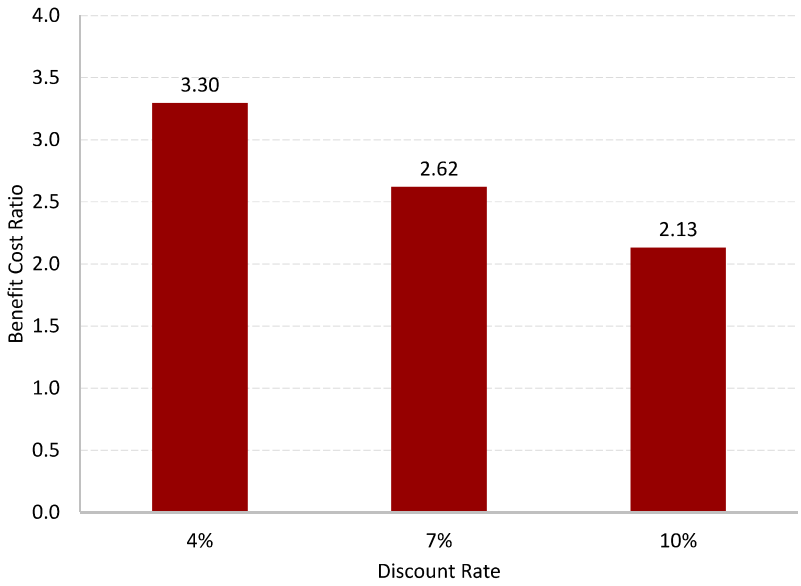

Figure 8 Benefit Cost Ratio by Discount Rate

In this instance, the predominantly economic nature of the assets means that the 7% discount rate is most relevant.

The below table provides a summary of the cost benefit analysis results.

Table 18 Summary of Cost Benefit Analysis

Summary	4%	7%	10%
Total Costs	**-$13.62**	**-$13.09**	**-$12.68**
Capital Costs	-$12.07	-$11.90	-$11.74
Maintenance	-$1.55	-$1.19	-$0.94
Total Benefits	**$44.89**	**$34.30**	**$27.04**
Construction Supply Chain Benefits	$0.86	$0.84	$0.83
Economic Contribution of Key Workers	$32.99	$25.23	$19.86
Household Expenditure-Based Economic Impacts	$4.58	$3.51	$2.76
Business and Employment Visitor Expenditure Impacts	$1.39	$1.06	$0.84
Social Benefit of Housing Access	$2.39	$1.83	$1.44
Housing Market Normalisation	$1.55	$1.19	$0.94
Residual Asset Value	$1.12	$0.64	$0.37
NPV	**$31.27**	**$21.21**	**$14.36**
BCR	**3.30**	**2.62**	**2.13**

4.3.2.4 Sensitivity Tests

Three sensitivity tests of the Program were undertaken which examined:

- **Test 1 –** Reduced number of key workers per household from 1.25 to 1.0.
- **Test 2 –** Worker productivity benefits applied for only 10 years, down from the original 20 years.
- **Test 3 –** There was no residual asset value benefit.

The results of these sensitivity tests and the original main scenario results of the project at the 7% discount rate have been analysed.

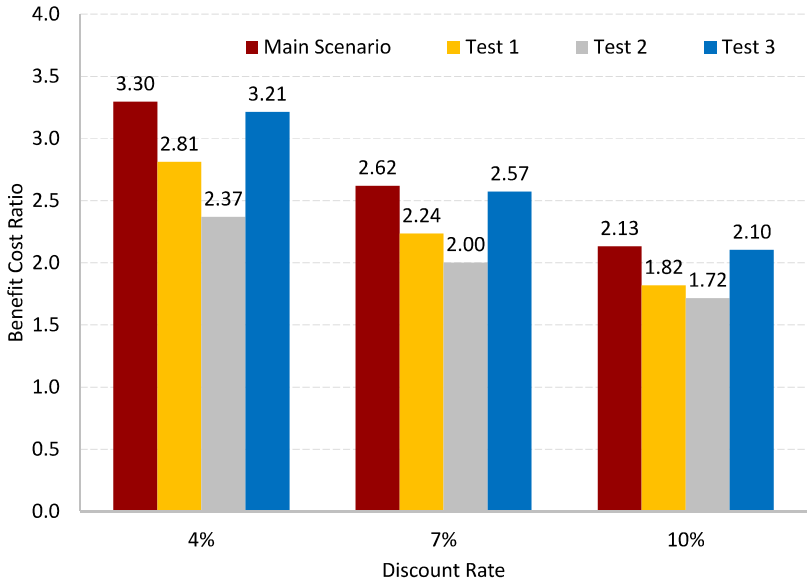

Figure 9 Sensitivity Test BCR's by Discount Rate

Test 1 resulted in the BCR decreasing to between 2.81 at the 4% discount rate and 1.82 at 10%. This change is not significant and demonstrates that when the number of key workers per dwelling is decreased, the benefits associated with workforce and household formation remain positive.

Test 2 results in a further decline in the BCR to 2.37 at 4% and 1.72 at 10%, though the BCRs remain positive. This reflects the fact that even if the length of time during which worker economic productivity is effectively halved, the benefits of this initial period of additional workforce capacity continues to generate positive impacts.

Test 3 saw only a marginal decline in BCRs across all discount rates. This test revealed that despite removing residual values, the impact of discounting on the present value of the assets, the short lifespan assumed in the CBA (i.e. 25 years), and the fact that the role of the dwellings is only indirectly related to general housing market dynamics and instead is focused on key worker capacity building, the project still provides a strong value for money opportunity.

4.3.3 Unit Measures

Examining the results of the analysis on a per dwelling basis provides a series of "unit measures or values" which reflect a per dwelling cost and benefit. The purpose of these unit measures is to provide metrics and indicators for use by RoeROC Councils to apply to potential other key worker housing projects.

Based on the CBA results, Econisis estimates (at 7%):

- Present value of per dwelling cost - $451,316
- Present value of per dwelling benefits - $1.18m
- Net Present Value per dwelling - $731,423

This means on average, each key worker dwelling delivered will generate $1.18m in economic and social benefits for the location over 20 years.

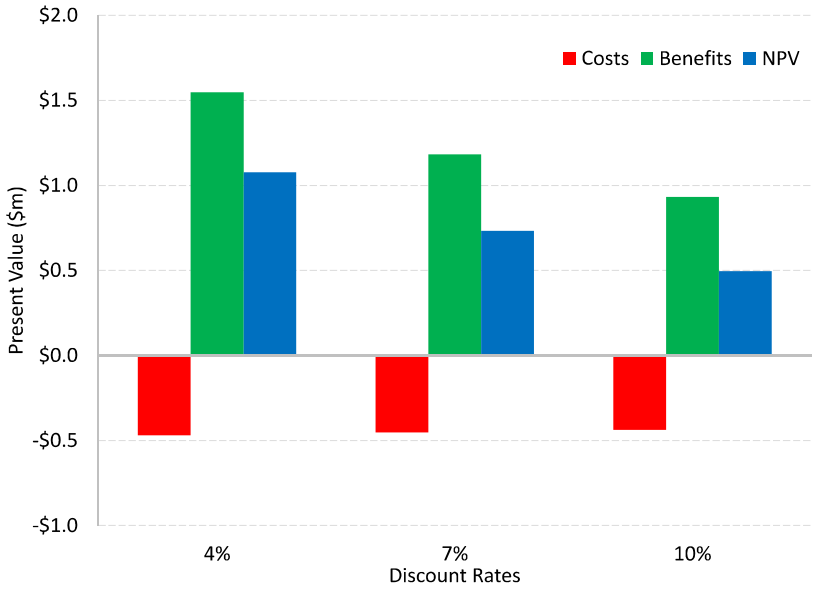

Figure 10 Unit Measures, Costs, Benefits and NPV by Discount Rate

4.3.4 Benefits Realisation and Management

The following table outlines the framework for the realisation and management of benefits identified in the CBA.

Table 19 Benefits Realisation Plan

Benefit	Theme/Description	Responsible Stakeholder	Requirement
Construction Supply Chain Benefits	Benefits to the WA and regional construction industry of the non-residential capital investment.	Proponent	Ensure that procured housing and construction products and solutions are sourced from WA companies.
Direct Economic Contribution of New Key Worker Households	The key workers moving into the houses will be able to be work in the region. This benefit measures their productivity by working in the local economy.	Proponents, Housing Managers	Ensure that tenants of housing are actively engaged in sectors requiring key workers in the regional economy.
Household Expenditure Benefit	The contribution to the local economy of the new	Proponents	Ensure that tenants of housing are able to access key goods and

Benefit	Theme/Description	Responsible Stakeholder	Requirement
	households spending at local retail businesses.	Local Governments Local Business	services to support their household's daily functioning.
Social Benefit of Housing Access	The social benefits of housing access include enhanced labour market productivity, health cost savings, reduced domestic violence, enhanced human capital, reduced costs of crime, and education benefits.	Proponents GROH Community Housing Providers	Ensure that tenants of housing are unable to access private market housing and that the key worker housing represents the only accommodation option available.
Housing Market Normalisation	Benefit relating to housing market normalisation due to no functioning housing market currently.	NA	Incidental benefit linked to new housing supply.
Residual Asset Value	A static residual value compares the direct and indirect costs associated with the construction of a dwelling with the notional market value of that dwelling.	Proponent	Ensure ongoing maintenance is undertaken to preserve asset value over the long-term.

4.4 Employment and Economic Impact

At the core of an Economic Impact Assessment is Input–Output (IO) tables. IO tables are part of the national accounts by the ABS and provide detailed information about the supply and use of products in the Australian economy, and the structure of and inter–relationships between Australian industries.

IO tables are converted, through statistical analysis, into a series of Economic Multipliers. These Multipliers represent the relationship between the direct activity (expenditure or production) associated with a Project and the wider economy.

The results of an EIA are generally presented as both direct effects, that is effects from the direct activity of the Project or event, and indirect effects, which are additional effects from further rounds of spending in the supply chain. A third or consumption effect, resulting from rounds of consumer spending generated by the additional income in the region can also be calculated.

Econisis has allocated the construction costs for the housing development across the following sectors of the WA economy:

- Heavy and Civil Engineering Construction (10%)
- Residential Building Construction (80%)
- Professional, Scientific and Technical Services (5%)

- Public Administration and Regulatory Services (5%).

For the purpose of this assessment, Econisis has assumed a 2 year construction phase in line with the CBA.

Overall, this construction phase of the project is expected to generate $21.4m in economic output and $6.7m in Gross Value Added over two years.

Table 20 Construction Phase Economic and Employment Impacts, Total, Simple Multipliers

Indicators	Direct Impact	First Round	Industry Support	Simple Multiplier
Output ($m)	$12.3	$6.0	$3.1	$21.4
Incomes ($m)	$1.7	$1.3	$0.7	$3.6
Employment (FTEs)	3.0	1.8	5.9	11.2
GVA ($m)	$3.2	$2.2	$1.2	$6.7

Table 21 Construction Phase Economic and Employment Impacts, Annual Average, Simple Multipliers

Indicators	Direct Impact	First Round	Industry Support	Simple Multiplier
Output ($m)	$6.2	$3.0	$1.5	$10.7
Incomes ($m)	$0.8	$0.6	$0.3	$1.8
Employment (FTEs)	3.0	1.8	5.9	11.2
GVA ($m)	$1.6	$1.1	$0.6	$3.3

This economic activity will support 11.2 FTEs across the entire construction phase.

5 PRELIMINARY IMPLEMENTATION ANALYSIS

5.1 Risk Evaluation and Management

The following represents a preliminary risk assessment of the Project. This employs a likelihood and consequences based weighted risk assessment methodology to allocate a risk score (1-5 based on the level of certainty of occurring and the severity of the consequences) to each risk assessed. Risks deemed as High or Extreme can then be subject to Project specific mitigation mechanisms to ameliorate the potential impact of those risks.

An overview of the of the risk matrix is outlined below.

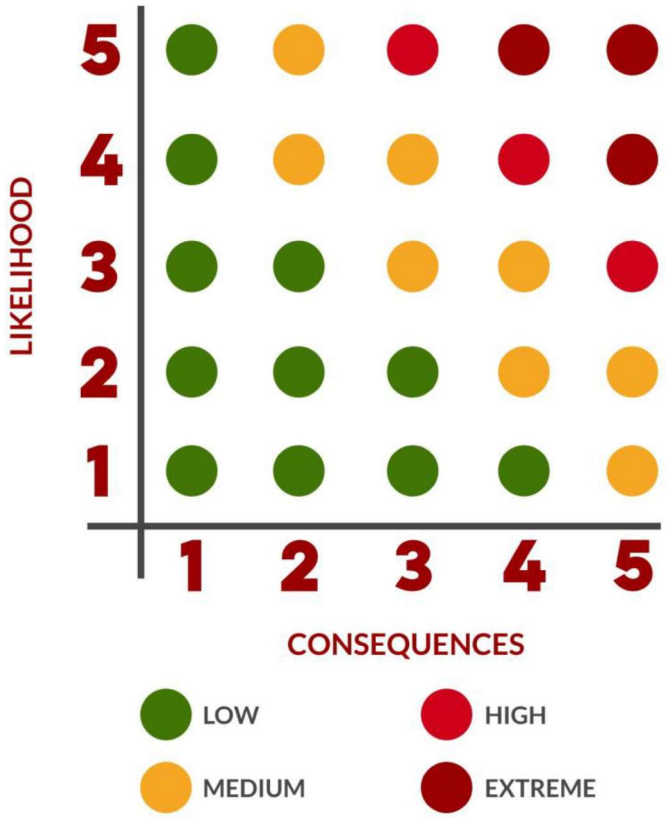

Figure 11 Risk Assessment Matrix

The results of the risk assessment for the Project are summarised in the table below.

Table 22 Preliminary Risk Assessment

Risk	Description	Likelihood	Consequences	Score	Explanation
Project-related housing assets have a negative value upon delivery.	The construction value of housing exceeds that of the market value of the product, resulting in negative values and write downs on the assets.	5	4	20	Mitigated by the intention for the Local Governments to retain ownership of the houses and lease them to key workers. Negative residual value will not be realised as no intention for asset to be sold. Portion of negative value write down offset by financial contribution from State Government
Demand for housing by key workers is less than expected	The demand for housing by key workers in the region is less than expected.	2	3	6	Demand analysis provides strong evidence of demand that significantly exceeds proposed supply. Expected that demand and need will outstrip project capacity in the short-term.
Housing construction costs escalate above expected values	Site specific concept designs or market forces may result in housing construction costs escalating above current estimates.	4	3	9	Construction cost escalation rates are expected to continue to moderate in the short-to-medium terms from recent historical highs, decreasing market-related risks. Modular and prefabricated construction methods analysed as part of the financial analysis provide further opportunity for cost management. Financial cost estimates also include regional and project contingencies.
Housing assets devalue over time	Housing assets devalue over time due to use and wear.	2	4	8	Expected that housing will be subject to annualised maintenance. Real 1% maintenance value on assets included as part of whole of lifecycle costings in CBA. Residual asset values based on replacement cost in CBA but included in 20th year.
Economic contribution of workers lower than expected	Economic contribution of key workers accommodated in the housing is lower than expected, reducing	3	3	9	GVA per worker applied in CBA excludes distorting impacts of mining sectors and focuses principally on average worker productivity in sectors linked to key and critical workers. Adjusted to latest data now

Risk	Description	Likelihood	Consequences	Score	Explanation
	economic return on investment				further removed from impact of COVID-19 economic conditions. Sensitivity testing confirmed lower key worker yield per dwelling does not undermine value for money of investment.
Local Government capacity to manage housing assets limited	The local government's lack the financial and operational capacity to manage housing tenancies and assets into the long-term.	2	2	4	All local government involved have experience in assets and lease management including maintenance. Strong occupancy rates expected to generate partial revenue streams from housing assets which will enable a degree of self-funding of financial imposts on Councils.
Procurement efficiency and scale risks from individual Local Government procurement	Governance options below identify opportunity for each individual Local Government to drive their own procurement process for the dwellings, reducing capacity to capture efficiencies and scale economies from a single collective procurement process.	2	4	8	Managed through the governance of the project in partnership with the State Government. Market-based EOI process covering all Council's as a single project recommended.

No Extreme Risks were identified in the project. One Major Risk was identified due to prevailing negative value conditions in the region's housing market. However, such negative value is unlikely to be realized due to own-and-lease model proposed in the delivery model analysis and governance options. Financial contribution by the State Government will also alleviate such impacts.

5.2 Governance Arrangements

Governance of the Project, from a procurement, delivery and ongoing operational perspective, can take a number of potential forms.

The most direct is that each Local Government that is a party to this project and has specific housing opportunities within the project, is afforded individual and discrete governance responsibility to procure, delivery and operate the dwellings as the owners. This model recognises the spatial distribution of the investments within the project region, as well as

provides each Council with the opportunity to manage the risks associated with accommodation solutions in their towns.

This decentralised approach however does result in opportunity costs being incurred relative to more centralised governance models. For example, there is a potential for efficiencies to be gained through the collective procurement of housing construction services from the market, through a single Expression of Interest and design and build process. This would likely require a single entity (either one of the Council's or a new entity) to be response for the engagement and procurement of the housing construction (with proportional financial contributions from each of the Local Governments) with ownership and management then decentralising to the Local Government for tenanting, operations and maintenance.

A further alternative is for a bespoke community housing entity to be established with shareholding by each of the Local Governments to act as a single overarching entity to provide procurement, project management and ongoing operational responsibilities. This would vest the ownership of the dwellings with this regional community housing entity that would then act under instructions and guidance from the Local Government's with the respective product in terms of tenanting and maintenance. This approach provides advantages in centralising administration, procurement and asset management, but would require vesting of land and other Council contributing assets to this entity.

An extension of this model is to partner in the delivery of the housing, namely with an existing Community Housing Organisation. This would represent more of an external management approach, where the assets would vest with the Organisation which would be responsible for management, maintenance and tenanting. This approach would shift some risk from the Local Governments to the CHO but would also reduce the Council's input and influence on matters such as tenanting. In addition it also takes jobs, people and knowledge out of the towns and goes against the core premise of trying to build worker accommodation and bolster the local economy.

Finally, a potential governance model is for the State Government, through Department of Communities, Development WA or other entities, to build and own the key worker housing in the RoeROC communities. This approach would align the proposed funding contributions of the State with management and governance responsibilities, as well as leverage existing expertise in community housing management. However, it would significantly disconnect key worker housing supply from Local Government influence and need, creating a situation in which the housing is tenanted based on State Government priorities (such as health, justice and education) to the exclusion of other key worker housing needs identified by the Councils. While the priorities of both Local and State Government key worker housing is likely to be highly aligned, particularly relating to public sector housing, it is viewed as critical in the governance model that a strong nexus is maintained with that of the Local Governments involved.

5.3 Next Steps

The following next steps are recommended for consideration:

- Engage with State Government agencies to secure in principle support for the projects and confirm appropriateness of governance and delivery models.

- Seek a design partner on the market to secure designs and costings for the key worker accommodation development project.
- Provide these details as part of a targeted investment application and funding submission to the State Government (or the relevant identified agencies). This may require minor amendments to financial and CBA elements of this business case.

Upon successfully securing funding, it is recommended that a procurement and project management plan be established to guide further steps in the delivery and implementation of the project.

6 RECOMMENDATIONS

This preliminary business case and associated analysis and evidence confirms the recommendation that:

State Government investment to be provided which will enable the construction of 29 residential and service accommodation dwellings across the RoeROC Councils for the purposes of providing accommodation and housing for key workers in the region.

7 APPENDICES

Attached:

- ROEROC WORKFORCE HOUSING INVESTIGATION 2024, JE Planning
- ROEROC – DEVELOPMENT CONCEPT FEASIBILITIES 2025 (UPDATED), Chadwick Consulting
- ROEROC KEY WORKER HOUSING INVESTMENT COST BENEFIT ANALYSIS (FINAL), FEBRUARY 2025, Econisis

ROEROC

Roe Regional Organisation of Councils

Corrigin | Kondinin | Kulin | Narembeen

ROEROC WORKFORCE HOUSING INVESTIGATION 2024

Prepared for the Shires of Narembeen, Kulin, Corrigin and Kondinin

with the Wheatbelt Development Commission

Shire of Narembeen
Together we grow

kulin shire council
the kulin region

SHIRE OF CORRIGIN

Wheatbelt Development Commission

RoeROC Workforce Housing Investigation 2024

Prepared by

JE PLANNING

ABS and Population Data provided by

ECONISIS

Images provided by RoeROC

ROEROC

Roe Regional Organisation of Councils

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Acknowledgement of Country

JE Planning Services is located on Gnaala Karla Booja. We acknowledge the Traditional Custodians of the lands on which we live and work throughout Western Australia and pay our respects to Elders past, present and emerging.

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EXECUTIVE SUMMARY

The Western Australian Wheatbelt is pivotal in the state's economy, contributing over $7.9 billion annually across mining, agriculture, and renewable energy sectors (Wheatbelt Development Commission Annual Report 2022/203).The region has also seen an 18% growth in small businesses, outpacing the state average (Wheatbelt Development Commission Annual Report 2019-2020). The lack of affordable and available housing makes it increasingly difficult for businesses to attract and retain employees. Addressing the housing shortage through strategic investment and coordinated action from both State and Federal Governments, the industries that drive this region can be supported, creating the foundation for sustainable, flourishing communities.

The RoeROC Workforce Housing Investigation (RRWHI) highlights a significant shortage of worker housing across the region. The RRWHI outlines the scale of demand for worker housing in the RoeROC Shires of Kulin, Kondinin, Narembeen, and Corrigin, projecting needs through to 2031. This demand is estimated to be three times higher than current construction trends. The RRWHI is part of a broader scope of work that supports the development of business cases and grant applications. This broader scope includes the 'RoeROC Development Capacity Assessment and Town Action Plan' (Wheatbelt Development Commission) and Preliminary Business Case (Econisis).

Key insights from the RRWHI include:

- Housing demand in the RoeROC subregion is 3-4 times higher than current construction rates (see Table 40 below - extract from RRWHI).
- By 2031, the estimated demand for workforce housing ranges from an additional 160 to 242 dwellings, requiring 22-35 new worker accommodation units annually.
- The current under-provision of housing for the private and public sector workforce is estimated to range between 113-194 dwellings in the RoeROC subregion.
- A survey of the local business community revealed that 61% of businesses with employees reported needing more workers, with an average of 1.3 additional staff required per business to meet current demand.
- Further engagement with employers indicated that 70% of businesses provide some form of housing for their workers, either on farms, private properties in town, or through rentals supported by the business. However, 58% of workers are reportedly dissatisfied with their living conditions. This highlights that while businesses are attempting to meet housing needs, there is still a significant gap in both quantity and quality of housing specifications.
- Short-term housing needs may be addressed with the current land supply (subject to servicing)
- Improved planning and servicing may significantly increase the capacity of this land supply. Otherwise, each of the Shires will likely face a shortage of available land to meet the housing forecasts presented in this study.

Table 40: RoeROC subregion Housing Needs Forecast 2024-2031

RoeROC Subregion Housing Needs Analysis (Workforce Housing)						
	Assessment Category	High Scenario (A) 2024-2031	Conservative Scenario (B) 2024-2031	Current Trends (ABS and LGA Survey) Scenario (C)	Scenario A Worker housing	Scenario B Worker Housing
A	Lone Households (cap figure)	241	144			
A1	Aged Accommodation	56	34			
A2	Public Sector Worker Accommodation	71	53		71	53
A3	Private Sector Worker Accommodation	123	60		123	60
B	Shire Building Activity	81	81	81	48	48
	Additional Dwellings to 2031	331	227	81	242	160
	Average Per Annum	47	32	12	35	22

Source: RRWHI Housing Needs Analysis (based on an aggregate of each Shire housing forecast based on methodology detailed in Table 13) prepared by JE Planning Services.

Image - Shire of Narembeen

INTRODUCTION AND CONTEXT

The Roe Regional Organisation of Councils (RoeROC) partnered with the Wheatbelt Development Commission (WDC) to investigate workforce housing needs and challenges in the RoeROC subregion. The working group engaged JE Planning Services to undertake the investigation.

The 'RoeROC Workforce Housing Investigation (2024)' (RRWHI defined on page 5) provides both quantitative and qualitative evidence, including insights from stakeholder engagement, demonstrating that housing shortages are affecting the subregion's ability to attract and retain workers.

The RRWHI is part of a broader scope of work and serves as the foundation for establishing a Business Case, with the primary objective of seeking financial support for servicing and developing workforce housing. The RRWHI provides the evidence base and forms a technical appendix to a Preliminary Business Case and associated 'Cost Benefit Analysis' prepared by Econisis Consulting.

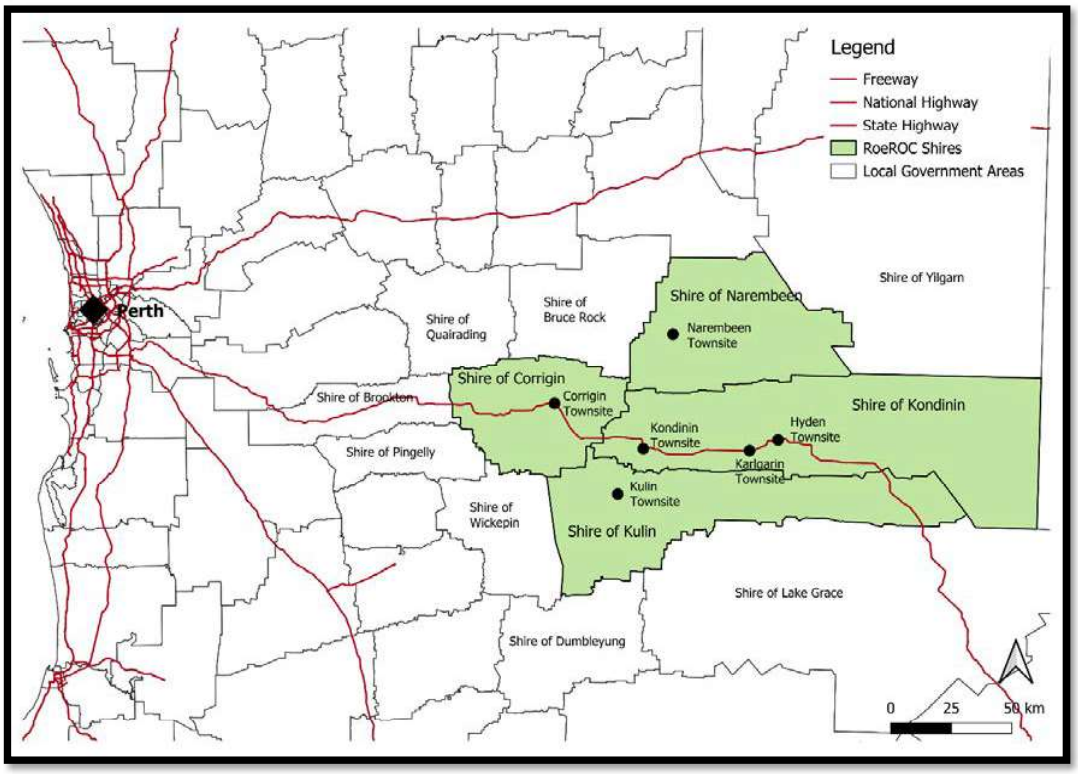
CONTEXT

The Roe Regional Organisation of Councils Local Government Areas (LGA's) is described as the RoeROC subregion for the purposes of this report. The subregion encompasses a land area of approximately 18,700km^2 (See Figure 1) and comprises the following Local Government Areas (LGAs):

- The Shire of Kulin
- The Shire of Kondinin
- The Shire of Narembeen
- The Shire of Corrigin

Image: Shire of Corrigin

Figure 1: Location Plan – RoeROC subregion



Source: Wheatbelt Development Commission

Purpose

The RoeROC subregion LGA's have identified a shortage of suitable workforce housing, which is impacting the ability of the private and public sectors to attract and retain skilled workers and their families in the subregion. Subsequently, this has increased the need for investment in accommodation. The RRWHI focuses on identifying and quantifying housing demand in subregion, and intends to provide the following evidence:

- Current housing demand for the public and private workforce in the RoeROC subregion.
- Provide aggregate and individual data for each of RoeROC LGA's to forecast workforce housing needs towards 2031.
- Estimate the RoeROC subregional workforce accommodation and housing needs by 2031 via aggregating the LGA's housing needs forecast.
- Understand stakeholder impediments or constraints to supply housing.

The '4WDL Key Worker Housing Analysis 2023 (KWHA 2023)' conducted for the Shires of Williams, Wagin, West Arthur, Woodanilling, Lake Grace, and Dumbleyung and the 'AROC-Dandaragan Workforce Housing Investigation (ADWHI 2024)' for the Shires of Dandaragan, Toodyay, Goomalling, and Victoria Plains presented similar evidence, confirming a shortage of workforce accommodation across the Wheatbelt subregions.

The KWHA 2023 housing demand analysis and regional economic review identified that the most cost-effective way to provide suitable workforce housing is through smaller, footprint-efficient

standalone and semi-detached dwellings. The feasibility analysis of these small housing products demonstrated an opportunity to manage construction costs by focusing on infill grouped dwellings and ancillary accommodation. The KWHA 2023 outcomes are relevant to the market conditions of the RoeROC subregion, indicating a focus on providing feasible housing options.

Both the 4WDL and ADWHI investigations expanded on the workforce housing needs analysis, providing evidence of land availability to meet housing demand and identifying potential sites for cost-effective housing investment. Despite existing planning and servicing constraints, these findings suggest an opportunity for the short-term delivery of workforce housing in key townsites.

The Wheatbelt Development Commission, in collaboration with RoeROC, is preparing a similar document entitled 'RoeROC Development Capacity Assessment and Town Action Plans'. This involves evaluating land availability, servicing capacity, and development constraints and identifying suitable development sites to provide the necessary context for attracting funding and investment. These findings, presented in conjunction with the RRWHI form the foundation for the Preliminary Business Case aimed at securing support for the servicing and developing worker accommodation in the subregion.

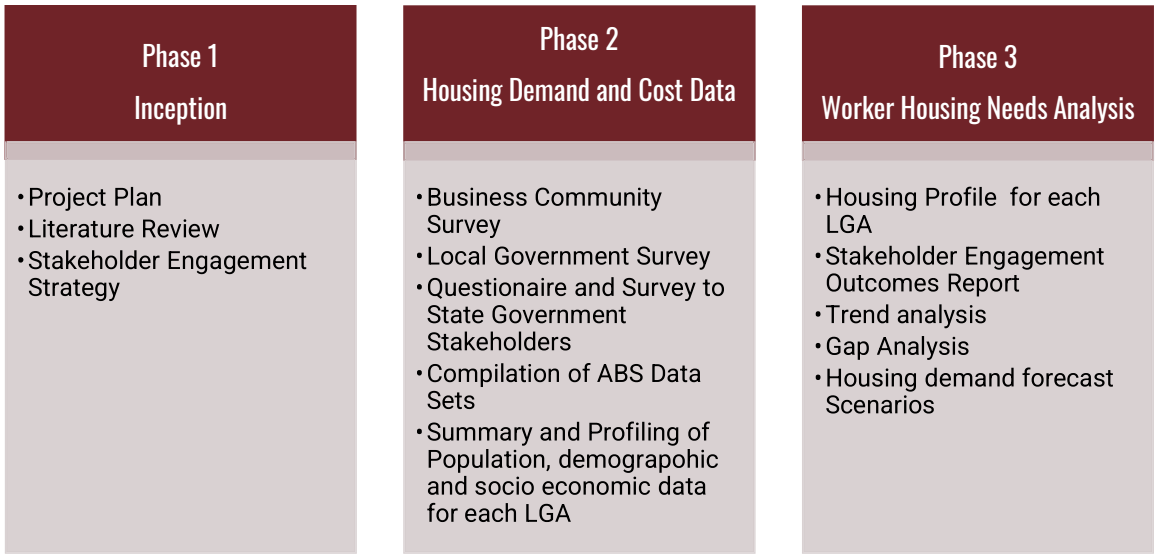
Image: Shire of Narembeen

Report Structure and Methodology

The Research and Analysis components of the RRWHI include qualitative and quantitative analysis and are described in Figure 2 below and detailed in the following chapters:

- RoeROC Subregional Context – Trend Analysis
- Local Government Profile and Workforce Housing Needs
- RoeROC Workforce Housing Needs Investigation

Figure 2: Research and Analysis Components of RRWHI



Interpretation

WORKERS- WORKFORCE- LABOUR FORCE

The term 'worker 'or 'workforce' or 'labour force' has been applied throughout RRWHI. The definition considers a broad definition in alignment with the State Infrastructure Strategy and ABS labour force classifications as '*Anyone employed or self-employed to undertake a role in childcare, retail, service industry, commercial, tourism, education, government, community organisations, industrial and agricultural workforces either for the public service, or private business which contributes to the economy of RoeROC subregion.*'

The State Infrastructure Strategy (WAPC, 2022) 'Housing Chapter' uses the term' key worker', and while there isn't a specific definition in the Strategy (or under the WAPC State Planning Framework), key workers are referenced in the following context:

'A lack of affordable rental housing targeting essential workers, including childcare, retail, service industry, tourism, and agricultural workforces, impacts service delivery and the overall economy. It is an area of particular concern for regional housing sector stakeholders. Key worker housing has been provided by state and local government and CHOs (Community Housing Organisations), but this occurs on a discrete, project basis rather than through formal programs.'

HOUSING TYPOLOGY

The documentation, data review, and stakeholder engagement processes highlight the housing typologies used to describe accommodation. The descriptions noted include single dwellings, detached dwellings, townhouses, apartments, flats, units, and smaller accommodations. The Residential Planning Codes refer to single houses, grouped dwellings and apartments/multiple dwellings. The ABS census data refers to the following terms:

- Separate house
- Semi-detached, row or terrace house, townhouse etc.
- Flat or apartment
- Other dwelling

The density and nature of development, such as flats, apartments, and even townhouses, may not necessarily reflect the type of development occurring in the RoeROC towns. The report will refer to the housing typologies as Single Dwellings or Grouped Dwellings to generally mean the following:

- Single dwelling - one dwelling per site. A typical standard detached dwelling.
- Grouped dwellings – range of detached dwellings, attached dwellings, townhouses etc. grouped together on one site.

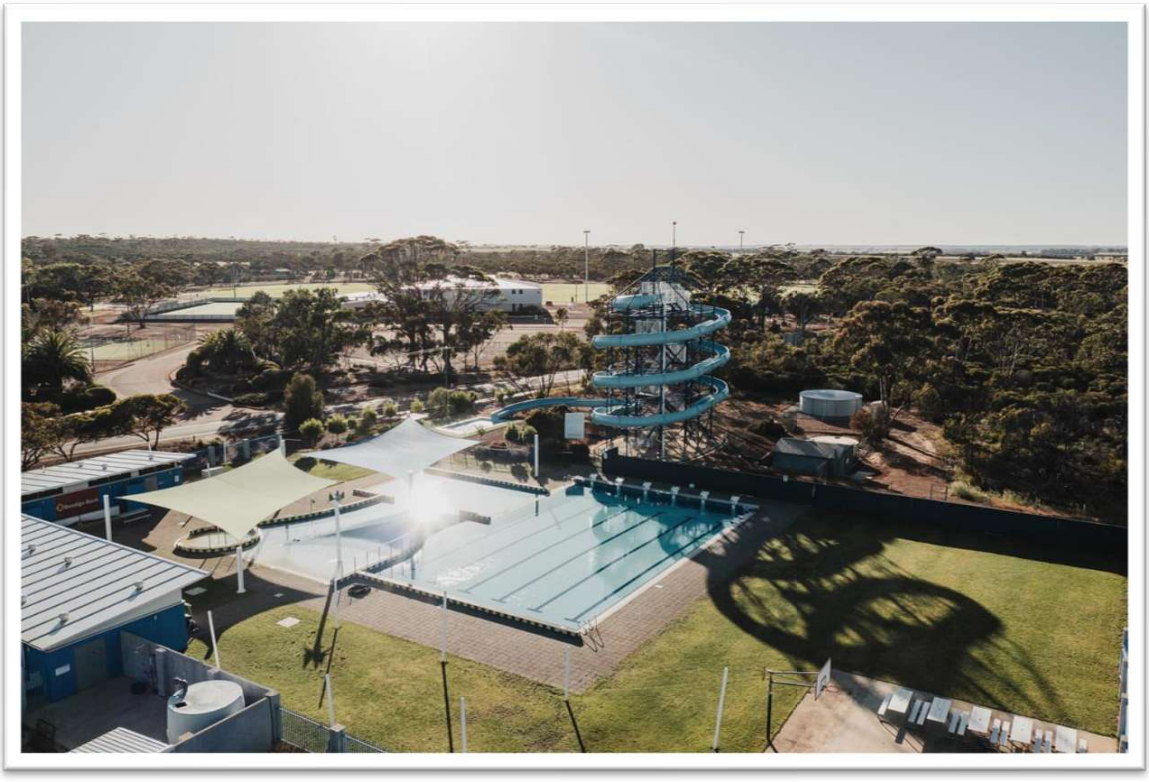


Image: Shire of Kulin (Aquatic Centre)

SUBREGIONAL CONTEXT – TREND ANALYSIS

The RRWHI trend analysis and workforce housing demand modelling individually models each local government area (LGA) within RoeROC subregion. The 'Local Government Profile and Workforce Housing Needs' chapter explores each Shire's unique socio-economic, land development, and housing trends. The data has been compiled and aggregated to explore a comparative analysis with the RoeROC subregion, and the following section presents:

- RoeROC subregion's current situation (examining the population and housing trends and WA Tomorrow's population forecasts).
- RoeROC subregion construction activity and housing costs.
- RoeROC public and private sector workforce current situation.

RoeROC Current Situation

According to the ABS census data, the aggregate population of the RoeROC subregion in 2021 was 3,410, representing a gradually declining population of 336 people since 2011. This data also indicates a reduction of 49 dwellings since 2011 (see Table 1). These statistics may be due to some ABS classification changes (boundary shift) over time or actual activity (i.e., demolition or dwelling deemed uninhabitable), and they may need further study.

Table 1: Population and Total Dwellings Trends by Local Government Area (LGA) from 2011-2021

LGA	Kulin	Kondinin	Narembeen	Corrigin	Total
2011					
Population	826	1,045	812	1,063	3,746
Dwellings	441	509	435	638	2,023
2016					
Population	765	873	809	1,146	3,593
Dwellings	467	440	412	558	1,877
2021					
Population	769	847	787	1,007	3,410
Dwellings	394	460	395	501	1,750

Source: ABS 2021

The population distribution across the RoeROC shires is relatively even. The Shire of Corrigin is the largest population centre, comprising 29% of the RoeROC subregion, followed by the Shire of Kondinin at 25%. The Shires of Kulin and Narembeen each account for 24% of the population.

Table 2: RoeROC Population Distribution and Household Size 2021

Indicators	Kulin	Kondinin	Narembeen	Corrigin	Total
Population	769		787	1,007	3,410
Population Percentage	23%	25%	23%	30%	100%
Total Dwellings	394	460	395	501	1,750
Household Size	2.5	2.2	2.3	2.3	2.3

Source: ABS 2021

The subregion's average household size (i.e. average household occupancy) is 2.3 persons per household (see Table 3). Table 3 indicates that the proportion of lone households represents 29.2%, which remained relatively stable between 2011-2021. The well-aged bracket has increased by 6% since 2011. Family households have reduced, with the representation of children and youth shifting from 21% to 18% of the population. The proportion of grouped households (non-related people sharing a house) has increased by 0.9 % between 2011 -2021.

Table 3: Housing Composition

RoeROC Trends	2011	2016	2021
Share of Population 0-14 (%)	21.2%	19.0%	18.5%
Share of Population 65+ (%)	16.8%	20.7%	22.8%
Family Households	69.7%	68.2%	68.9%
Lone Person Households	29.3%	29.4%	29.2%
Group Households	1.0%	2.4%	1.9%

Source: ABS 2021

Table 4: RoeROC Housing Occupancy, Type and Tenure Trends 2011- 2021

RoeROC Trends	2011	2016	2021
Dwelling Occupancy			
Occupied	73.7%	76.1%	78.8%
Unoccupied	26.3%	23.9%	20.4%
Dwelling Type			
Separate house	93.9%	95.4%	94.8%
Semi-detached, row or terrace house, townhouse etc	2.0%	3.2%	3.7%
Flat or apartment	3.4%	0.0%	0.0%
Another dwelling	0.8%	0.2%	1.0%
Tenure			
Owned outright	46.8%	48.0%	51.5%
Owned with a mortgage	19.3%	19.4%	18.2%
Rented	29.6%	27.9%	20.9%
Other tenure type	1.7%	1.8%	8.1%
Tenure type not stated	2.7%	3.1%	1.3%

Source: ABS 2021

The RoeROC subregion housing occupancy type and tenure, as set out in Table 4, indicate the following trends across the census periods:

- The level of dwelling occupancy has increased, with 79% of dwellings occupied and 20% registered as unoccupied.
- Single houses are the dominant dwelling typology, representing 95% of housing stock.
- An increase of 1.7% in grouped dwellings (semi-detached, row or terrace house, flat or apartment).
- An Increase in home ownership since 2011, with 70% of properties privately owned or with a mortgage.
- There has been a 9% drop in rented properties since 2011.
- A marked 7.5% increase in ‘other tenure type’ may represent employer-provided housing and other social and community housing (not-for-profit/non-public sector).

The statistical reliability of ABS data based on smaller population catchments can also be low; therefore, the statistics on the rate of occupied/unoccupied dwellings may need verification. Also, understanding the tenure, age, condition, and location of unoccupied dwellings may provide some understanding of why the percentage of unoccupied dwellings is relatively high. A ground truth investigation into the number of unoccupied dwellings in the RoeROC subregion by LGA may be important to uncover the number of unoccupied dwellings available for use or refurbishment.

An investigation into the number of unoccupied dwellings was conducted for the 4WDL Region under the "Key Worker Housing Analysis 2023", which may also provide some insight into occupancy rates in other Wheatbelt towns.

'*The Shire of West Arthur and Dumbleyung undertook an engagement process with landowners and provided some insight into some reasons for statistics on unoccupied dwellings with the following comments:*

- *Some of the houses that are vacant may need a fair bit of work - new bathroom/kitchen, new floor coverings, and paint to get them up to a modern living standard. But they are not worth spending the money on.*
- *Other dwellings may not have anyone living in them because they are on satellite farms, which the farmer may use when they're working on that property.*
- *Another category is when older houses on farms are quite close to the newer main farmhouse. Farmers did this to utilise existing infrastructure. The old house is sometimes used for storage or may have a room or two for hobbies. But because it is so close to the main homestead, it would never be suitable as a rental.*
- *There are farmers who are not willing to rent out a farmhouse based on previous tenant experience.*
- *Many unoccupied dwellings would be farm dwellings - and there has been a reduction in farm dwelling occupancy for several reasons. Rentals are not cared for and have now been left empty rather than dealing with the hassles of renting. Many of these dwellings have now deteriorated beyond repair.*
- *Farmers purchasing adjacent properties but already have their own house and do not need the second house.*
- *Occupational health and safety prove to be a problem with families on farms. This risk is too high for children on farms, and therefore, farmers are reluctant to rent out these properties. '*

Population Forecasts provided through WA Tomorrow No.11 are based on growth rates projected from ABS 2016 (See Table 5). WA Tomorrow includes a forecast range (A to E), indicating five probable futures. A and B contain the lower forecasts, C is the median forecast and D and E represent the higher forecasts. It is noted that WA Tomorrow No.12 report is due to be released in 2024, and the forecasts will be based on 2021 ABS census information.

WA Tomorrow No.11 Band C projects a decline in the RoeROC subregional population. The recorded population from ABS 2021 is higher than WA Tomorrow Band C's forecast for 2031, indicating that the forecast does not represent current population trends (See Table 5).

Table 5: WA Tomorrow Population Forecast Band C

WA Tomorrow (No.11)	2016	2021	2026	2031
Kulin	795	700	670	635
Kondinin	880	820	770	740
Narembeen	820	795	790	770
Corrigin	1 195	1 135	1 090	1 055
Total	3,690	3,450	3,320	3,200

Source: WA Tomorrow (WAPC)

Econisis presents population projections in Table 6 below. The projections are based on WA Tomorrow No. 11 projections Band E (higher growth rates due to the population recorded in 2021) rebased and annualised to 2031, using ABS Estimated Residential Populations (ERP) from 2016 to 2023. The forecast predicts a population of 3,442 people by 2031, representing a mildly fluctuating yet relatively stable population from the 2023 ERP (3,466 people).

Table 6: Rebased and Annualised Population Forecast (WA Tomorrow Band E) (Econisis, 2024)

Population	2016	2021	2026	2031
Kulin	783	789	798	767
Narembeen	815	820	851	840
Corrigin	1193	1028	1033	1000
Kondinin	894	872	884	834
Total population	3685	3509	3566	3442

Source: Rebased Population on Estimated Resident Population (ERP) (WA Tomorrow Band E) – Econisis. Note: Rebased means updating the Band projections based on the 2016 ABS statistics, with the ERP from 2016-2023.

RoeROC Construction Activity

Over the past five years, the RoeROC subregion housing construction activity averaged 7-8 dwellings per annum, according to the ABS statistics. The Stakeholder Engagement Outcomes Report (Local Government Survey) provides building licence statistics for each Shire in RoeROC subregion, indicating an average of 8 building licences per annum since 2014. Tables 7 and 8 present data acknowledging relatively comparative and accurate data.

Table 7: RoeROC Housing Construction Activity 2019-2023

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
Kulin	2	1	1	2	2	2	1	4	1	2	18
Kondinin	3	3	1	4	0	1	5	3	5	0	25
Narembeen	0	0	1	0	0	2	4	3	2	2	14
Corrigin	1	1	1	1	2	6	7	2	0	5	26
Total	6	5	4	7	4	11	17	12	8	9	83

Source: RRWHI Stakeholder Engagement Outcomes (Local Government Survey)

Table 8: RoeROC Building Licences approval 2019 – 2023 by LGA

LGA	2019	2020	2021	2022	2023	Total
Kulin	2	1	4	1	2	10
Kondinin	0	1	1	1	0	3
Narembeen	1	1	4	2	0	8
Corrigin	0	6	4	0	3	13
Total	3	9	13	4	5	34

Source: ABS data

The LGA statistics over the past five years reveal a trend of increased construction and higher statistics with an average of 11 dwellings per annum (Table 9 below). These statistics will provide the formal figure for the current construction trends for the RoeROC subregion for the purposes of this report.

Table 9: RoeROC Building Licences approval 2019 – 2023 by LGA (Shire statistics)

Year	2019	2020	2021	2022	2023	Total	Average
Kulin	2	1	4	1	2	10	2
Kondinin	1	5	3	5	0	14	2.8
Narembeen	2	4	3	2	2	13	2.6
Corrigin	6	7	2	0	5	20	4
Total	11	17	12	8	9	57	11.4

Source: RRWHI Stakeholder Engagement Outcomes (Local Government Survey)

RoeROC Workforce and Housing Supply

The ABS census separates the labour force into national, state, local government, and private sector categories. This report describes all government employees as the 'public sector employee' group. The following agencies employ public sector workers within the RoeROC subregion:

- Shire of Kulin
- Shire of Kondinin
- Shire of Narembeen
- Shire of Corrigin
- WA Country Health Services (WACHS)
- Department of Education
- WA Police

The total labour force in the RoeROC subregion comprises 2,113 people based on the ABS census data 2023, with approximately 11% representing the public sector workforce of approximately 235 employees (see Table 10). State government employees comprise 4%, and local government employees comprise 7%. The private sector workforce comprises the agricultural, commercial, industrial, tourism, hospitality, and retail sectors, accounting for 89% of the workforce. ABS census local government employee figures in Table 10 (150 employees) closely correlate with the Shire employee data (156 employees) provided in Appendix A (Table 10), indicating the validity of the data available and collected.

Image: Shire of Kondinin (Kondinin Hospital)

Table 10: Total RoeROC Labour force and % of State and Local Public Sector Workforce by LGA

LGA	Total Labour Force 2023	Local Govt Employees	State Govt Employees	% State and Local public sector of workforce
Kulin	522	38	20	11.1%
Kondinin	581	37	26	10.8%
Narembeen	481	40	19	12.3%
Corrigin	529	35	20	10.4%
Total	2,113	150	85	11%

Source: ABS Census 2023 (Note: Shire of Corrigin data is based on 2021 Census data)

Public sector housing data can be found in Appendix A (Tables 12, 14, and 15). The outcomes of stakeholder engagement are summarised in Table 11 below. Based on these outcomes, approximately 36% of public sector staff have access to government-provided housing, which includes 53% of state government employees and 26% of local government employees. The local government survey highlights a shortfall in housing provision for staff, indicating that if the identified additional housing needs are met, 37% of local government employees could be accommodated.

According to Appendix A (see Table 12), 53% of Shire properties are rented to Shire employees, with the remaining 47% rented to GROH, WACHS, community housing, and the private market, which may limit the ability to adequately provide housing for local government staff. Meeting the identified additional housing needs of local government staff would increase the proportion of local government housing occupied by Shire workers to 74%.

Table 11: Summary of Public Sector Housing Stock in RoeROC

Which LGA do you represent?	Staff occupied Shire Housing	WACHS Current Housing Stock		Current GROH Housing Stock	Current GROH Housing Stock	Total
		Leased	Owned	Leased	Owned	
Shire of Kulin	16	0	0	4	2	22
Shire of Kondinin	13	1	1	8	2	25
Shire of Narembeen	6	1	4	5	4	20
Shire of Corrigin	6	5	2	6	0	19
Total	41	7	7	23	8	86

Source: Appendix A Stakeholder Engagement Outcomes Report

Appendix A identifies additional housing needs for local and state government employees. Local governments collectively estimate that 16 additional dwellings are needed to address current housing shortages for their workforce. WACHS plans to replace several dwellings, including the nurse's quarters, and also intends to increase its housing stock by six new dwellings. While

GROH has no immediate plans to expand housing stock, a survey of locally based state government agencies indicates that at least two more dwellings are required to meet their current needs. Stakeholders mentioned that when there's an urgent need for extra accommodation, or when staff who own homes retire, GROH doesn't have enough flexibility in its housing stock to accommodate staff on short notice. Appendix A includes information on the market rental value of local government properties, which range between $150 – $480 per week.

Table 12 below lists the number of businesses registered in the 2021 ABS census by LGA, indicating that approximately 299 businesses employ workers in the RoeROC subregion.

Table 12: 2021 ABS Census Businesses in the Region

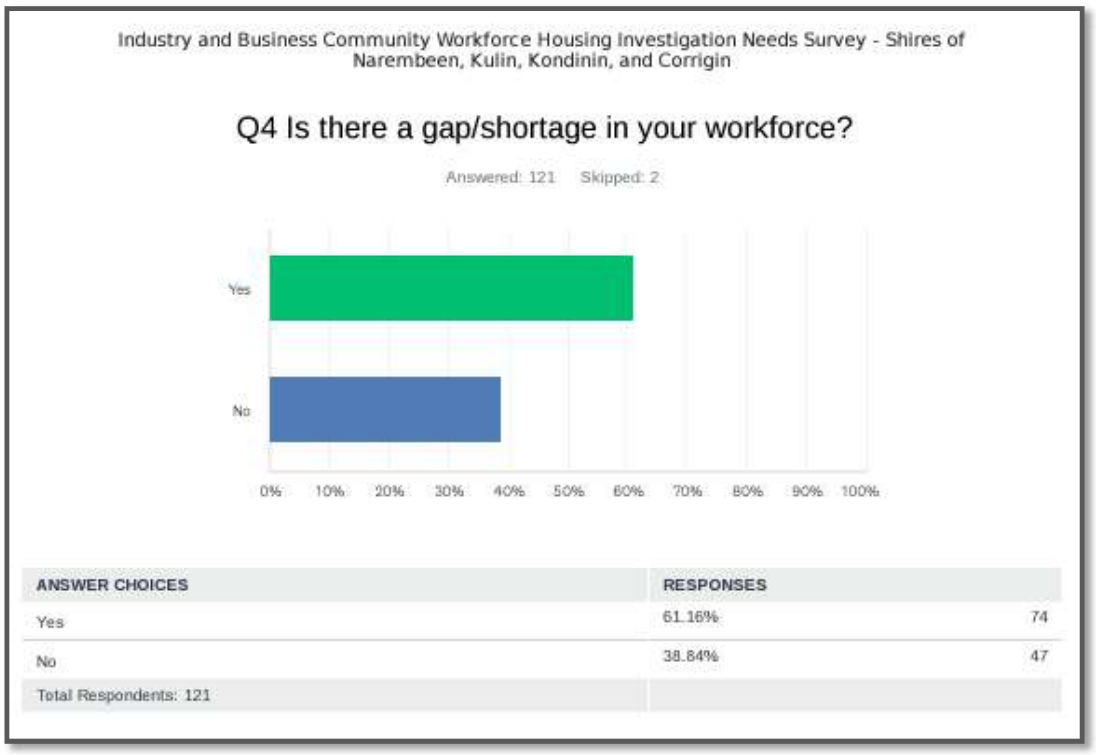
LGA	Number of Businesses	Number of Businesses with employees
Kulin	161	74
Kondinin	180	87
Narembeen	144	63
Corrigin	189	75
Total	674	299

Source: ABS 2021

The business community survey (Appendix A, Page 7, Table 3) indicates that around 61% of businesses in the RoeROC subregion reported a worker shortage, averaging 1.2 workers per business (see Figure 3 below). Based on this, it can be estimated that the RoeROC subregion may need approximately 358 additional workers to address current workforce gaps, noting that the demand for extra workers varies between an average of 0.4 to 2.1 workers per business across the four shires.

Image: Shire of Kondinin (Kondinin Shops)

Figure 3: Extract from Stakeholder Engagement Outcomes Report



Source: Stakeholder Outcomes Report

The Stakeholder Engagement Outcomes Business Community Survey (Appendix A, Page 8, Figure 4) indicates that 70% of the respondents provide some form of accommodation for their workers.

Employers provide a variety of accommodation options. The survey reveals that 43% of the businesses with employees provide housing for workers on farms or in town with approximately 80% being owned by the business and 20% being rented by owners of the business. Business owners consider that 52% of workers are dissatisfied with the conditions and standard of the housing stock provided. The comments received from business owners regarding housing needs for workers are summarised in order of frequency of response to include:

- Lack of Housing/Rentals
- Require smaller accommodation
- Demand for additional family dwellings
- Shortage of short-term accommodations
- Lack of quality of accommodation
- Limited available workforce
- Access to affordable housing
- Planning to provide lifestyle properties

The Business Community Survey revealed that 75% of responding businesses would invest in additional housing either to purchase or lease, with the enablers to be having access to constructed housing, lower interest rates, and investment partnership options.

Housing Needs and Forecast Modelling

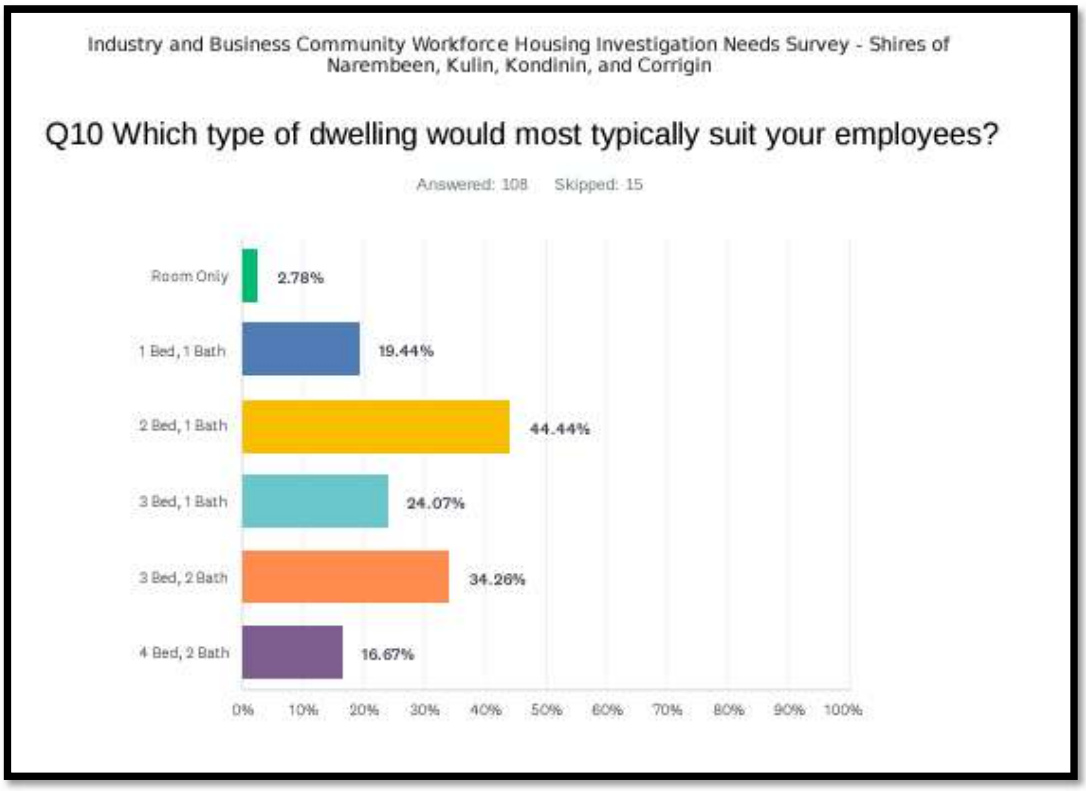
While the RoeROC subregion is experiencing a population decline, forecasts and trends suggest that this decline will likely be gradual. The observed ERP trends of slight decline followed by slight growth in some LGAs indicate that each town has the potential to sustain economic activities over time. Addressing the shortfall in workers and suitable worker accommodation is crucial for maintaining current activities.

'State Planning Policy 3.0 (SPP3) Urban Growth and Settlement' (WAPC,2006) recognises that local government should assess housing demand, and the type of additional housing needed to identify sufficient land to meet future population and housing needs. SPP3 states that planning strategies should secure an appropriate mix of housing types considering housing demand and the changing composition of households. The RRWHI housing demand forecast focuses on better-aligning dwelling typology to household composition, as it is recognised that increased housing choice and a greater variety of dwelling types are needed to cater for the varying needs of the subregion's workforce and the broader community.

The RRWHI housing composition trends reveal a significant shortage of alternative housing options. Currently, 95% of housing stock consists of single dwellings, while 70% of the population comprises families and grouped households. With 30% of households being lone households and just 7% in grouped dwellings, there is an inadequate supply of smaller housing options for older age groups, youth, seasonal workers, and drive-in/drive-out workers. Targeted action to increase infill and grouped dwelling developments could help address this shortfall. Transitioning some lone or couple/grouped households from single dwellings to grouped accommodations may better meet their needs and increase the market availability for existing single dwellings.

The Stakeholder Engagement Outcomes reveal an unmet and growing demand for additional, appropriate accommodation within the RoeROC subregion. Survey results and anecdotal evidence emphasise the need for suitable worker housing. Specifically, Question 10 of the Business Community survey asked property owners, "Which type of dwelling would most typically suit your employees?" (see Figure 4). The most common response was a 2-bedroom, 1-bathroom unit.

Figure 4: Extract from RRWHI Stakeholder Engagement Report



Source: Stakeholder Outcomes Report

The RRWHI housing demand forecast uses a bottom-up compositional analysis to predict housing demand for the RoeROC subregion between 2024 and 2031. The forecast uses three different scenarios, High Scenario (A), Low Scenario (B), and Current Building Activity (C), to estimate additional workforce housing required. The ABS data sets relating to population, housing composition, typology, labour force, business registrations; and the stakeholder engagement data relating to building trends, and workforce shortage are utilised to present the forecast scenarios. This analysis focuses on the provision of smaller housing options for lone and group households, which may cater for the following demographics:

- Seasonal workers
- Increase in proportion of population comprising 65 +
- Singles and group share households
- Drive-in and drive-out workers (lock and leave)

The workforce housing forecast methodology (See Table 13) includes the following considerations:

Housing Categories: Estimated dwelling demand is divided into categories for public and private-sector workers and aged accommodation (See rows B, C and D of Table 13). Social housing, tourist accommodation, and other general housing needs are not specifically categorised and may be absorbed (into current housing trends) or expanded based on estimated figures. Row A of Table 13 provides a guide to the number of smaller dwellings that may be needed to support a percentage of lone households.

Modelling Approach: The proportion of lone households (within occupied dwellings) recorded in the 2021 census data guides the extent of demand for smaller housing products. This model considers that an adequate supply of smaller dwellings may, in turn, accommodate the demand for families in the existing single-dwelling housing stock. The model also presumes that 60% (conservatively) of the current housing construction trends support the workforce.

Population Change: The forecast addresses the accommodation needs for unmet worker demand while maintaining current building activity. The analysis predicts a modest increase in the workforce population to bridge the demand gap, assuming a stable population. Broader population growth scenarios, such as an influx of families with workers or a high population growth projection are not included in the figures, making the forecast relatively conservative. The forecast aims to balance housing needs with workforce demands, keeping the option for significant population change out of the scope for an attainable and realistic estimate.

Scenario Analysis: The methodology involves a consistent approach to arrive at High Scenario (A) and Conservative Scenario (B) estimates for each LGA, with varying percentage weightings between the high and low scenarios. Scenario C, which represents business as usual, serves as a comparison for Scenarios A and B. Each Shire was assessed using this methodology, and the results combined for the overall forecast presented in the

Table 13: Methodology to Forecast Housing Needs by LGA (Compositional Analysis)

Assessment Category		Scenario A High Scenario Dwellings Demand	Scenario B Low Scenario Dwelling Demand	Scenario C Current LGA Building Trends
A	Lone households	50% Cap (occupied households)	30% Cap (occupied households)	Current average LGA Building action per annum x 7 years. 0.6 of current development is estimated to comprise additional and replacement workers' accommodation for the purpose of the forecast.
B	Aged accommodation	Shire % proportion of 65+ of AA (ABS census 2021)	Shire % proportion of 65+ of AB(ABS census 2021)	
C	Public Sector Worker Accommodation	60% of public sector workforce (ABS 2021)	45% of the public sector workforce	
D	Private Sector Worker accommodation	Number of Businesses with Employees (ABS 2021) X BCS % of businesses needing additional workers =Businesses with a shortage of workers X BCS Additional workers needed per business = Number of employees needed. Divide the number of employees needed by 2.0 (average person per household) = Number of worker dwellings	Number of Businesses with Employees (ABS 2021) X 50% of BCS % of businesses needing additional workers =Businesses with a shortage of workers X BCS Additional workers needed per business = Number of employees needed. Divide the number of employees needed by 2.0 (average person per household.)	
E	Building Trends	Based on LGA Building Activity (5 Years) Survey x7.	Based on LGA Building Activity (5 Years) Survey x7.	

Source: JE Planning Services (Note: BCS = Business Community Survey)

LOCAL GOVERNMENT PROFILE AND WORKFORCE HOUSING NEEDS

The Local Government Area Housing Profiles address each LGA in RoeROC subregion. The profile includes a range of tables and information, including:

- Population and dwelling Trends between 2011-2021
- Population Forecast to 2031
- Household Composition and Dwelling Trends 2011- 2021
- Dwelling Tenure and Occupancy Trends
- State and Local Public Sector Workforce

The majority of the data for each LGA is presented in the tables as LGA (shire wide) and UCL (urban centres and localities). The UCL data focused on the urban centres or townsites to compare the overall Shire trends.

Each Shires *Workforce Housing Needs Analysis* is described following the *Shires Housing Profile* and presents three housing demand scenarios based on the current, high and low scenario modelling.

The local government profile data and the stakeholder engagement outcomes (Appendix A) inform the workforce housing demand analysis. The data provides valuable information to verify or meet gaps in available data from the ABS Census. Appendix A provides the detailed outcomes of the Stakeholder engagement methods, which included the following engagement processes:

- Business Community Workforce and Housing Survey (Business Community Survey)
- Local Government Workforce and Housing Survey (AROC working group)
- State Government Stakeholders Survey
- WACHS and GROH information

The Business Community Survey received one hundred and twenty-three responses within the four Shires of the RoeROC subregion.

Image: Shire of Kulin (Kulin Primary School)

SHIRE OF NAREMBEEN HOUSING PROFILE

The Shire of Narembeen currently supports approximately 24% of the RoeROC subregion with a population of 787 people; with the largest centre in the town of Narembeen.

According to ABS census data, the Shire population declined by 359 people between 2011 and 2021. Table 14 below also indicates a reduction of 163 dwellings during this time. These statistics may be due to some ABS classification changes over time or actual activity and may need further study.

Table 14: Shire of Narembeen Population and Total Dwellings Trends 2011- 2021

Narembeen LGA	2011	2016	2021	Trend
Population	1,146	809	787	-359
Total Dwellings	558	412	395	-163
Household Size	2.5	2.3	2.2	
Narembeen (UCL)				
Population	460	472	423	-37
Total Dwellings	218	253	254	36
Household Size	2.1	2.2	2.1	

Source: ABS 2021

The ERP trends for the Shire of Narembeen indicate a fairly stable population with some years experiencing slight decline and others experiencing minimal growth. The ERP in 2023 suggested a population of 821 people. Table 15 (rebased WA Tomorrow Band E) forecasts an increase in the Shire's population to 840 people by 2031 based on the 2023 ERP and fluctuating trends.

Table 15: Shire of Narembeen Rebased and Annualised Population Forecast (Econisis, 2024))

Population	2016	2021	2026	2031
Narembeen	815	820	851	840

Source: Rebased Population on Estimated Resident Population (WA Tomorrow band E) – Econisis

Image: Shire of Narembeen

Table 16: Shire of Narembeen Age Profile, Household Composition, and Dwelling Type (Trends 2011- 2021)

		2011		2016		2021	Trend	Trend
Household Size	Narembeen LGA	Narembeen UCL	Narembeen LGA	Narembeen UCL	Narembeen LGA	Narembeen UCL	Narembeen LGA	Narembeen UCL
Share of Population 0-14 (%)	18.1%	20.2%	16.9%	15.5%	19.3%	15.7%	1.2%	-4.5%
Share of Population 65+ (%)	21.9%	28.2%	22.6%	29.0%	24.7%	34.8%	2.8%	6.6%
Family Households	73.1%	67.8%	72.1%	67.0%	72.1%	65.4%	-1.0%	-2.4%
Lone Person Households	26.9%	32.2%	26.5%	31.3%	26.3%	32.0%	-0.6%	-0.2%
Group Households	0.0%	0.0%	1.3%	1.7%	1.5%	2.6%	1.5%	2.6%
Occupied	76.6%	85.3%	77.7%	76.6%	77.1%	74.3%	0.5%	-11.0%
Unoccupied	23.4%	14.7%	22.3%	23.4%	21.2%	27.6%	-2.2%	12.9%
Separate house	92.9%	87.4%	98.3%	97.3%	94.3%	87.4%	1.4%	0.0%
Semi-detached, row or terrace house, townhouse etc	2.2%	3.8%	1.7%	2.7%	6.9%	11.3%	4.7%	7.5%
Flat or apartment	4.0%	7.1%	0.0%	0.0%	0.0%	0.0%	-4.0%	-7.1%
Other dwelling	0.9%	1.6%	0.0%	0.0%	0.0%	0.0%	-0.9%	-1.6%
Owned outright	47.4%	41.2%	49.8%	40.6%	56.1%	49.7%	8.7%	8.5%
Owned with a mortgage	18.0%	19.8%	18.5%	21.7%	18.3%	18.9%	0.3%	-0.9%
Rented	30.3%	35.2%	26.4%	31.7%	18.7%	27.7%	-11.6%	-7.5%
Other tenure type	2.5%	1.6%	1.0%	0.0%	7.3%	1.9%	4.8%	0.3%
Tenure type not stated	1.9%	2.2%	4.3%	6.1%	0.0%	0.0%	-1.9%	-2.2%

Source: ABS 2021

The Shire of Narembeen indicates population and age distribution trends (Table 16) consistent with the RoeROC subregion between 2011-2021, including:

- A reduction in the number of children and youth of 1.2% overall with 4.5% decline in the townsite of Narembeen.
- An increase in the number of the well-aged by 2.8% Shire wide and 6% increase in town representing an aging population.
- Lone-person households have remained stable in the townsite of Narembeen comprising relatively high proportion (32%) of the population.
- Family households have seen a decline across the Shire of 1% however have reduced in the townsite of Narembeen by 2.5%.
- The proportion of group households has seen an increase of 2.6%.

- The number of dwellings owned outright has increased by 8%, with those owned with a mortgage relatively stable.
- The representation of rental properties across the Shire has significantly decreased by 11% across the LGA.
- An increase in other tenure types indicates employee-provided housing or not-for-profit community or social housing.
- Single houses comprise 94% of the housing stock.

The Shire of Narembeen ABS figures for dwelling occupancy indicate dominance of occupied dwellings, and unoccupied dwellings represent 21.2% (Table 17). A ground truth investigation into the number of unoccupied dwellings in the Shire of Narembeen may be important to uncover the number of unoccupied dwellings available for use or refurbishment.

Table 17: 2021 Shire of Narembeen Dwellings Tenure and Occupancy Trends by LGA and Townsite

Indicators	Narembeen LGA	Narembeen (UCL
Population	787	423
Total Dwellings	395	254
Occupied	77.1%	74.3%
Unoccupied	21.2%	27.6%
Separate house	94.3%	87.4%
Semi-detached, row or terrace house, townhouse etc	6.9%	11.3%
Flat or apartment	0.0%	0.0%
Other dwelling	0.0%	0.0%
Owned outright	56.1%	49.7%
Owned with a mortgage	18.3%	18.9%
Rented	18.7%	27.7%
Other tenure type	7.3%	1.9%
Tenure type not stated	0.0%	0.0%

Source: ABS 2021

The total labour force in the Shire of Narembeen comprises 481 people based on the ABS census data 2023, with approximately 12.3% representing the Public Sector Workforce of approximately 59 employees (see Table 18). State government employees comprise 4%, and local government employees comprise 8%. The private sector workforce comprises the agricultural, commercial, industrial, tourism, hospitality, and retail sectors, accounting for 88% of the workforce. ABS census local government employee figures in Table 18 (40 employees LGA and 31 UCL) closely correlate with the Shire employee data (33 employees) provided in Appendix A (Table 10), indicating the validity of the data.

Table 18: Shire of Narembeen % State and Local Public Sector Workforce

Indicators	Narembeen LGA	Narembeen (UCL
Sum of Local Govt	40	31
Sum of State/Territory Govt	19	14
Total State and Local Public Sector	59	45
Population	955	463
Public Workers per 1,000 people	60	97

Source: ABS 2021

Table 19: Summary of Public Sector Housing Stock in the Shire of Narembeen

Which LGA do you represent?	Staff occupied Shire Housing	WACHS Current Housing Stock		Current GROH Housing Stock	Current GROH Housing Stock	Total
		Lease	Owned	Leased	Owned	
Shire of Narembeen	6	1	4	5	4	20

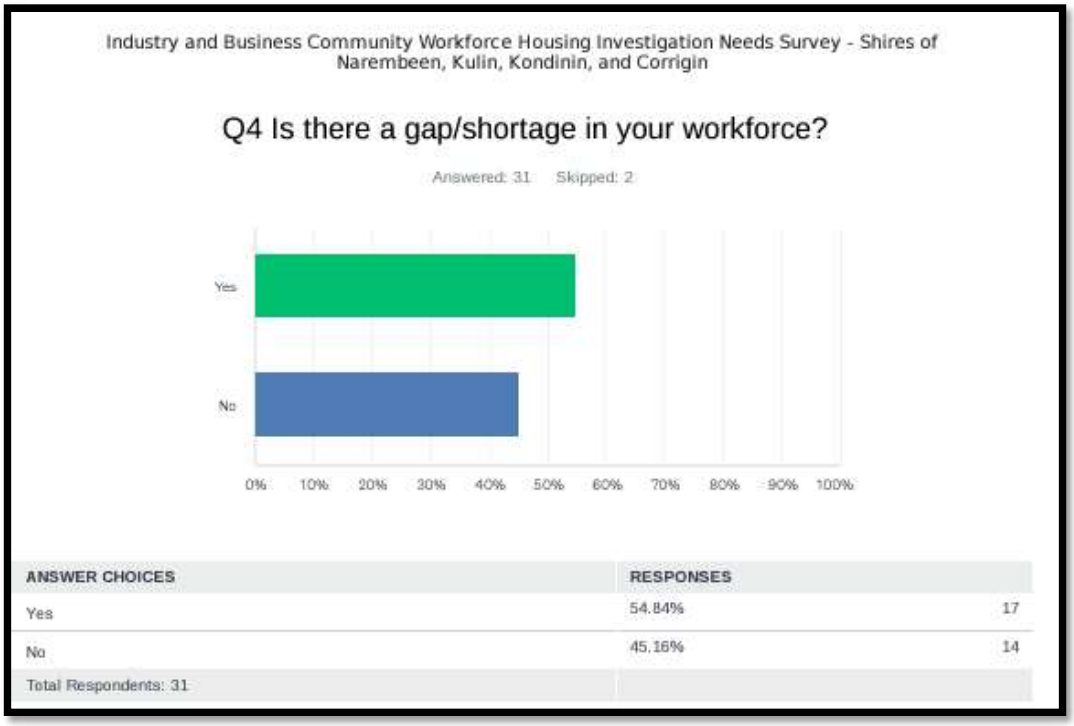
Source: Appendix A Stakeholder Engagement Outcomes Report

Public sector housing data can be found in Appendix A (Tables 12, 14, and 15). The outcomes of stakeholder engagement are summarised in Table 19 above. Based on these outcomes and Table 18 above it is evident that approximately 33% of public sector staff have access to government-provided housing, which includes 73% of state government employees and 15% of local government employees in the Shire of Narembeen. The local government survey highlights a shortfall in housing provision for staff, indicating that if the additional housing needs are met, 25% of local government employees could be accommodated.

According to Appendix A (Table 12), 35% of Shire of Narembeen properties are rented to Shire employees, with the remaining 65% rented to support community housing and essential workers. Meeting the additional housing needs of local government staff would increase the proportion of local government employees who occupy housing to 47%. Currently, the majority of Shire housing is provided to support eligible community housing residents (based on criteria set by the Department of Communities). Three houses are rented by essential workers (2 doctors and one childcare worker).

The trends from the Community Business survey are described for the RoeROC subregion and detailed in Appendix A. According to the survey responses shown in Figure 5 below, 55% of responding businesses in the Shire of Narembeen recognise an average workforce gap of 0.8 workers.

Figure 5: Shire of Narembeen Business Community Survey Response – Worker Shortage

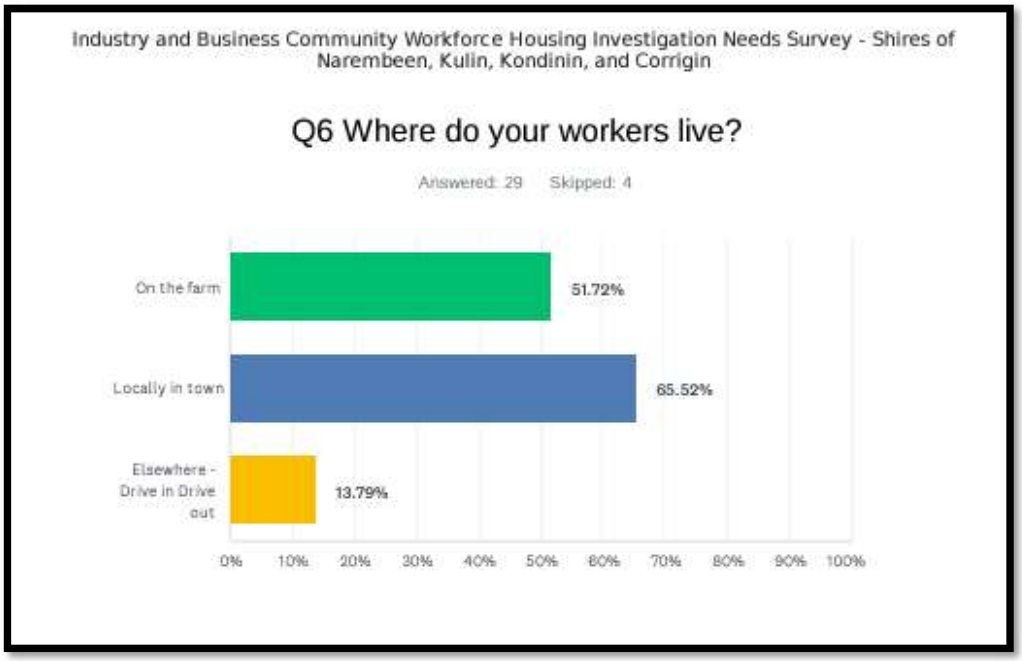


ANSWER CHOICES	RESPONSES	
Yes	54.84%	17
No	45.16%	14
Total Respondents: 31		

Source: Business Community Survey (Survey Monkey)

The Shire workers housing location generally represent the trends across the RoeROC area (Figure 6).

Figure 6: Shire of Narembeen Business Community Survey Response – Worker Living Location



Source: Business Community Survey (Survey Monkey)

Shire of Narembeen Workforce Housing Needs Analysis

According to the Register of Businesses, the Shire of Narembeen has approximately 144 businesses, with 63 businesses actively employing staff. The Business Community survey identified a need for an average gap of 0.8 workers from responding businesses (55% of businesses that employed staff require additional workers), equating to an estimated 27 workers required to cover the current worker shortage in the Shire of Narembeen.

Table 20 presents the housing needs analysis forecast to 2031 for the Shire of Narembeen.

Table 20: Shire of Narembeen Housing Needs Analysis (Workforce Housing)

Shire of Narembeen Housing Needs Analysis (Workforce Housing)						
	Assessment Category	High Scenario (A) 2024-2031	Conservative Scenario (B) 2024-2031	Current Trends (ABS and LGA Survey) Scenario (C)	Scenario A Worker housing	Scenario B Worker Housing
A	Lone Households (cap figure)	80	48			
A1	Aged Accommodation	20	12			
A2	Public Sector Worker Accommodation	18	13		18	13
A3	Private Sector Worker Accommodation	14	7		14	7
B	Shire Building activity	18	18	18	10	10
	Additional Dwellings to 2031	69	50	18	42	30
	Average Per annum	10	7	3	6	4

Source: JE Planning Services

Construction from 2019 to 2023: During this period, 13 new dwellings were built in the Shire of Narembeen, an average of 2.6 dwellings per year.

Estimated Dwelling Demand: The overall dwelling demand is predicted to be 2.6 - 3.8 times greater than current building activity and is estimated to require between 50 and 69 additional dwellings by 2031. There is an estimated shortage of 20-32 public and private sector workforce dwellings in the Shire of Narembeen. To accommodate the public and private sector workforce between 2024 and 2031, an additional 30 (low estimate) to 42 (high estimate) dwellings are required.

Construction Recommendations: To meet current building activity and increased workforce housing requirements, it is recommended that 7-10 dwellings be constructed each year over the next 6-7 years within the Shire, with at least 4-6 dwellings being for workforce accommodation. This figure may incrementally address worker housing shortages and maintain ongoing replacement stock and additional dwellings for the broader community.

Shire of Kulin Housing Profile

The Shire of Kulin currently supports approximately 24% of the RoeROC subregion, with a population of 769 people and the largest centre in the town of Kulin. According to ABS census data, the Shire population declined by 57 people between 2011 and 2021. Table 21 below also indicates an increase in 5 dwellings during this time.

Table 21: Shire of Kulin (LGA and Kulin) Population and Total Dwellings Trends 2011- 2021

Kulin LGA	2011	2016	2021	Trend
Population	826	765	769	-57
Total Dwellings	441	467	394	-47
Household Size	2.4	2.3	2.5	
Kulin (UCL)				
Population	330	299	294	-36
Total Dwellings	169	178	174	5
Household Size	2.3	2.1	2.2	

Source: ABS 2021

The ERP trends for the Shire of Kulin indicate a fairly stable population, with some years experiencing a slight decline and others experiencing minimal growth. The ERP in 2023 suggested a population of 790 people. Table 22 (rebased WA Tomorrow Band E) forecasts an increase in the Shire's population to 767 people by 2031 based on the 2023 ERP and fluctuating trends.

Table 22: Shire of Kulin Rebased and Annualised Population Forecast (Econisis,2024)

Population	2016	2021	2026	2031
Kulin	783	789	798	767

Source: Rebased Population on Estimated Resident Population (WA Tomorrow band E) – Econisis

The Shire of Kulin indicates the following population and age distribution trends in Table 23 below:

- There was a 3% reduction in the children and youth populations.
- Kulin's proportion of well-aged people has increased consistently with the subregional trends, at 7.5% within the townsite and higher throughout the Shire overall, at 11%.
- Lone-person households have seen a slight decline however, they currently comprise a relatively high proportion (35%) of the population.
- Family households have maintained a stable figure.
- The proportion of group households has significantly increased in the Kulin townsite.
- Trends indicate a reduction in unoccupied dwellings.
- There has been an increase of 3.8% in the number of dwellings owned outright, with those owned with a mortgage relatively stable.
- The representation of rental properties across the Shire has decreased by 6% across the LGA.
- A marked increase in other tenure types (7.8%) indicates an increase in employee-provided housing, not-for-profit community, or social housing.
- Single houses comprise 96% of the housing stock.

Table 23: Shire of Kulin Age Profile, Household Composition, and Dwelling Type (Trends 2011- 2021)

		2011		2016		2021	Trend	Trend
Household Size	Kulin LGA	Kulin UCL	Kulin LGA	Kulin UCL	Kulin LGA	Kulin UCL	Kulin LGA	Kulin UCL
Share of Population 0-14 (%)	24.8%	25.5%	20.1%	21.1%	20.6%	22.3%	-4.2%	-3.2%
Share of Population 65+ (%)	12.4%	18.0%	18.6%	25.5%	19.9%	29.7%	7.5%	11.7%
Family Households	70.4%	61.6%	68.4%	58.8%	71.4%	61.5%	1.0%	-0.1%
Lone Person Households	28.1%	35.2%	29.2%	38.7%	26.4%	34.9%	-1.7%	-0.3%
Group Households	1.5%	3.2%	2.3%	2.5%	2.2%	3.7%	0.7%	0.5%
Occupied	74.1%	78.0%	68.5%	76.4%	75.8%	71.0%	1.7%	-7.0%
Unoccupied	25.9%	22.0%	31.5%	23.6%	23.9%	29.0%	-2.0%	7.0%
Separate house	93.8%	86.6%	92.4%	82.5%	95.6%	95.5%	1.8%	8.9%
Semi-detached, row or terrace house, townhouse etc	2.5%	5.5%	6.3%	15.1%	1.5%	3.6%	-1.0%	-1.9%
Flat or apartment	3.7%	7.9%	0.0%	0.0%	0.0%	0.0%	-3.7%	-7.9%
Other dwelling	0.0%	0.0%	0.0%	0.0%	1.5%	0.0%	1.5%	0.0%
Owned outright	50.6%	33.6%	51.0%	37.9%	54.4%	47.3%	3.8%	13.7%
Owned with a mortgage	19.1%	25.0%	17.3%	17.7%	16.3%	19.1%	-2.8%	-5.9%
Rented	25.6%	39.1%	24.5%	38.7%	18.9%	34.5%	-6.7%	-4.6%
Other tenure type	2.2%	0.0%	3.6%	2.4%	10.0%	0.0%	7.8%	0.0%
Tenure type not stated	2.5%	2.3%	3.6%	3.2%	0.0%	0.0%	-2.5%	-2.3%

Source: ABS 2021

The Shire of Kulin ABS figures for dwelling occupancy reflect RoeROC trends with unoccupied dwellings representing 29%. A ground truth investigation into the number of unoccupied dwellings in the Shire of Kulin may be important to uncover the number of dwellings available for use or refurbishment.

The total labour force in the Shire of Kulin comprises 522 people based on the ABS census data 2023, with approximately 11% representing the Public Sector Workforce with approximately 58 employees (see Table 24). State government employees comprise 4%, and local government employees comprise 7%. The private sector workforce comprises the agricultural, commercial, industrial, tourism, hospitality, and retail sectors, accounting for 89% of the workforce. ABS census local government employee figures in Table 24 (38 employees LGA and 24 UCL) are lower than the current Shire employee data (50 employees) provided in Appendix A.

Table 24: Shire of Kulin % State and Local Public Sector Workforce

Indicators	Kulin LGA	Kulin UCL
Sum of Local Govt	38	24
Sum of State/Territory Govt	20	12
Total State and Local Public Sector	58	36
Population	769	294
Public Workers per 1,000 people	75	122

Source: ABS 2021

Table 25: Summary of Public Sector Housing Stock in RoeROC

Which LGA do you represent?	Staff occupied Shire Housing	WACHS Current Housing Stock		Current GROH Housing Stock	Current GROH Housing Stock	Total
		Lease	Owned	Leased	Owned	
Shire of Kulin	16	0	0	4	2	22

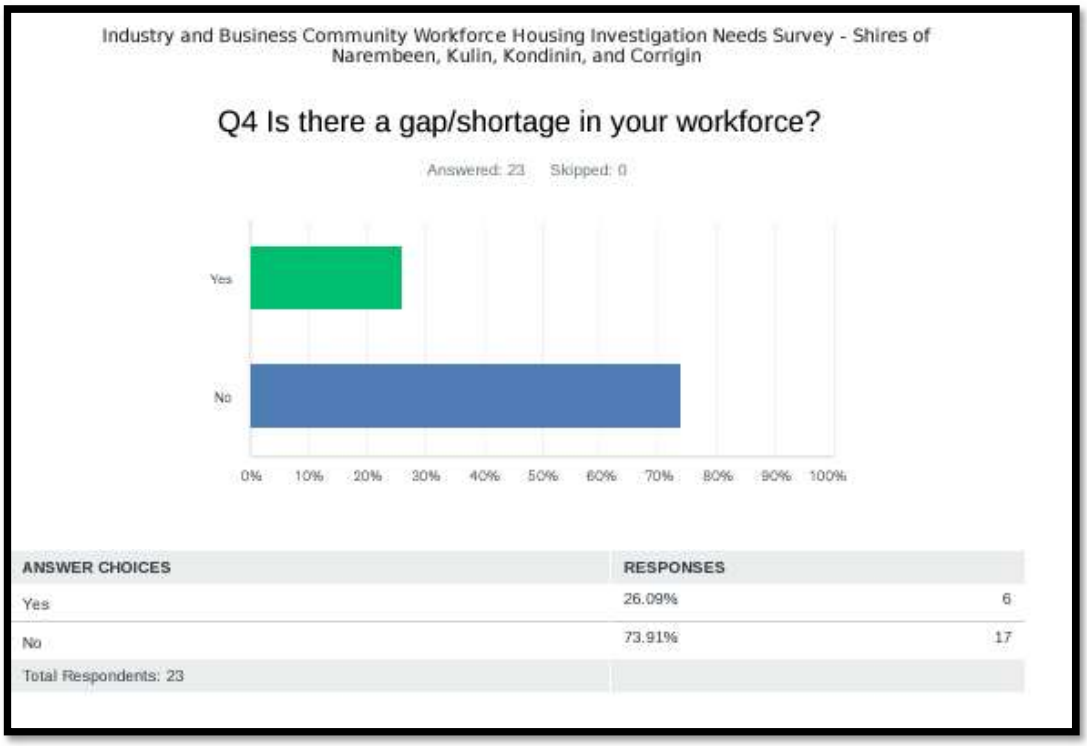
Source: Appendix A Stakeholder Engagement Outcomes Report

Public sector housing data can be found in Appendix A (Tables 12, 14, and 15). The outcomes of stakeholder engagement are summarised in Table 26 above. Based on these outcomes and Table 25 above, it is evident that approximately 37% of public sector staff have access to government-provided housing, which includes 30% of state government employees and 42% of local government employees. The local government survey highlights a shortfall in housing provision for staff, indicating that if the additional housing needs are met, 57% of local government employees could be accommodated.

According to Appendix A (Table 12), 70% of Shire of Kulin properties are rented to Shire employees, with the remaining 30% rented to support GROH and private rentals. Meeting the additional housing needs of local government staff would increase the proportion of local government employees occupied housing to 75%.

The trends from the Business Community survey are described for the RoeROC subregion above and detailed in Appendix A. The Business Community survey from the Shire of Kulin revealed a largely supported workforce, with only 26% of the businesses noting a gap or lack of employees, which shows a disparity with the overall RoeROC region, which had an average of 61% of businesses registering a need for additional workers.

Figure 7: Shire of Kulin Business Community Survey Response – Worker Shortage

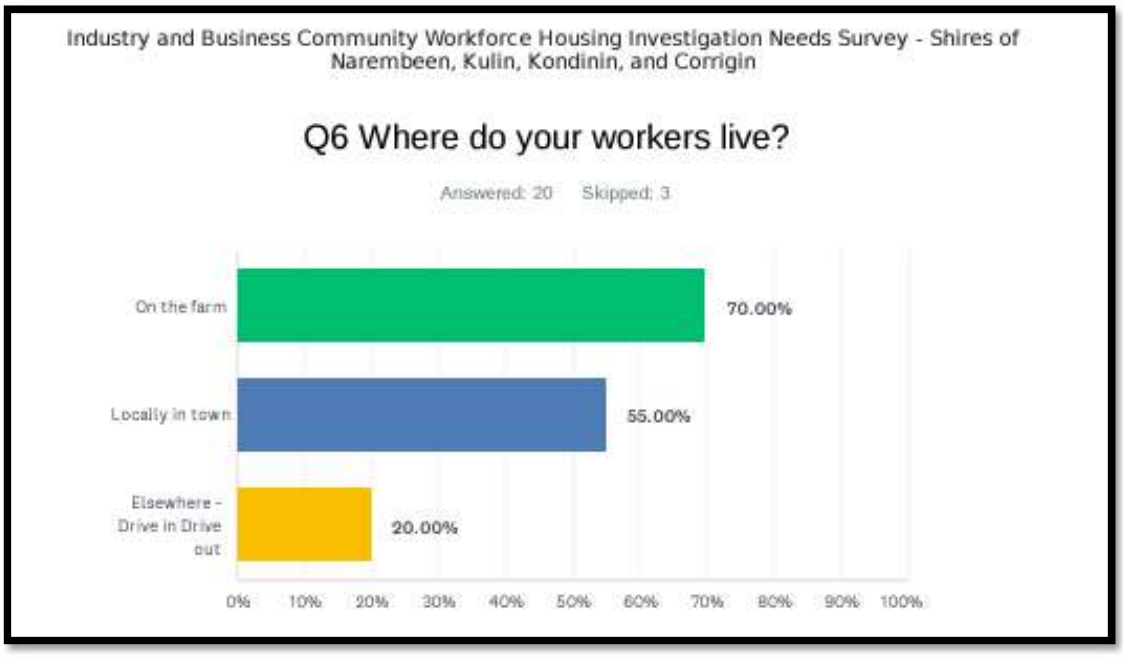


ANSWER CHOICES	RESPONSES	
Yes	26.09%	6
No	73.91%	17
Total Respondents: 23		

Source: Business Community Survey (Survey Monkey)

The Shire of Kulin worker living location in Figure 8 below indicates a higher proportion of workers live on farms than other LGA's within RoeROC subregion. The proportion of drive in drive out is consistent with the RoeROC trends.

Figure 8: Shire of Kulin Business Community Survey Response – Worker Living Location



Source: Business Community Survey (Survey Monkey)

Shire of Kulin Workforce Housing Needs Analysis

According to the Register of Businesses, the Shire of Kulin has approximately 424 businesses, with 74 businesses actively employing staff. The Business Community survey identified an average gap of 0.4 workers from responding businesses (26% of businesses employed staff require additional workers), equating to an estimated additional seven workers required to cover the current private sector worker shortage in the Shire of Kulin; which is lower than other Shires within the RoeROC subregion. However, the surveys revealed that the public sector worker accommodation is currently underprovided in Kulin in comparison with other RoeROC shires and represents the majority of the worker housing demand.

Table 26 presents the housing needs analysis forecast for 2031 for the Shire of Kulin.

Table 26: Shire of Kulin Housing Needs Analysis (Workforce Housing)

Shire of Kulin Housing Needs Analysis (Workforce Housing)						
	Assessment Category	High Scenario (A) 2024-2031	Conservative Scenario (B) 2024-2031	Current Trends (ABS and LGA Survey) Scenario (C)	Scenario A Worker housing	Scenario B Worker Housing
A	Lone Households (guide for small housing product)	36	21			
A1	Aged Accommodation	7	4			
A2	Public Sector Worker Accommodation	17	13		17	13
A3	Private Sector Worker Accommodation	4	2		4	2
B	Shire Building activity	14	14	14	8	8
	Additional Dwellings to 2031	42	33	14	29	23
	Average Per annum	6	5	2	4	3

Source: JE Planning Services

Construction from 2019 to 2023: During this period, 10 new dwellings were built in the Shire of Kulin, an average of 2 dwellings per year.

Estimated Dwelling Demand: The overall dwelling demand is predicted to be 2.5 – 3 times greater than current building activity and is estimated to require between 33 and 42 additional dwellings by 2031. There is an estimated shortage of between 15-21 public and private sector workforce dwellings in the Shire of Kulin. To accommodate the public and private sector workforce between 2024 and 2031, an additional 23 (low estimate) to 29 (high estimate) dwellings are required.

Construction Recommendations: To meet current building activity and increased workforce housing requirements, it is recommended that 5-6 dwellings be constructed each year over the next 6-7 years within the Shire, with at least 3-4 dwellings being for workforce accommodation. This figure may incrementally address worker housing shortages and maintain ongoing replacement stock and additional dwellings for the broader community.

Shire of Corrigin Housing Profile

The Shire of Corrigin currently supports approximately 29% of the RoeROC Subregion with a population of 1007 people; with the largest centre in the town of Corrigin.

According to ABS census data, the Shire population declined by 56 people between 2011 and 2021. Table 27 below also indicates a reduction of 40 dwellings during this time. These dwelling statistics may be due to some ABS classification changes over time or actual activity and may need further study.

Table 27: Shire of Corrigin Population and Total Dwellings Trends 2011- 2021

Corrigin LGA	2011	2016	2021	Trend
Population	1,063	1,146	1,007	-56
Total Dwellings	638	558	501	-137
Household Size	2.2	2.3	2.3	
Corrigin (UCL)				
Population	649	742	625	-24
Total Dwellings	392	368	352	-40
Household Size	2	2.1	2	

Source: ABS 2021

The ERP trends for the Shire of Corrigin indicate a fairly stable population, with some years experiencing slight decline and others experiencing minimal growth. The ERP in 2023 suggested a population of 1028 people. Table 28 (rebased WA Tomorrow Band E) forecasts a slight decrease in the Shire's population to 1000 people by 2031 based on the 2023 ERP and fluctuating trends.

Table 28: Shire of Corrigin Rebased and Annualised Population Forecast (Econisis, 2024)

Population	2016	2021	2026	2031
Corrigin	1193	1028	1033	1000

Source: Rebased Population on Estimated Resident Population (WA Tomorrow band E) – Econisis

Image: Shire of Corrigin

Table 29: Shire of Corrigin Age Profile, Household Composition, and Dwelling Type (Trends 2011- 2021)

		2011		2016		2021	Trend	Trend
Household Size	Corrigin LGA	Corrigin (UCL)	Corrigin LGA	Corrigin (UCL)	Corrigin LGA	Corrigin (UCL)	Corrigin LGA	Corrigin (UCL)
Share of Population 0-14 (%)	17.6%	14.5%	20.0%	19.1%	16.8%	13.7%	-0.8%	-0.8%
Share of Population 65+ (%)	21.1%	27.1%	24.2%	25.9%	26.2%	33.4%	5.1%	6.3%
Family Households	65.6%	58.4%	63.4%	61.0%	67.0%	57.6%	1.4%	-0.8%
Lone Person Households	33.3%	39.2%	32.9%	34.9%	32.2%	41.3%	-1.1%	2.1%
Group Households	1.1%	2.4%	3.7%	4.1%	0.8%	1.1%	-0.3%	-1.3%
Occupied	70.9%	76.5%	80.8%	85.3%	84.4%	82.9%	13.5%	6.4%
Unoccupied	29.1%	23.5%	19.2%	14.7%	14.5%	16.8%	-14.6%	-6.7%
Separate house	92.7%	88.4%	93.2%	92.0%	94.2%	92.6%	1.5%	4.2%
Semi-detached, row or terrace house, townhouse etc	1.8%	3.1%	3.1%	4.3%	4.3%	6.3%	2.5%	3.2%
Flat or apartment	4.8%	7.1%	0.0%	0.0%	0.0%	0.0%	-4.8%	-7.1%
Other dwelling	0.7%	1.4%	0.7%	1.0%	1.3%	1.1%	0.6%	-0.3%
Owned outright	46.0%	41.2%	47.3%	40.5%	49.6%	43.2%	3.6%	2.0%
Owned with a mortgage	22.0%	23.1%	20.5%	22.5%	21.8%	23.6%	-0.2%	0.5%
Rented	28.6%	33.3%	28.7%	34.9%	20.5%	29.2%	-8.1%	-4.1%
Other tenure type	0.9%	0.0%	1.2%	0.0%	6.8%	3.7%	5.9%	3.7%
Tenure type not stated	2.5%	2.4%	2.4%	2.1%	1.8%	2.6%	-0.7%	0.2%

Source: ABS 2021

The Shire of Corrigin indicates population and age distribution trends (Table 29) consistent with the RoeROC Subregion between 2011 - 2021, including:

- A reduction in the number of children and youth of 0.8%.
- An increase in the number of the well-aged by 5% Shire wide and 6% increase in town representing an aging population.
- Lone-person households have increased by 2.1% in the townsite of Corrigin comprising a significantly high proportion (41%) of the townsite population.
- Family households are relatively stable with a slight decline across the Shire.
- The proportion grouped dwellings has increased by 3.2% in the townsite.
- The number of dwellings owned outright has increased by 2%, with those owned with a mortgage relatively stable.

- The representation of rental properties across the Shire has decreased by 8% across the LGA.
- An increase in other tenure types indicates employee-provided housing or not-for-profit community or social housing.
- Single houses comprise 93% of the housing stock.

The Shire of Corrigin ABS indicate an increase in occupied dwellings of 13.5% since 2011, with unoccupied dwellings representing 14.5% of dwellings, which is the lowest statistics for unoccupied dwellings in RoeROC.

The total labour force in the Shire of Corrigin comprises 529 people based on the ABS census data 2023, with approximately 10% representing the Public Sector Workforce of approximately 55 employees (see Table 11). State government employees comprise 4%, and local government employees comprise 7%. The private sector workforce comprises the agricultural, commercial, industrial, tourism, hospitality, and retail sectors, accounting for 90% of the workforce. ABS census local government employee figures in Table 30 (35 employees) closely correlate with the Shire employee data (37 employees) provided in Appendix A (Table 10), indicating the validity of the data.

Table 30: Shire of Corrigin (% State and Local Public Sector Workforce)

Indicators	Corrigin LGA	Corrigin (UCL)
Sum of Local Gov	35	21
Sum of State/Territory Govt	20	14
Total State and Local Public Sector	55	35
Population	802	198
Public Workers per 1,000 people	68	176

Source: ABS 2021

Table 31: Summary of Public Sector Housing Stock in RoeROC

Which LGA do you represent?	Staff occupied Shire Housing	WACHS Current Housing Stock		Current GROH Housing Stock	Current GROH Housing Stock	Total
		Lease	Owned	Leased	Owned	
Shire of Corrigin	6	5	2	6	0	19

Source: Appendix A Stakeholder Engagement Outcomes Report

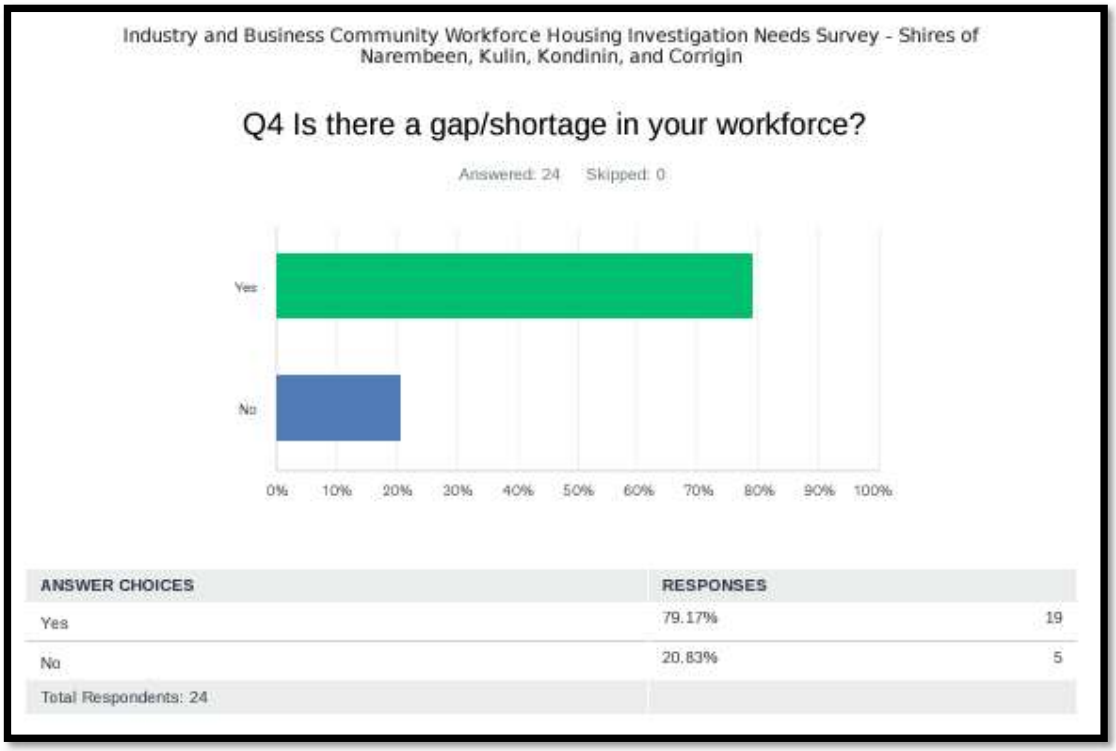
Public sector housing data can be found in Appendix A (Tables 12, 14, and 15). The outcomes of stakeholder engagement are summarised in Table 31 above. Based on these outcomes and Table 31 above it is evident that approximately 35% of public sector staff have access to government-provided housing, which includes 65% of state government employees and 17% of local government employees. The local government survey highlights a shortfall in housing provision for staff, indicating that if the additional housing needs are met, 23% of local government employees could be accommodated.

According to Appendix A (Table 12), 35% of Shire of Corrigin properties are rented to Shire employees, with the remaining 65% rented to support community housing and essential workers.

Meeting the additional housing needs of local government staff would increase the proportion of local government employee occupied housing to 47%. Currently, the majority of Shire housing is provided to GROH and private rentals.

The trends from the Business Community survey are described for the RoeROC subregion above and detailed in Appendix A. According to the survey responses shown in Figure 9 below, 79% of responding businesses recognised an average workforce gap of 2.1 workers, which is greater than the average trends for the RoeROC subregion. These higher-than-average responses signal that the Shire of Corrigin has the greatest need for worker accommodation in the RoeROC subregion.

Table 9: Shire of Corrigin Housing Needs Analysis (Workforce Housing)

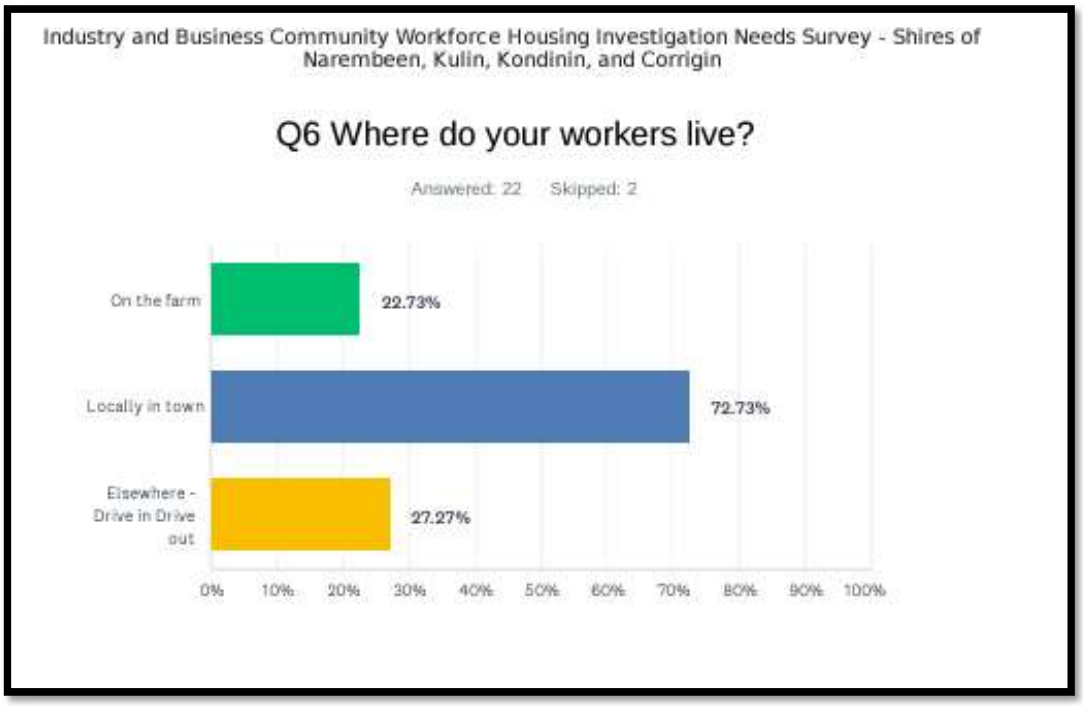


ANSWER CHOICES	RESPONSES	
Yes	79.17%	19
No	20.83%	5
Total Respondents: 24		

Source: Business Community Survey (Survey Monkey)

According to the survey responses shown in Figure 10 below, The Shire of Corrigin Business Community survey revealed that in contrast with the RoeROC trends the majority of workers reside in town, with an equal number of employees who otherwise live on a farm or access work through drive-in/drive-out.

Figure 10: Shire of Corrigin Business Community Survey Response – Worker Living Location



Source: Business Community Survey (Survey Monkey)

Image: Shire of Corrigin

Shire of Corrigin Workforce Housing Needs Analysis

According to the Register of Businesses, the Shire of Corrigin has approximately 189 businesses, with 75 businesses actively employing staff. The Business Community survey identified an average gap of 2.1 workers from responding businesses (79% of businesses that employed staff require additional workers), equating to an estimated additional 124 workers required to cover the current worker shortage in the Shire of Corrigin.

Table 32 presents the housing needs analysis forecast to 2031 for the Shire of Corrigin

Table 32: Shire of Corrigin Housing Needs Analysis (Workforce Housing)

Shire of Corrigin Housing Needs Analysis (Workforce Housing)						
	Assessment Category	High Scenario (A) 2024-2031	Conservative Scenario (B) 2024-2031	Current Trends (ABS and LGA Survey) Scenario (C)	Scenario A Worker housing	Scenario B Worker Housing
A	Lone Households (cap figure)	68	41			
A1	Aged Accommodation	18	11			
A2	Public Sector Worker Accommodation	17	12		17	12
A3	Private Sector Worker Accommodation	62	30		62	30
B	Shire Building activity	28	28	28	17	17
	Additional Dwellings to 2031	125	81	28	96	59
	Average Per annum	18	11	4	14	8

Source: JE Planning Services

Construction from 2019 to 2023: During this period, 20 new dwellings were built in the Shire of Corrigin, an average of 4 dwellings per year.

Estimated Dwelling Demand: The overall dwelling demand is predicted to be 2.75 - 4 times greater than current building activity and is estimated to require between 81 and 125 additional dwellings by 2031. There is an estimated shortage of between 42 -79 public and private sector workforce dwellings in the Shire of Corrigin. To accommodate the public and private sector workforce between 2024 and 2031, an additional 59 (low estimate) to 96 (high estimate) dwellings are required.

Construction Recommendations: To meet current building activity and increased workforce housing requirements, it is recommended that 11-18 dwellings be constructed each year over the next 6-7 years within the Shire, with at least 8-14 dwellings being for workforce accommodation. This figure may incrementally address worker housing shortages and maintain ongoing replacement stock and additional dwellings for the broader community.

Shire of Kondinin Housing Profile

The Shire of Kondinin currently accounts for approximately 25% of the RoeROC subregion's population, with a total of 847 residents. The Shire of Kondinin encompasses the towns of Hyden, Kondinin, and Karlgarin. The largest town within the Shire is Hyden, which had a population of 384 according to the 2021 ABS data. The ABS data, used for comparing trends across the entire Shire and individual towns, provides an example in Kondinin, as shown in Table 33 below.

According to ABS census data, the Shire population declined by 198 people between 2011 and 2021. Table 33 below also indicates a reduction of 2 dwellings during this time. These statistics may be due to some ABS classification changes over time or actual activity and may need further study.

Table 33: Shire of Kondinin Population and Total Dwellings Trends 2011- 2021

Kondinin LGA	2011	2016	2021	Trend
Population	1,045	873	847	-198
Total Dwellings	509	440	460	-49
Household Size			2.2	
Kondinin (UCL)				
Population	281	230	226	-55
Total Dwellings	148	120	146	-2
Household Size	2.4	2.1	2	

Source: ABS 2021

The ERP trends for the Shire of Kondinin indicate a fairly stable population with some years experiencing slight decline and others experiencing minimal growth. The ERP in 2023 suggested a population of 855 people. Table 34 (rebased WA Tomorrow Band E) forecasts an increase in the Shire's population to 834 people by 2031 based on the 2023 ERP and fluctuating trends.

Table 34: Shire of Kondinin Rebased and Annualised Population Forecast (Econisis, 2024)

Population	2016	2021	2026	2031
Kondinin	894	872	884	834

Source: Rebased Population on Estimated Resident Population (WA Tomorrow band E) – Econisis

The Shire of Kondinin indicates population and age distribution trends (Table 35) consistent with the RoeROC subregion between 2011-2021, including:

- A reduction in the number of children and youth of 7% overall with 10% decline in the townsite of Kondinin.
- An increase in the number of the well-aged by 8.7% Shire wide and 7% increase in town, representing an aging population.
- Lone-person households increased shire-wide (3%) and by 5% in the townsite of Kondinin, representing a significant proportion (40%) of households.
- Family households have decreased across the Shire and townsite by approximately 5%.
- The proportion of group households has seen an increase of 1.7%.

- The number of dwellings owned outright has increased by 9.2% in the townsite, with those owned with a mortgage decreasing.
- The representation of rental properties across the Shire has significantly decreased with by 8% across the LGA.
- An increase in other tenure types indicates employee-provided housing or not-for-profit community or social housing.
- Single houses comprise 97% of the housing stock.

Table 35: Shire of Kondinin Age Profile, Household Composition, and Dwelling Type (Trends 2011- 2021)

		2011		2016		2021	Trend	Trend
Household Size	Kondinin LGA	Kondinin (UCL)	Kondinin LGA	Kondinin (UCL)	Kondinin LGA	Kondinin (UCL)	Kondinin LGA	Kondinin (UCL)
Share of Population 0-14 (%)	24.2%	24.8%	18.9%	9.7%	17.3%	14.9%	-6.9%	-9.9%
Share of Population 65+ (%)	11.8%	12.8%	17.3%	22.8%	20.5%	19.9%	8.7%	7.1%
Family Households	69.8%	61.5%	68.9%	56.0%	65.2%	56.1%	-4.6%	-5.4%
Lone Person Households	29.0%	35.8%	28.9%	44.0%	31.9%	40.8%	2.9%	5.0%
Group Households	1.2%	2.8%	2.2%	0.0%	2.9%	3.1%	1.7%	0.3%
Occupied	73.2%	75.9%	77.4%	82.9%	77.7%	75.0%	4.5%	-0.9%
Unoccupied	26.8%	24.1%	22.6%	17.1%	22.0%	22.7%	-4.8%	-1.4%
Separate house	96.0%	88.8%	97.6%	93.8%	94.9%	96.9%	-1.1%	8.1%
Semi-detached, row or terrace house, townhouse etc	1.4%	6.5%	1.5%	3.1%	2.0%	5.2%	0.6%	-1.3%
Flat or apartment	0.9%	0.0%	0.0%	3.1%	0.0%	0.0%	-0.9%	0.0%
Other dwelling	1.7%	4.7%	0.0%	0.0%	1.3%	0.0%	-0.4%	-4.7%
Owned outright	43.1%	24.1%	43.9%	35.2%	45.8%	33.3%	2.7%	9.2%
Owned with a mortgage	18.2%	26.9%	21.2%	22.7%	16.5%	17.7%	-1.7%	-9.2%
Rented	33.8%	46.3%	31.9%	42.0%	25.6%	35.4%	-8.2%	-10.9%
Other tenure type	1.2%	0.0%	1.2%	0.0%	8.1%	5.2%	6.9%	5.2%
Tenure type not stated	3.8%	2.8%	2.0%	0.0%	3.4%	9.4%	-0.4%	6.6%

Source: ABS 2021

The Shire of Kondinin ABS figures for dwelling occupancy indicates unoccupied dwellings represent 23%. A ground truth investigation into the number of unoccupied dwellings in the Shire of Kondinin may be important to uncover the number of unoccupied dwellings available for use or refurbishment.

The total labour force in the Shire of Kondinin comprises 581 people based on the ABS census data 2023, with approximately 11% representing the Public Sector Workforce of approximately

63 employees (see Table 37). State government employees comprise 4%, and local government employees comprise 6%. The private sector workforce comprises the agricultural, commercial, industrial, tourism, hospitality, and retail sectors, accounting for 89% of the workforce. ABS census local government employee figures in Table 11 (37 employees) closely correlate with the Shire employee data (36 employees) provided in Appendix A (Table 10), indicating the validity of the data.

Table 36: Shire of Kondinin % State and Local Public Sector Workforce

Indicators	Kondinin LGA	Kondinin (UCL)
Sum of Local Govt	37	21
Sum of State/Territory Govt	26	22
Total State and Local Public Sector	63	43
Population	847	226
Public Workers per 1,000 people	74	190

Source: ABS 2021

Table 37: Summary of Public Sector Housing Stock in RoeROC

Which LGA do you represent?	Staff occupied Shire Housing	WACHS Current Housing Stock		Current GROH Housing Stock	Current GROH Housing Stock	Total
		Leased	Owned	Leased	Owned	
Shire of Kondinin	13	1	1	8	2	25

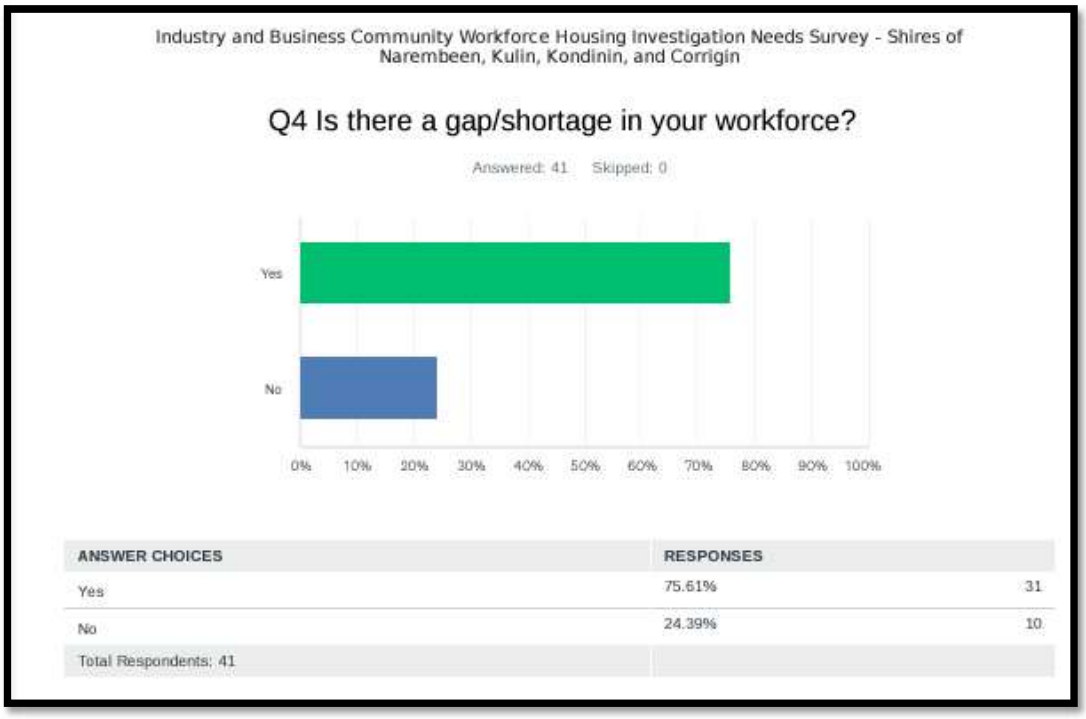
Source: RRWHI Stakeholders Engagement Outcomes

Public sector housing data can be found in Appendix A (Tables 12, 14, and 15). The outcomes of stakeholder engagement are summarised in Table 37 above. Based on these outcomes and Table 37 above, it is evident that approximately 40% of public sector staff have access to government-provided housing, which includes 46% of state government employees and 35% of local government employees. The local government survey highlights a shortfall in housing provision for staff, indicating that if the additional housing needs are met, 46% of local government employees could be accommodated.

According to Appendix A (Table 12), 65% of Shire of Kondinin properties are rented to Shire employees, with the remaining 35% rented to support community housing and essential workers. Meeting the additional housing needs of local government staff would increase the proportion of local government employees who occupy housing to 85%. Currently, rental of Shire housing to external parties includes WACHS, GROH and private leases.

The trends from the Business Community survey are described for the RoeROC subregion above and detailed in Appendix A. According to the survey responses shown in Figure 11 below, 76% of businesses with employees recognised an average workforce gap of 1.3 workers which is greater than the average trends for the RoeROC subregion.

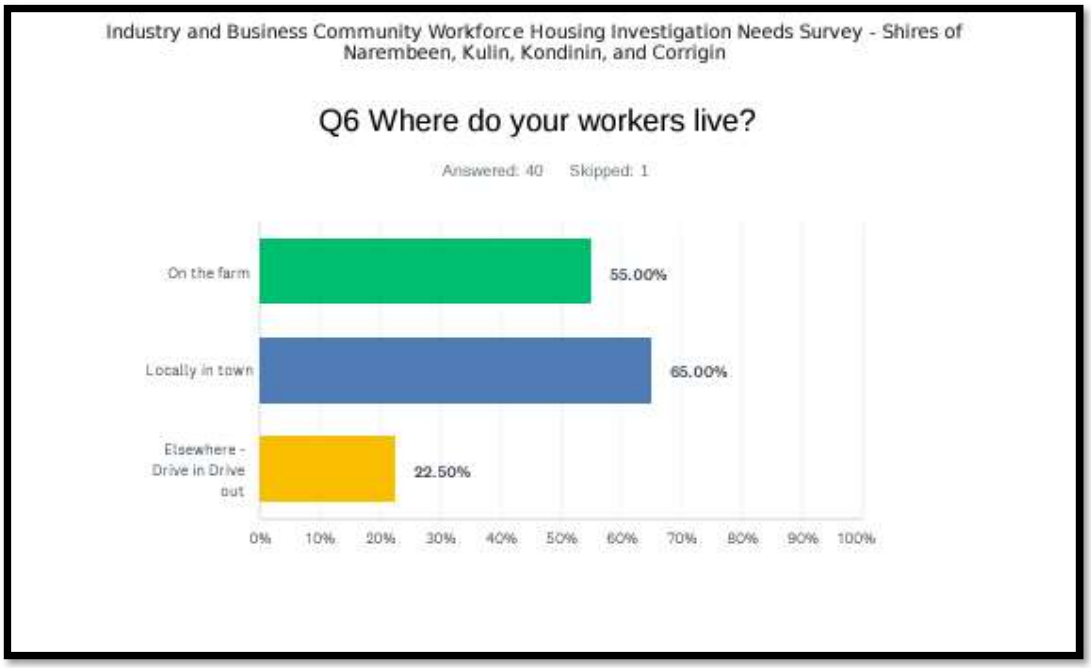
Figure 11: Shire of Kondinin Housing Needs Analysis (Workforce Housing)



Source: Business Community Survey (Survey Monkey)

The Shire of Kondinin worker living location in Figure 10 below indicates trends similar to the average response withing the RoeROC subregion.

Figure 12: Shire of Kondinin Business Community Survey Response – Worker Living Location



Source: Business Community Survey (Survey Monkey)

Shire of Kondinin Workforce Housing Needs Analysis

According to the Register of Businesses, the Shire of Kondinin has approximately 180 businesses, with 87 businesses actively employing staff. The Business Community survey identified an average gap of 1.3 workers from responding businesses (76% of businesses that employed staff require additional workers), which if applied may equate to an estimated 85 workers required to cover the current worker shortage in the Shire of Kondinin.

Table 38 presents the housing needs analysis forecast to 2031 for the Shire of Kondinin.

Table 38: Shire of Kondinin Housing Needs Analysis (Workforce Housing)

Shire of Kondinin Housing Needs Analysis (Workforce Housing)						
	Assessment Category	High Scenario (A) 2024-2031	Conservative Scenario (B) 2024-2031	Current Trends (ABS and LGA Survey) Scenario (C)	Scenario A Worker housing	Scenario B Worker Housing
A	Lone Households (cap figure)	57	34			
A1	Aged Accommodation	12	7			
A2	Public Sector Worker Accommodation	19	14		19	14
A3	Private Sector Worker Accommodation	43	21		43	21
B	Shire Building activity	21	21	21	13	13
	Additional Dwellings to 2031	95	64	21	75	48
	Average Per annum	14	9	3	11	7

Source: JE Planning Services

Construction from 2019 to 2023: During this period, 14 new dwellings were built in the Shire of Kondinin, an average of 3 dwellings per year.

Estimated Dwelling Demand: The overall dwelling demand is predicted to be 3 - 4 times greater than current building activity and is estimated to require between 64 and 95 additional dwellings by 2031. There is an estimated shortage of between 35 -62 public and private sector workforce dwellings in the Shire of Kondinin. To accommodate the public and private sector workforce between 2024 and 2031, an additional 48 (low estimate) to 75 (high estimate) dwellings are required.

Construction Recommendations: To meet current building activity and increased workforce housing requirements, it is recommended that 9-14 dwellings be constructed each year over the next 6-7 years within the Shire, with at least 7-11 dwellings being for workforce accommodation. This figure may incrementally address worker housing shortages and maintain ongoing replacement stock and additional dwellings for the broader community.

ROEROC SUBREGIONAL WORK FORCE HOUSING NEEDS INVESTIGATION

Investigating workforce housing trends at a subregional level aims to assess the demand across a wide geographical area. By aggregating data from local government areas within regional markets, the goal is to establish a scale large enough to support economically viable housing development and government investment to address gaps in the market. The expansive land area of the RoeROC subregion, coupled with the relatively small size of several of the regional towns, impacts the feasibility and attractiveness of private housing construction and supply.

The Stakeholder Engagement Outcomes demonstrate an unmet and increasing demand for additional and suitable accommodation in the RoeROC subregion. Despite market failure issues, construction trends remain consistent, reflecting the need to replace housing stock, and construct suitable workforce housing. Both building trends and stakeholder feedback signal a growing demand for housing across the RoeROC subregion.

A review of local government profiles shows that the townsites of Corrigin and Kondinin have a notably high proportion of lone households. While the LGA figures align with broader RoeROC data, townsite-specific data (UCL) reveals that lone households account for 42% in the Corrigin townsite and 40% in the Kondinin townsite. Additionally, the Business Community Survey indicates that most workers live in the townsites and report that businesses are experiencing workforce shortages, with an average gap of 2.1 employees per business in Corrigin and 1.3 in Kondinin (see Table 40 below). This information suggests a significant need for additional accommodation in these townsites particularly.

The RoeROC Regional Workforce Housing Investigation (RRWHI) highlights demand for purpose-built, suitable housing for workers, emphasising the need for accommodation that meets the requirements of lone households, small families, and aging populations.

RoeROC Workforce Housing Needs 2031

The RoeROC subregional workforce needs and housing demand for the overall study area are based on a detailed analysis of each local government area, as outlined in the 'Local Government Profile and Workforce Housing Needs' chapter. When aggregated, these figures forecast workforce housing demand across the RoeROC subregion through 2031.

Table 39: Business Community Survey Outcomes - Current Workers and Workforce Gaps by Shire

Businesses in Local Government Area	Number of workers employed by responding businesses	Additional Workers required	Number of Businesses Responding	Average additional workers required per business
Shire of Kulin	93	8	22	0.4
Shire of Kondinin	158	52	40	1.3
Shire of Narembeen	178	26	32	0.8
Shire of Corrigin	104	48.5	23	2.1
Total	533	134.5	117	1.2

Source: Appendix A Stakeholder Engagement Outcomes Report

The aggregate housing demand for the RoeROC subregion (as shown in Table 40) suggests that the scale of demand is estimated to be conservatively 3 to 4 times higher than current building activity. Projections indicate that between 227 and 331 additional dwellings will be needed by 2031, which translates to an annual requirement of 32 to 47 dwellings. Of this, 22 to 35 dwellings per year will need to be dedicated specifically to workforce accommodation to meet existing and future demand.

Table 40: RoeROC subregion Housing Needs Forecast 2024- 2031

RoeROC Subregion Housing Needs Analysis (Workforce Housing)						
	Assessment Category	High Scenario (A) 2024-2031	Conservative Scenario (B) 2024-2031	Current Trends (ABS and LGA Survey) Scenario (C)	Scenario A Worker housing	Scenario B Worker Housing
A	Lone Households (cap figure)	241	144			
A1	Aged Accommodation	56	34			
A2	Public Sector Worker Accommodation	71	53		71	53
A3	Private Sector Worker Accommodation	123	60		123	60
B	Shire Building activity	81	81	81	48	48
	Additional Dwellings to 2031	331	227	81	242	160
	Average Per annum	47	32	12	35	22

Source: JE Planning Services

From 2019 to 2023, a total of 57 new dwellings were constructed in the RoeROC subregion, averaging 11.4 dwellings per year. If current trends continue, the subregion will see an additional 81 dwellings by 2031, which falls short of the forecasted need.

Construction from 2019 to 2023: During this period, 57 new dwellings were built in the RoeROC subregion with an average of 11.4 dwellings per year.

Estimated Dwelling Demand: The overall dwelling demand is predicted to be 3 - 4 times greater than current building activity and is estimated to require between 227 and 331 additional dwellings by 2031. There is an estimated shortage of between 113 -194 public and private sector workforce dwellings in the RoeROC subregion. To accommodate the public and private sector workforce between 2024 and 2031, an additional 160 (low estimate) to 242 (high estimate) dwellings are required.

Construction Recommendations: To meet current building activity and increased workforce housing requirements, it is recommended that 32-47 dwellings be constructed each year over the next 6-7 years within the RoeROC subregion, with at least 22-35 dwellings being for workforce accommodation. This figure may incrementally address worker housing shortages and maintain ongoing replacement stock and additional dwellings for the broader community.

Land Supply

The Wheatbelt Development Commission undertook a vacant land assessment across the RoeROC main townsites. The assessment details are contained in the 'RoeROC Development Capacity Assessment and Town Action Plan'. An initial high level review is provided below, and may be updated when the vacant land assessment is detailed. Based on the data provided, there are approximately 165 vacant residential zoned lots in the main towns of Corrigin, Kulin, Narembeen and Kondinin. A high-level review of the forecast housing need and current land supply is provided in Table 42 below. The table reveals that 10% of the vacant land has access to full servicing, 66% of the vacant residential zoned land is partially serviced, and 24% of the vacant land is not serviced.

A comparison of the dwelling forecast data with the vacant land reveals that there may be a shortage of vacant residential zoned land to accommodate additional dwelling demand toward 2031 unless significant efforts are made to improve servicing and planning outcomes (i.e. subdivisions, development and increased density). Short-term housing needs may be addressed with current land supply (subject to servicing) given the high-level assessment that the overall demand of 160 dwellings (Scenario B – Low) may be facilitated on the 165 vacant residential lots (albeit a significant portion of these are not serviced). Improved planning and servicing may significantly increase the capacity of this land supply. Otherwise, each of the Shires will likely face a shortage of available land to meet the housing forecasts presented in this study.

	Scenario A - High		Scenario B - Low		Vacant Residential Zone Land (main townsite)			
LGA	Additional Dwellings to 2031	Total Worker housing	Total dwellings	Total Key Worker housing	Vacant Residential Lots DPLH	Serviced	Partial Servicing	Not Serviced
Kulin	42	29	33	23	37	0	35	2
Kondinin	95	75	64	48	40	0	13	27
Naremebeen	69	42	50	30	30	6	21	3
Corrigin	125	96	81	59	58	10	41	7
Total	331	242	228	160	165	16	110	39

Table 41: LGA vacant lots and RRWHI forecast worker housing demand

Source: WDC and RRWHI

CONCLUSIONS

The RRWHI housing demand analysis indicates that the housing needs in the RoeROC subregion are 3-4 times greater than the current building activity. Specifically, the demand for workforce housing is projected to require between 22 and 35 new dwellings annually across the subregion by 2031 to meet the current shortage and maintain current building trends, which alone triples the current housing construction rates for RoeROC subregion.

The private sector faces challenges such as limited rental options, land availability, affordable construction, and suitable financing. The state government housing models, which rely in part on leasing or renting properties, further compound these issues. As a result, local governments are increasingly pressured to meet worker accommodation needs.

The RRWHI recommends developing grouped dwellings with smaller housing products at a consistent rate to address the unmet demand for worker households while also maintaining existing construction trends. Given the market failure conditions in the RoeROC region, supplementary State and Federal Government funding is crucial for successful workforce housing development.

The RRWHI provides an evidence-based workforce housing demand analysis as part of a broader scope of work to support the development of business cases and grant applications. This broader scope includes the following actions:

1. **'RoeROC Development Capacity Assessment and Town Action Plan'** (Wheatbelt Development Commission)
    - Vacant land Assessment
    - Shires identify specific sites suitable for development of grouped dwellings within key townsites. These sites should ideally be council-owned (or available for purchase), already serviced, and suitable for one or more smaller dwellings.
    - For shortlisted sites, small housing concepts are provided, focusing on managing construction costs and optimising dwelling numbers and product mix. This involves considerations of dwelling size, construction format, land/site servicing costs, and estimated construction costs.
2. **Preliminary Business Case** (Econisis)
    - This outlines potential housing investment opportunities and establishes a preliminary business case to support the proposed housing development program, reflecting the need for grant funding. Key components include:
        - **Cost-Benefit Analysis**: Assessing shortlisted housing investment options.
        - **Financial Analysis**: Examining housing costs and the ongoing operational and financial impacts on councils and private investors.

ROEROC

Roe Regional Organisation of Councils

Corrigin | Kondinin | Kulin | Narembeen

WORKFORCE HOUSING INVESTIGATION 2024

APPENDIX A

STAKEHOLDER ENGAGEMENT -Summary of Outcomes

JE PLANNING

Prepared by JE Planning Services for the Roe ROC Shires and the Wheatbelt Development Commission

CONTENTS

STAKEHOLDER ENGAGEMENT OBJECTIVES

Objectives of the Stakeholder Engagement Communication Framework in preparation for the RoeRoc Workforce Housing Investigation are to:

- Inform recommendations and outcomes from stakeholder representation as engaged through the process.
- Effectively engage with relevant stakeholders to collect qualitative data to support and expand on findings from quantitative data. Stakeholders include the ROEROC Shires, the Wheatbelt Development Commission, State Government Service Agencies, Local businesses and Industry.
- Ensure that stakeholders understand their role under the engagement framework (Table 1), which is described as:
    - Informing
    - Consulting
    - Involving
    - Collaborating
    - Empowering
- Create a portal for ongoing communication with stakeholders.
    - Avoid misinformation or speculation.
    - Improve efficiency with study timeframes.
    - Provide accurate information about the study outcomes.
    - Create pathways for stakeholder interaction and feedback that are open and transparent.
- Document and collate feedback to inform study recommendations.
- Provide a clear process and consistent key messages to engender confidence within/in the RoeROC subregion.

STAKEHOLDER ENGAGEMENT ACTIVITIES

Stakeholder engagement underpins the project outline. The collection of data informs the RoeROC workforce housing analysis (worker housing needs analysis) through the following engagement processes:

- Business Community Survey (Business Community Stakeholders)
- Local Government Housing Survey (RoeROC working group)
- State Agency Stakeholder Survey (SGAS)
- Liaison with WA Country Health Service (WACHS) and Department of Communities (Government Regional Officer Housing Program (GROH)).

This Stakeholder Outcomes report summarises the findings and outcomes of the engagement activities. The RoeROC Housing Needs Investigation Report will include a comparative data analysis of the engagement outcomes presented, considering broader ABS data and a Literature Review.

Table 1 below identifies the stakeholder groups involved in the project, the level of engagement, and the terms of reference supporting the engagement activities and outcomes.

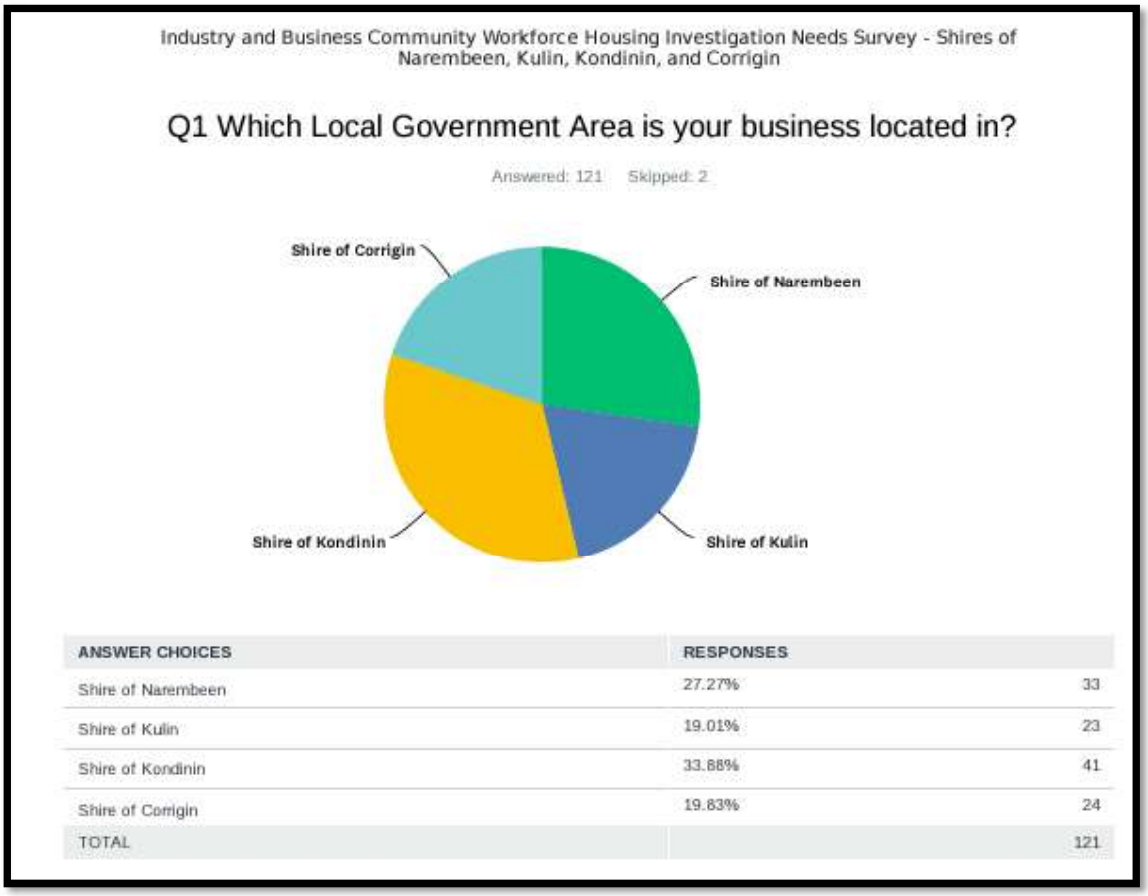
Table 1: Stakeholder Groups

	Consultation Level – keywords	Communication Methods/Terms of Reference
Project Control Group – • Wheatbelt Development Commission • ROE ROC Organisation of Councils • Consultants (Project Management)	Involve Collaborate	- Confirm Project Process and Content - Confirm Objectives - Develop Key messages - Emails/Phone calls/Teams calls/Meetings - Teams Presentation - Confirm Recommendations
RoeROC Working Group • Shire of Narembeen • Shire of Kondinin • Shire of Corrigin • Shire of Kulin (Steering Group)	Inform Involve Consult Collaborate Empower	- Provide data, local knowledge and other technical information. - Complete the Local Government Survey/Questionnaire. - All LGAs to engage local businesses and other key employers (& community stakeholders) to seek responses on the Community Business Survey. - Emails/ and phone calls - Teams Meeting/ Final Presentation - Document Review
State Agency/ Service Agency Stakeholders • WA Country Health Services • Department of Community Services - GROH • Police • Local Public Schools • Western Power • Water Corporation • Department of Planning Lands and Heritage • Development WA (RDAP)	Inform Consult Involve	- Building awareness - Gather views/information - Emails/ and phone calls - Feedback
Business Community Stakeholders • Industry • Farming • Commercial • Not for Profit • List to be developed by each Shire	Inform Consult	- Gather views/information. - Survey - Emails/phone calls - Feedback

BUSINESS COMMUNITY WORKFORCE HOUSING SURVEY OUTCOMES

The Business Community Survey (BCS) commenced on 2 July 2024 and ended at the close of business on 31 July 2024. One hundred and twenty-three responses were received from the business community within the Shires of Kulin, Narembeen, Corrigin, and Kondinin. Two responses omitted details about which Shires they represented in the submission. Thus, Figure 1 indicates only 121 responses.

Figure 1: Representation of Survey Responses by LGA



ANSWER CHOICES	RESPONSES	
Shire of Narembeen	27.27%	33
Shire of Kulin	19.01%	23
Shire of Kondinin	33.88%	41
Shire of Corrigin	19.83%	24
TOTAL		121

The BCS targeted business owners to help understand current worker and housing supply and identify gaps and additional demand. The survey sought information on housing provision and standards based on thirteen questions outlined in Table 2.

The response rate for this survey may represent 40% of businesses with employees or 13% of the total business in RoeROC.

Table 2: Business Community Survey Questions and Response Rate

Business Community Survey Questions		Response Rate
Question 1	Which Local Government Area is your business located in?	121
Question 2	Name of Business/Farming Enterprise	115
Question 3	How many workers do you employ?	119
Question 4	Is there a gap/shortage in your workforce?	121
Question 5	If Yes to question 4 above, how many additional workers do you need?	113
Question 6	Where do your workers live?	113
Question 7	Does your Business supply housing/accommodation for your workers?	120
Question 8	If your business/farm supplies worker housing, please indicate the number and type of accommodation.	91
Question 9	Generally, do you consider that the type of housing stock you provide meets your employee's needs?	100
Question 10	Which type of dwelling would most typically suit your employees?	108
Question 11	What are the housing needs or gaps for your employees?	71
Question 12	Would you consider investing (lease or purchase/build) in additional housing for your employees?	112
Question 13	What would enable you to purchase or build housing for your employees?	89

Appendix A includes the summary of the BCS outcomes for each Local Government.

NUMBER OF WORKERS AND WORKFORCE GAPS

A high proportion of businesses (61%) identified a gap in their workforce.

Figure 2: RoeROC Workforce shortages

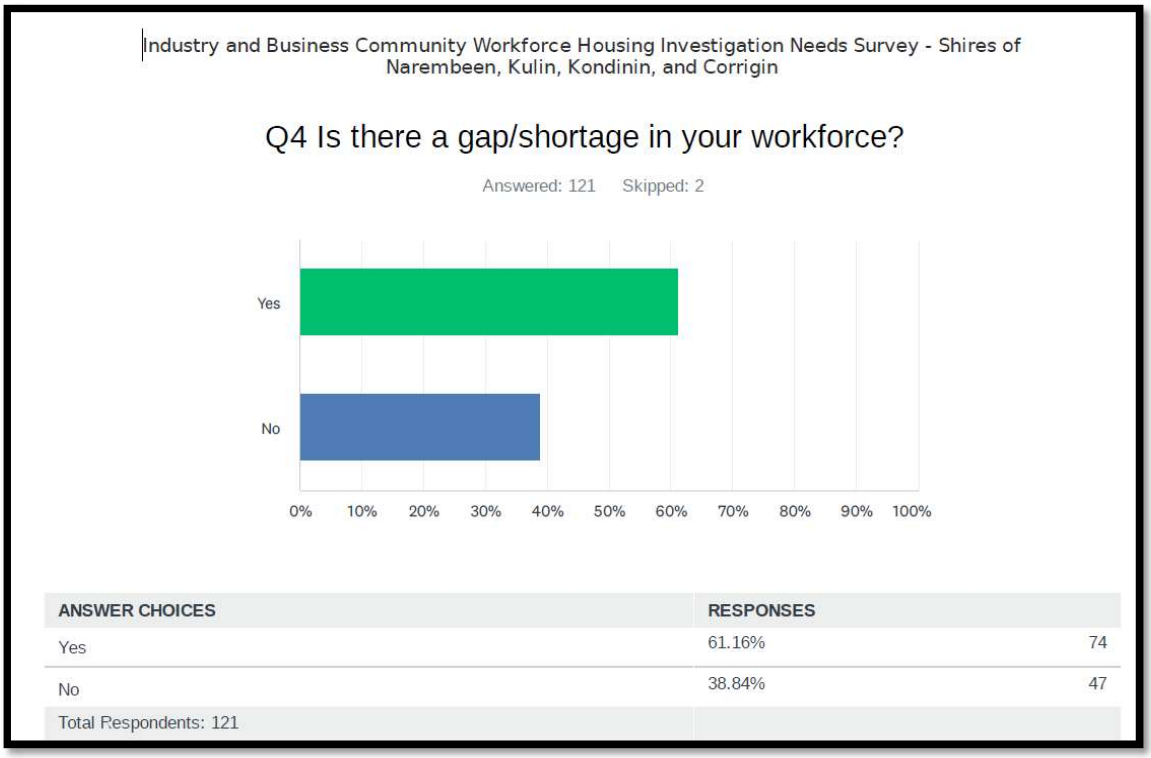


Table 3 below is the aggregate summary of responses to Questions 1, 3, and 5 of the BCS. This helps identify the number of average employees per business and additional workers currently needed. These statistics relate to the 123 businesses that responded to the survey and do not include a complete understanding of all businesses in each Shire. According to the BCS response, please note that the average number of workers currently employed by each business is 4.5. The number of additional employees or employee gap averages 1.2 workers per business across the subregion. The Shire of Corrigin businesses indicate an average of 2.1 additional workers required, while the other three Shires businesses require between 0.4 – 1.3 additional workers each.

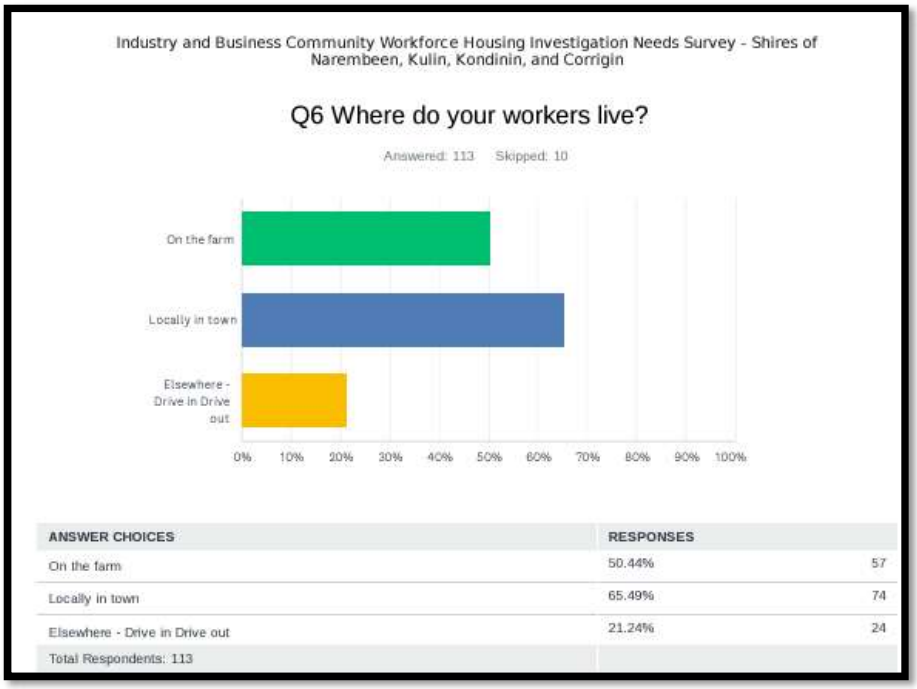
Table 3: Business Community Survey Outcomes - Current Workers and Workforce Gaps by Shire

Businesses in Local Government Area	Number of workers employed by responding businesses	Additional Workers required	Number of Businesses Responding	Average additional workers required per business
Shire of Kulin	93	8	22	0.4
Shire of Kondinin	158	52	40	1.3
Shire of Narembeen	178	26	32	0.8
Shire of Corrigin	104	48.5	23	2.1
Total	533	134.5	117	1.2

HOUSING SUPPLY, LOCATION AND CONDITION

According to the survey results, most workers live locally in town, with a high representation of workers living on a farm; only some live elsewhere and drive in and out.

Figure 3: Location of Worker Accommodation



Question 7 responses revealed that 70% of responding businesses provide housing for their workers (See Figure 4).

Figure 4: Business-supplied Housing for Workers

Figure 5: Accommodation Type and number provided to Employees

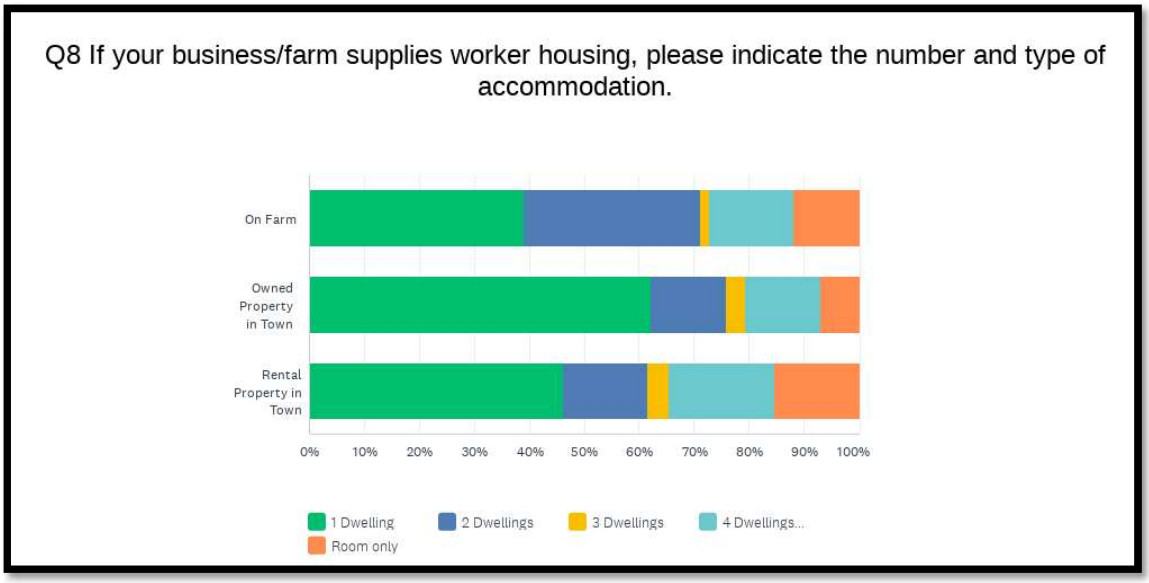


Figure 5 indicates that 73% of responding businesses provide a range of accommodations to support employees, from one room to 4 dwellings. Table 4 below indicates that 43% of businesses provide at least one dwelling to support their workers. Most accommodation is owned by businesses either on a farm or in town. Rentals account for 20% of the housing provided by the business. The "other" relates to renting an Airbnb, renting on another farm, or employees having access to their own homes.

Table 4: Location, Type and number of accommodations provided by Business owners

Dwellings	1 Dwelling	2 Dwellings	3 Dwellings	4 Dwellings	Room Only	Total
On Farm	23	19	1	9	7	59
Owned Property in Town	18	4	1	4	2	29
Rental Property in Town	12	4	1	5	4	26
Other (please specify)						10
Total	53	27	3	18	13	124
Percentage	43%	22%	2%	15%	10%	100%

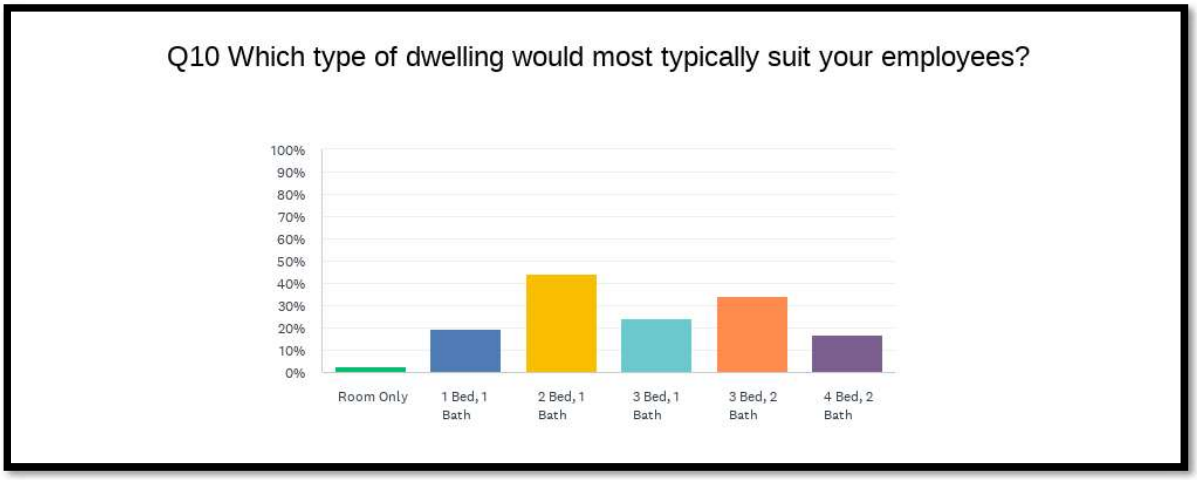
Source: RoeROC Business Community Survey – Housing Needs 2024

Business owners consider that 52% of workers are dissatisfied, and 48% are satisfied with the conditions and standards of the housing stock provided. The outcomes revealed that workers were more satisfied with business-owned housing than rental accommodation (See Figure 6).

Figure 6: Employee Satisfaction with Housing Standard

In Question 10, business owners were surveyed to provide feedback on the type of dwellings they consider most typically suit employees. Question 10 revealed that a range of accommodations would be suited to the workforce's needs, with the most prevalent typology being two-bedroom, one-bath or three-bedroom, two-bath dwellings.

Figure 7: Suitable worker accommodation



Seventy-one comments were received from business owners regarding housing needs or gaps for workers. Several submissions indicated no issues or gaps. Otherwise, concerns were raised in the order of frequency of response summarised below, and expanded in Table 5, including:

- Lack of Housing/Rentals
- Require smaller accommodation
- Demand for additional family dwellings
- Shortage of Short-term accommodations
- Lack of quality of accommodation
- Limited available workforce
- Access to affordable housing
- Planning to provide lifestyle properties

Table 5: Question 11 – Housing Needs or Gaps for Workers

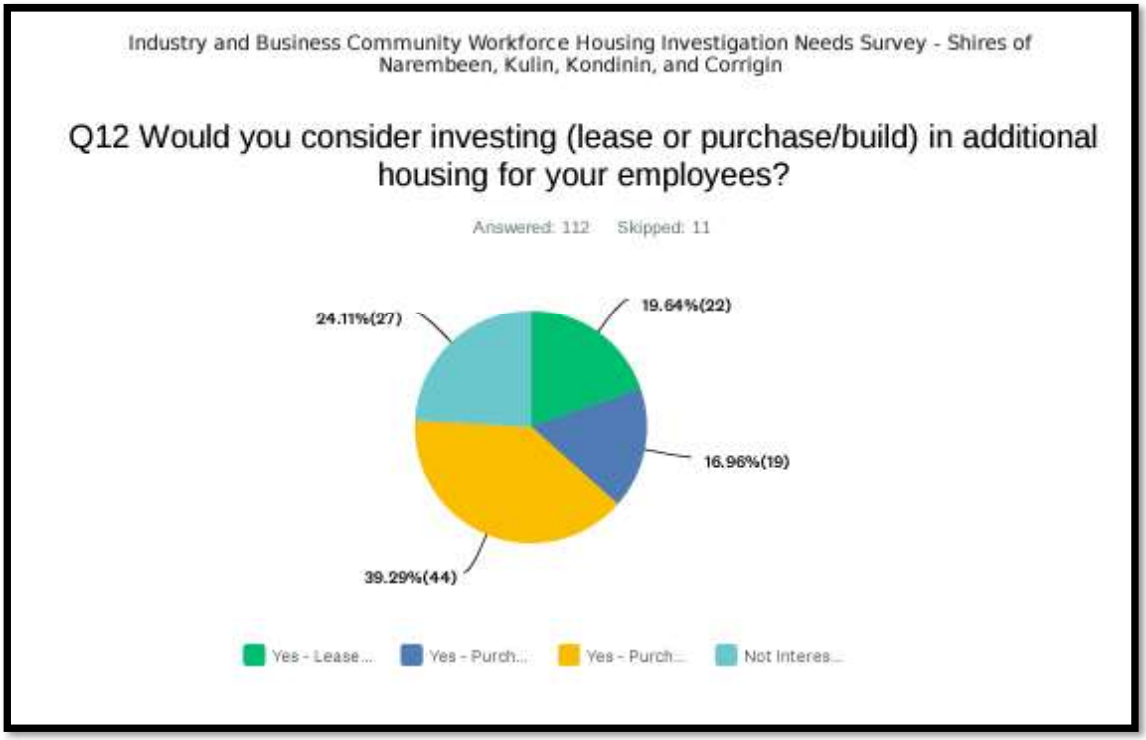
Key Theme	Type of comments	F
Lack of Housing/ rentals	Need housing for a family for a worker who currently drives from Merriden	27
	A gap of housing if we were to employ someone with a family	
	We need housing to bring Educators to the centre. Our ECEC centre is running at less than 50% of its standard operational hours/days due to not having the appropriate level of staffing.	
	We are hoping to employee someone in the near future that would potentially require housing. In the past our employee was not satisfied with the housing options available to rent and he had to live in share house, this was a part of the reason he left.	
	Number of acceptable available properties in town. We currently have 3 staff members who have sourced their own rental accommodation in town. These properties are often have cheaper rent that the GROH renters are paying.	
	Most people would prefer to own rental housing, but none is available.	
	Accommodation on the farm could not employ someone with a family.	
	There aren't many housing options if we needed to expand our workforce or need to replace existing staff	
	We require a 2-3 bedroom unit/ house to house staff in town. Without these employees, we simply cannot operate. We have not been successful in employing local staff, so we are required to employ people from out of town.	
	No housing available for local employees.	
	Lack of long-term rentals	
	Accommodation in town would be an advantage for school access as no bus out to the farm.	
	More houses in town for employees to purchase	
Smaller Accommodation	Multiple single room accommodations would be required	12
	Smaller style units for singles and backpackers	
	1 or 2 bed private accommodation	
	Fine at the moment because all the staff needing houses are singles.	
	Our staff are usually young adults or empty nesters, small units would suffice.	
	We also have 4 employees that are staying in the local hotel as there is no rentals available.	
	A Variety of properties would be useful to rent as not all require large homes. Difficult to entice permanent nurses to the hospital if there is no accommodation for them.	
Family Housing	Family housing	7
	Accommodation on the farm could not employ someone with a family.	
	Need housing for a family for worker who currently drives from Merriden	
	Housing for families	
	more availability of quality family housing	
Short term housing	Need places in Hyden town that are small liveable units and able to be rented for the busy periods of the year, seeding and harvest	5

	Short term employees	
	Seasonal Employees	
	Short term housing	
	Suitable	
Quality	They need easy to clean but comfortable housing	5
	Bring up to modern standard/expectation	
	Quality of available houses	
	more availability of quality family housing	
	Require good quality brick housing.	
Lack of workforce	Lack of Seasonal Workers	4
	No sure housing is the solution	
	Live too far from town to attract overseas workers	
	People willing to work	
	Flexibility and availability	

ENABLERS FOR INVESTMENT IN WORKER HOUSING

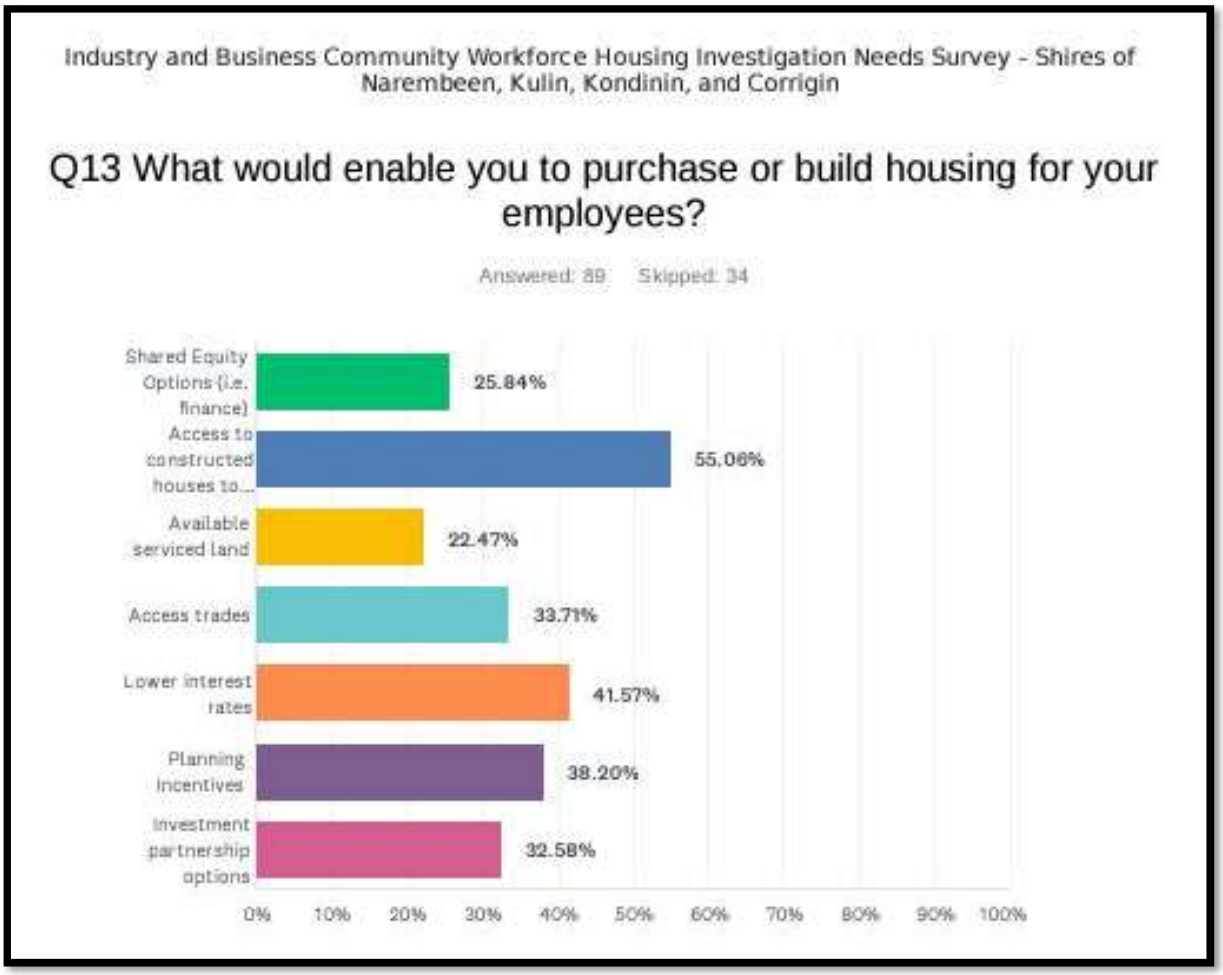
Question 12 asked business owners, '*Would you consider investing (lease or purchase/build) in additional housing for your employees?*' One hundred and twelve responses were received to this question, with 75% of respondents indicating interest in investing in additional housing for workers and 55% indicating interest in purchasing housing if available.

Figure 8: Business owner investment in additional housing



The final question was, ' *What would enable you to invest in housing for your employees?*' The highest enabler was simply having access to constructed housing. Forty-one percent of respondents stated that lower interest rates would enable investment in housing, and a high percentage would consider shared equity options and investment partnerships to facilitate the provision of housing. The responses to all criteria were reasonably strong, with access to trades, available serviced land, and planning incentives also seen as enablers. See Figure 9 below.

Figure 9: Enablers for the provision of housing for employees



LOCAL GOVERNMENT HOUSING SURVEY OUTCOMES

The ROEROC Worker Housing Survey – Local Government Information supported the data collection process from each local government in the ROEROC. The four participating Shires completed the Survey responding to questions in Table 6, to the extent that information was available.

Table 6: ROEROC Worker Housing Survey Questions

ROEROC Worker Housing Survey – Local Government information	
Question 1	Which LGA do you represent?
Question 2	Based on rates information how many dwellings are located in residential zones?
Question 3	Based on rates information how many dwellings are located in Rural areas?
Question 4	Based on building licence statistics, please provide the number of dwellings approved in townsite/residential areas each year since 2014.
Question 5	Based on building licence statistics, indicate the year of construction, the dwelling typology (size and type) and estimated development cost for up to 10 most recently approved dwellings. Please tick the relevant boxes that apply to each dwelling.
Question 6	How many staff are currently employed by the Shire?
Question 7	Does the Shire have any staff vacancies?
Question 8	How many dwellings are owned by the Shire?
Question 9	How many Shire Dwellings are occupied by Shire Staff?
Question 10	Does the Shire need to supply additional housing for Shire workers?
Question 11	Does the Shire rent out Shire owned properties?
Question 12	What is the current weekly market rental value for Shire properties? Please list associated weekly rental values in the comment box below for up to 5 properties.
Question 13	Do you consider that there is an adequate supply of State government owned housing to cater for public sector workers within your Shire?
Question 14.	In your opinion what is one major barrier restricting the investment in new housing in your Shire?

A summary of the Local Government Information Survey by LGA is included in Appendix B.

NUMBER OF DWELLINGS AND BUILDING TRENDS

The responses to Questions 2 and 3 are summarised in Table 7 below.

Table 7: ROEROC Total Dwellings based on LGA Rates data

Which LGA do you represent?	Based on rates information how many dwellings are located in Residential zones?	Based on the rate information, how many dwellings are located in rural areas?
Shire of Kulin	213	257
Shire of Corrigin	469	373
Shire of Narembeen	242	361
Shire of Kondinin	365	533
Total	1289	1524

Table 7 above shows that 46% of dwellings are in residential zones, with the majority, (54%) located in Rural areas.

Building activity in the ROEROC area is documented in building licence statistics. Based on the Shire statistics, the number of dwellings approved in the RoeROC sub-region has averaged eight per annum since 2014, with increasing constructions since 2019, indicating an average of eleven houses per annum over the past five years (see table 8).

Table 8: Building Approvals in Residential Areas

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
Shire of Kulin	2	1	1	2	2	2	1	4	1	2	18
Shire of Corrigin	1	1	1	1	2	6	7	2	0	5	26
Shire of Narembeen	-	-	1	0	0	2	4	3	2	2	14
Shire of Kondinin	3	3	1	4	0	1	5	3	5	0	25
Total	6	5	4	7	4	11	17	12	8	9	83

The data captured in Table 9 below was received from each local government in answer to question 5: *'Based on building licence statistics, indicate the year of construction, the dwelling typology (size and type) and estimated development cost for up to 10 most recently approved dwellings. Please tick the relevant boxes that apply to each dwelling.'*.

Table 9: Dwelling construction, typology and cost

	2021	2022	2023	2024	Total	Modular dwelling construction	Traditional dwelling construction	3x1 (or less)	4x2 (or greater)	Single Dwelling	Grouped dwellings	Less than $150K	$150K - $250K	$250K - $350K	$350K - $450K	$450K +
1	0	1	0	3	5	3	1	2	2	3	1	0	1	0	1	3
2	1	0	2	1	6	3	1	1	3	3	1	1	0	0	0	3
3	1	0	2	1	7	1	3	1	3	4	0	1	1	0	1	1
4	2	1	1	0	8	3	1	0	3	4	0	1	1	1	0	1
5	1	1	1	0	8	3	0	0	3	3	0	0	0	0	0	3
6	2	0	1	0	9	3	1	1	2	3	0	0	1	2	0	0
7	2	0	1	0	10	2	2	1	2	3	0	0	1	0	1	1
8	0	0	1	0	9	0	1	0	1	1	0	0	0	0	0	1
9	1	0	0	0	10	1	0	0	1	1	0	0	0	1	0	0
10	1	0	0	0	11	1	0	1	0	1	0	0	0	1	0	0
Total	11	3	9	5	28	20	10	7	20	26	2	3	5	5	3	13

The data in Table 9 reveals the following trends:

- The construction of modular dwellings has occurred twice as often as traditional dwelling construction in the past four years.
- Most dwellings constructed are single 4x2 dwellings.
- 55% of the dwelling construction costs are greater than $350,000.
- 27% of dwelling construction costs are below $250,000.

RENTAL TRENDS AND RENTAL MARKET VALUE OF SHIRE PROPERTY

According to the survey results, Table 10 below reveals that 24% of Shire properties are rented to Shire employees, with the remainder rented to GROH, WACHS, community housing, and the private market. Ideally, the RoeROC Shires would aim to provide accommodation for 29% of local government staff. The RoeRoc shires councils are currently experiencing a low employee vacancy rate.

Table 10: Shire provided housing for Staff and Shire Housing Demand

Which LGA do you represent?	How many staff are currently employed by the Shire?	Does the Shire have any staff vacancies?		If Yes, How many vacancies?	How many dwellings are owned by the Shire?	How many Shire Dwellings are occupied by Shire Staff?	Additional housing required for Shire workers?	If yes, how many additional dwellings	Does the Shire rent out Shire owned properties?	Tenants
Shire of Kulin	50	Yes		3	23	16	Yes	6	Yes	Police, Teachers, Private
Shire of Corrigin	35		No		15	5		-	Yes	Private Market
Shire of Corrigin	37		No		17	6	Yes	2	Yes	GROH- Police, teachers plus private
Shire of Narembeen	33		No		17	6	Yes	4	Yes	Community Housing
Shire of Kondinin	36	Yes		2.5	20	13	Yes	4	Yes	State Government Agency (WACHS); Private Market; State Government Agency (GROH)
Total	191			5.5	92	46		10		

Data on the rental market value of shire housing was also collected. While some properties are rented to staff at a subsidy as part of the remuneration package, the market rental value is indicated in Table 11 below. Market rental values vary and range between $150 and $480.

Table 11: Market Rental Value of Shire-owned housing

Which LGA do you represent?	Average Rent of Shire owned housing per week			
Shire of Kulin	$220 (2x1)	$340-$400 (4x2)	$285(3x2 Transportable)	$225- $260 (3x1/3x2)
Shire of Corrigin	$350-400	$350-400	$350-400	$150- $250
Shire of Narembeen	Staff - $65/week	Social Housing - portion of income	Management - nil	Other-by negotiation
Shire of Kondinin	WACHS - $480 week	GROH - $430 per week	Private - $170 per week	Shire employees not on contract- $7- per week.

The RoeROC Shires each consider there to be a shortage of state government-owned housing in the subregion. Each shire answered "No" to the question *'Do you consider that there is an adequate supply of State government owned housing to cater for public sector workers within your Shire?* and collectively provided the following comments:

- There are examples of empty State Government Employee Houses (Education) for example and at the same time Education are leasing/renting Shire houses or AIRBNB for short term secondments.
- The Shire of Kulin approached the Department of Communities regarding potential for purchasing an empty GROH house recently, only to get a response they are retaining the house. This particular house has been empty for 5 + years.
- It is also common for local government to field enquiries from Teachers who are looking to find alternative rentals due to low quality housing and cost of rent.
- State government employees renting shire houses could be used for shire staff or private rentals.
- The Shire of Kondinin and the Kondinin Community Recreation Council have just secured loans and engaged a builder to construct two 3 x 2 dwellings on their respective vacant private lots for WACHS housing to support the Kondinin Hospital through 15-year tenancy agreements with WACHS.

MAJOR BARRIERS RESTRICTING THE INVESTMENT IN NEW HOUSING INFRASTRUCTURE

The responses from the RoeROC shires to question 14, *"In your opinion, what is one major barrier restricting the investment in new housing in your Shire?"* emphasize affordability, high construction costs, and access to suitable finance as the major barriers. Upon reviewing the responses, it is evident that these concerns resonate across the local governments in the subregion. The comments received are generally reflective of the broader challenges faced throughout the area and include the following:

- Construction costs/lack of supplies/lack of available trades.
- Financial availability

- Housing construction companies do not offer reasonable price estimates without a real and genuine enquiry. Tendered prices submitted to the Local Governments are exorbitant.
- Tendering requirements and procurement is an issue, particularly with traditional dwelling construction (i.e. there are a number of Modular Companies on the WALGA Preferred Supplier Panel, which, as a result, negates the need for Local Governments to go to tender for this method of construction.)
- Businesses do not see value in investing in housing for their staff. Some existing businesses expect the Shire to provide housing.
- Existing and prospective businesses may not have the capital to build new housing or purchase existing. They would rather rent and not worry about maintenance issues or getting a return on their property.
- The re-sale value of dwellings is less than the cost of constructing a new dwelling.

STATE AGENCY STAKEHOLDERS

State Government agencies in the RoeROC subregion include WA Country Health Services (WACHS), the Education Department, and the WA Police.

GROH provides housing for 30 State Agencies across WA and, in the RoeROC subregion, supports the Department of Education and WA Police housing needs. The GROH portfolio is broken down into GROH-owned and privately leased properties. Privately leased properties represent approximately 50% of the portfolio; as such, the competitive leasing market in the current climate plays a large role in the housing supply in towns.

WACHS provide housing for health workers in the RoeROC subregion. The WACHS development model for housing delivery is through the WACHS Investor partnership scheme WA Country Health Service - Country Health housing.

WACHS and GROH provided data for this project identifying current and future recommended housing stock in the Shires within the RoeROC subregion. In addition to this process, a survey was forwarded to each of the local schools, health facilities and police stations to gauge a sense of demand from the state agency employees from a local perspective.

WA COUNTRY HEALTH SERVICES (WACHS)

WACHS indicates current staff levels and housing stock in Table 14 below. WACHS currently employs 84 staff in the RoeROC Shires of Narembeen, Corrigin, and Kondinin. The health services in these Shires also support the Shire of Kulin. WACHS currently owns and leases seven dwellings in the Shires, which may accommodate between 17% (1 staff per dwelling) or 33% (average of 2 staff per dwelling) of WACHS employees.

Table 14: WA Country Health Service Staff and Housing

Locality	Number of Doctors	Number of Nurses	Allied health, Administration and support workers	Current Housing Stock		Recommended Future Housing
				Leased	Owned	
Shire of Kulin	0	0	0	0	0	Staffed from Kondinin
Shire of Narembeen	1	10	14	5	2	4 x 2 bed room, 2 bathroom (Replace)
Shire of Corrigin	1 (3 days)	10	13	1	4	4 x 2 bed room, 2 bathroom (replace nurses quarters and increase stock by 3)
Shire of Kondinin	1	22	12	1	1	4 x 2 bed room, 2 bathroom (Replace 1 and Increase stock by 3)
Totals	**3**	**42**	**39**	**7**	**7**	**16 (2 Bed 2 Bath)**

WACHS requires additional suitable high-amenity dwellings in Corrigin, Kondinin, and Narembeen townsites and recognises that the need is predominantly for two-bedroom, two-

bathroom dwellings. The recommended future housing will make low amenity leased dwellings available to the market and replace the current nurses' quarters, which are no longer suitable or desirable as staff accommodation. The recommended housing would include 16 new dwellings. These dwellings will replace five of the existing dwellings and the nurses' quarters to ultimately provide 20 WACHS dwellings in the RoeROC subregion. This accommodation will cater for a minimum of 23% of staff. However, if more than one staff member is accommodated in each dwelling, the figure may likely reach 50%.

GOVERNMENT REGIONAL OFFICER HOUSING PROGRAM (GROH)

GROH provided the details of current and future proposed housing stock in the RoeROC subregion in Table 15 below. Information on workforce planning is not provided and needs to be sourced from agencies individually.

There are 577 GROH properties throughout the Wheatbelt, with a total of 31 dwellings currently provided in the RoeROC subregion, of which 23 are leased and 8 are owned. GROH advises that based on client-agency workforce planning requirements, there is no current need identified for additional housing and that this data is relevant as of July 2024. GROH advises that no additional housing stock is planned based as there have been no requests from the client agencies for additional housing in the RoeROC shires.

GROH request that the following is noted:

- Client agencies provide GROH with a forecast of current and future workforce planning needs.
- Data does not reflect a waitlist of government workers waiting for accommodation.
- Client agency needs are fluid and subject to change.
- Client agencies review and adjust their workforce planning regularly.

Table 15: GROH's current and proposed housing

Locality	Current GROH Housing Stock		Proposed GROH Housing Stock	
	Leased	Owned	Replacement	Additional
Shire of Kulin	4	2	0	0
Shire of Narembeen	6	0	0	0
Shire of Corrigin	5	4	0	0
Shire of Kondinin	8	2	0	0
Totals	23	8	0	0

Source: GROH Data base 2024 (Data is not to be reproduced or used for any other purpose)

STATE GOVERNMENT AGENCY SURVEY

A separate State government agency survey (SGAS) was emailed to all the Police Stations and Schools in the area at the same time as the Business Community Survey (BCS) was widely canvassed on social media. Some of the agencies chose to fill out the BCS instead of the SGAS or both, and therefore, the data collected from both surveys has been used to collate the following outcomes.

The State Government Agency Survey included the following questions:

Table 16: State Government Agency Survey

ROEROC Workforce Housing Analysis – State Government Agency information	
Question 1	Which state government agency do you represent?
Question 2	How many dwellings are provided by GROH for staff in the Shire?
Question 3	Local Government Area Location?
Question 4	How many staff are currently employed?
Question 5	Are there any staff vacancies?
Question 6	How many staff live in the Shire?
Question 7	How many staff drive in and drive out?
Question 8	How many staff have access to GROH or agency housing?
Question 9	Is there a demand for additional housing to accommodate agency staff in the Shire?
Question 10	What is the current weekly market rental value for Agency/GROH properties? Please list associated weekly rental values in the comment box below for up to 5 properties.

The following agencies responded to the State Government Agency Survey:

- Kondinin Police
- Kulin Police
- Narembeen Police
- Kulin District Highschool
- Kondinin Primary School

The following agencies provided responses to the Business Community Survey:

- Narembeen School
- Kulin District High School
- Hyden Primary School
- Corrigin Health Services

Kulin District High School responded to both surveys, and therefore, the SGAS data was used for this outcome.

The BCS Questions that align with SGAS questions include the following:

- Question 1 Which Local Government Area is your business located in?
- Question 2 Name of Business/Farming Enterprise (SGAS Q1)
- Question 3 How many workers do you employ? (SGAS Q4)
- Question 4 Is there a gap/shortage in your workforce? (SGAS Q5)
- Question 5 If Yes to question 4 above, how many additional workers do you need?
- Question 7 Does your Business supply housing/accommodation for your workers?
- Question 8 If your business/farm supplies worker housing, please indicate the number and type of accommodation.
- Question 11 What are the housing needs or gaps for your employees?

The responses provide data from a cross-section of state agencies in the RoeROC subregion, representing most individual agencies. They are set out with a combination of information from both surveys in Table 17 below. The feedback from Corrigin Health Services has been excluded as the information is reflected and consistent with the WACHS response.

Table 17: State Government Agency Feedback

Which state government service or agency do you represent?	How many dwellings are provided by GROH?	Local Government Area Location?	How many staff are currently employed?	Are there any staff vacancies?	If Yes, how many vacancies?	How many staff live in the Shire?	How many staff drive in and drive out?	How many staff have access to GROH or agency housing?	Is there demand for additional housing to accommodate agency staff in the Shire?
Police	2	Shire of Kondinin	3	No	0	3	0	2	No
Department of Education	4	Shire of Kulin	28	No	0	28	0	4	Yes
Police	2	Shire of Kulin	2	No	0	2	0	2	No
Police	2	Shire of Narembeen	2	No	0	2	2	2	No
Department of Education	3	Shire of Kondinin	10	No	0	9	1	3	No
Education	4	Shire of Narembeen	36	No	0	-		4	Yes
Regional Early Education & Development Inc. - Shire of Narembeen	n/a	Shire of Narembeen	4	yes	3	-		not applicable	
Hyden Primary School	-	Shire of Kondinin	17	No	0	-			No
Total	17		102		3	44	3	17	

A summary of outcomes from the state government agency survey includes:

- Police and Education State Agency stakeholders have no staff vacancies.
- The provision of GROH housing tends to accommodate one staff member per dwelling.
- There is some registered demand for additional GROH housing.
- Feedback from the State Agency survey included that many of the teachers and staff own their own properties. For this reason, should the teachers or other staff retire or move, there will be a lack of GROH housing availability to support Department of Education staff. It is difficult to foresee the changes, and therefore the agencies may not have registered for the waitlist; however, at the time that the houses are required, there is often a delay or lack of availability.
- Feedback revealed that Education Department staff will source their rental accommodation in town as it is often cheaper rent than the GROH rent.
- Department of Education will charge rent ranging between $190 – $280 a week.
- Police WA will generally pay for the accommodation for workers.
- Based on the respondents to the State Agency Survey from the local perspective it seems that GROH accommodate 16% of their staff. Further review of public sector housing figures and the information from GROH in Table 15 above may alter this figure.

CHADWICK CONSULTING

ROEROC Development Concept Feasibilities

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Introduction

On behalf of the Wheatbelt Development Commission and RoeROC Shires, and as an input to broader investigations around workforce housing in the RoeROC Shires of Narembeen, Kulin, Kondinin and Corrigin, Chadwick Consulting presents the following development concept feasibilities in the townsites of Corrigin, Narembeen, Kulin and Hyden.

These housing investment concepts are supported by high-level costings based on the following assumptions, inclusions, and contingencies:

- Dwelling costs are based on average square meter rates for each typology and configuration, account for the cost associated with construction in the Wheatbelt region, and include:
  - Pad, house, driveways, carports (one carport for one bedrooms, two carports for two or more bedrooms).
  - Liveable but not excessive specification that seeks to balance the cost of delivery against the desire to attract key workers into appropriate and comfortable homes. This includes standard kitchen cabinetry and fit-out specifications, middle-tier vinyl planking, air-conditioning to living spaces, a verandah to the outdoor living space, and carports (not garages).
- Dwelling configuration has been chosen to align with the demand demonstrated in the *RoeROC Workforce Housing Investigation 2024* report prepared by JE Planning, with input from the relevant Shires, and to provide a comparison of differing development approaches.
- Initial investigations of planning frameworks, bushfire risk, and power, sewer and water network capacities have been undertaken.
- Estimated costs of any required capacity and network extension upgrades are included where necessary.
- No provision has been made for gas supply to the properties.
- A standardised provision is included for onsite drainage. This requirement may differ between sites, but accounting for the relatively small hard surface footprints of the modelled dwellings, it is unlikely these costs will dramatically impact project feasibility.
- Provision has been made for minor earthworks only. Desktop analysis indicates predominantly clear and level terrain on the subject sites.
- A 10% design and construction contingency, representing the uncertainty of costing construction without site surveys, engineering reports and validated design concepts.
- Costs are valid as of February 2025, and do not include escalation to account for inflation or changes in the construction market.

Lot 1 (24) Lynch Street, Corrigin

The vacant lot at 24 Lynch Street, Corrigin, is zoned 'Commercial' under the Shire of Corrigin Local Planning Scheme No. 2 (Corrigin LPS), with an area of 1,518 m^2. The site is generally vacant, level and clear, with access available from Lynch St to the east.

Figure 1. Corrigin Site Context

Under the current zoning, development as Grouped Housing is a 'D' use (permitted only at the discretion of the Shire). As per Table 3 of the Corrigin LPS, development requirements are reflective on a R12.5 residential density zoning. At the instruction of the WDC, an R-Code density of R40 has been assumed with regards to the modelling below, providing for a maximum yield of six dwellings, with an average lot size of 253m2. A provision for planning and technical consultancy fees has been included to account for the costs associated with applying to vary the applicable planning requirements to achieve this outcome.

Water, sewer and power connections are all available in the adjacent road reserves. There is an existing water connection to the site. Desktop investigations indicate that current utility network capacities are sufficient.

The lot is not within a Bush Fire Prone area.

Given its location and context in an established area of Corrigin surrounded by existing brick houses, a traditional (masonry exterior) development typology has been chosen rather than modular or flat-pack.

The cost estimates below relate to the development of three 2-bedroom/1-bathroom and three 3-bedroom/2-bathroom dwellings. These costings are based on indicative internal floor areas of 82m^2 and 100m^2 respectively.

Lot 1 (24) Lynch Street, Corrigin	Costs
Headworks, connections and fees	$ 45,005
Site works and internal services	$ 240,000
Planning and technical costs provision	$ 22,000
Construction	$ 2,547,000
Three 2-bed, 1-bath	*$393,000 per dwelling*
Three 3-bed, 2-bath	*$456,000 per dwelling*
Design and construction contingency	10%
TOTAL	**$ 3,137,206**
Per dwelling	*$ 522,868*

Lot 16 (7) & 17 (5) Currall Street, Narembeen

The vacant, adjoining lots at 5 & 7 Currall Street, Narembeen are zoned 'Town Centre' under the Shire of Narembeen Scheme No. 2 (Narembeen LPS), with a combined area of 4,304m^2. The site is vacant, level and clear, with streets adjacent on three sides.

Figure 2. Narembeen Site Context

Under the 'Town Centre' zoning, development as Grouped Dwellings is an 'AA' use (permitted only at the discretion of the Shire). R-Code densities do not apply to the 'Town Centre' zone; site and development requirements are set in section 4.12 of the Narembeen LPS. At the instruction of the WDC, an R-Code density of R40 has been assumed to guide the modelling below. A provision for planning and technical consultancy fees has been included to account for the costs associated with a planning application in this context. This provision also covers the cost of lot amalgamation, which would be necessary if the whole site was to be developed.

Water, sewer and power services are all available in the adjacent road reserves. There is an existing sewer connection to the site. Advice from Water Corporation indicates the junction associated with this connection will likely require an upgrade from DN100 to DN150 to accommodate the proposed development. This has been reflected in the headworks cost breakdown.

Desktop investigations indicate that current utility network capacities are sufficient.

The lot is not within a Bush Fire Prone area.

Latent worker housing demand in Narembeen is significant and forecast to increase without meaningful intervention. In this context, two development profiles are presented below. The first is for a 'serviced apartment' style model, designed to maximise the lot yield and number of individuals serviced in short-to-medium term accommodation. The second is for a more standard residential development providing housing for workers that wish to base themselves in Narembeen, designed to accommodate couples and young families.

The costs breakdowns provided below do not consider the efficiencies of building multiple identical, modular dwellings on the same site. Should these development proposals be progressed, this should be considered in liaison with a builder specialising in modular housing.

1.1. 'Serviced Apartment' Style Development

This development model provides a cost breakdown for 2-bedroom, small footprint, modular dwellings. Their description as 'serviced apartments' refers to their configuration and construction typology rather than their mode of operational and management, which remains flexible.

With an assumed R-Code density of R40, a maximum of 19 dwellings are permitted on the site. To account for communal space, internal roads and servicing, a nominal 20% of the site area is reserved, giving a yield of 14 dwellings with an average lot area of 240m^2.

This development model includes seven 2-bedroom/2-bathroom dwellings which provide a 'dual-key' configuration, allowing two separate tenancies to access their single bedroom/bathroom section of the dwelling separately, with each provided a separate and private kitchen/living space. These have an internal area of 63m^2, or 31.5m^2 for each tenancy. While these dwellings have a relatively high cost per square meter, the ability to accommodate two tenancies increases their financial viability.

The other seven dwellings are non-specific 2-bedroom/1-bathroom, modular dwellings with an internal area of approximately 76m^2 based on average square meter rates for this dwelling typology in the region.

Lots 16 (7) & 17 (5) Currall St, Narembeen	Costs
Headworks, connections and fees	$ 164,313
Site works and internal services	$ 560,000
Planning and technical costs provision	$ 24,000
Construction	$ 3,623,900
Seven 2-bed, 1-bath	*$235,000 per dwelling*
Seven 2-bed, 2-bath (dual-key)	*$282,700 per dwelling*
Design and construction contingency	10%
TOTAL	**$ 4,807,034**
Per dwelling	*$ 343,360*

1.2. Standard Residential Development

This development model demonstrates a more typical residential development designed to provide housing for workers and their families looking to base themselves in the region for a longer period. It includes a mix of modular 2-bedroom/1-bathroom and 3-bedroom/2-bathroom dwellings, with indicative internal floor areas of 76m^2 and 126m^2 respectively.

To provide an example that is applicable to other RoeROC Shires and townsites this example includes costings for septic tank systems. This reduces the available land area for development, reducing the yield to approximately 10 dwellings, while increasing development costs.[1] It also increases the need for technical investigations when obtaining planning approval, marginally increasing this cost.

Lots 16 (7) & 17 (5) Currall St, Narembeen	Costs
Headworks, connections and fees	$ 227,401
Site works and internal services	$ 480,000
Planning and technical costs provision	$ 29,000
Construction	$ 3,187,500
Five 2-bed, 1-bath	*$235,000 per dwelling*
Five 3-bed, 2-bath	*$402,500 per dwelling*
Design and construction contingency	10%
TOTAL	**$ 4,313,391**
Per dwelling	*$ 431,339*

[1] In the cost breakdown table septics are included in the Headworks category.

Lot 16, 17 & 18 Price Street, Kulin

The three adjoining vacant lots at Lots 16, 17 & 18 (35, 37 & 39) Price Street, Kulin, are zoned 'Residential' under the Shire of Kulin Local Planning Scheme No. 2 (Kulin LPS), with an R-Code density of R10/30. The lots have a combined area of 2,107 m^2. The site is generally vacant and level, with gravel and sandy soils, and some cover of remnant vegetation. Road access is available from Price Street to the south-east. The site is well-located within the Kulin townsite.

Figure 3. Kulin Site Context

Under the current zoning, development as Grouped Housing is a 'D' use (permitted only at the discretion of the Shire). Under the dual R10/40 density code, as per Clause 4.2.2 of the Kulin LPS, development at an R30 density requires "an effective method of effluent disposal, satisfactory to the local government's requirements". The lots are service by underground sewer infrastructure. Therefore, this development concept assumes an R30 density.

This density provides for a maximum yield of 7.02 dwellings. Due to the need for communal driveways and servicing areas, this yield is unlikely to be practical. Therefore, a maximum yield of 6 dwellings has been applied, providing for a maximum average lot size of 351 m^2. Amalgamation of the three lots would be required to achieve this outcome. A provision for planning and technical consultancy fees has been included to account for the costs associated with achieving this outcome.

Water services are available on the far side of Price St. Underground sewer is available on the northwest edge of the lots. Overhead power is available on the near side of Price St. Provision has been included to bring connections for these services into the lot as required. Desktop investigations indicate that current utility network capacities are sufficient.

The lot is not within a Bush Fire Prone area.

This development model demonstrates a residential development designed to provide housing for workers and their families looking to base themselves in the region. It includes a mix of modular 2-bedroom/1-bathroom and 3-bedroom/2-bathroom dwellings, with indicative internal floor areas of 76m^2 and 126m^2 respectively.

Lots 16, 17 & 18 Price St, Kulin	Costs
Headworks, connections and fees	$ 67,565
Site works and internal services	$ 240,000
Planning and technical costs provision	$ 29,000
Construction	$ 1,951,125
Three 2-bed, 1-bath	*$240,875 per dwelling*
Three 3-bed, 2-bath	*$409,500 per dwelling*
Design and construction contingency	10%
TOTAL	**$ 2,516,459**
Per dwelling	*$ 419,410*

Lot 151 Radbourne Drive, Hyden

Lot 151 (#43) Radbourne Drive, Hyden, is a vacant lot zoned Residential under the Shire of Kondinin Scheme No. 1 (Kondinin LPS), with an R-Code density of R10/25. The lot has a total area of 2,147 m^2, and is generally clear and level, with minor remnant vegetation. Road access is available from both the north and east from Radbourne Drive.

The lot is within a residential subdivision approximately 800m west of the Hyden main townsite, with residential lots and dwellings to the south and bushland surrounding

Figure 4. Hyden Site Context

Under the current zoning, development as Grouped Housing is a 'D' use (permitted only at the discretion of the Shire). Under the dual R10/25 density code, development at an R25 density requires meeting effluent disposal and amenity requirements as determined by the Shire and Department of Health. The lot is serviced by a hybrid, reticulated, Septic Tank Effluent Disposal (STED) system, which takes wastewater that has already been treated in household septic tanks through a pipeline system to a disposal pond located outside of town. Other residential developments in the area have met Department of Health requirements for the application of R25 density by utilising this system. Noting this precedent and the Shire's support of this proposal, an R25 density is assumed for this development concept.

This density provides for a maximum yield of 6.1 dwellings. Due to the need for communal driveways, servicing areas and septic effluent disposal, this yield is unlikely to be practical. Therefore, a maximum yield of 5 dwellings has been applied, providing for a maximum average lot size of 429 m^2.

Connection to the STED sewer system is available on the southwest corner of the lot. Provision has been made for a septic tank system and connection to the STED service. These charges are grouped under the headworks line item in the table below. Water services are available on the near side of Radbourne Dr. Underground power is available on the near side of Radbourne Dr. Provision has been included to bring connections for these services into the lot as required. Desktop investigations indicate that current utility network capacities are sufficient.

The lot is within a Bush Fire Prone area, and there is significant bushland to the east and north of the lot. Provision has been included to cover the increased building costs and technical reports required. These costs are based on development industry averages. Confirmation by an accredited bushfire planning consultant is be required to validate final requirements.

This development model demonstrates a residential development designed to provide housing for workers and their families looking to base themselves in the region. It includes a mix of modular 2-bedroom/1-bathroom and 3-bedroom/2-bathroom dwellings, with indicative internal floor areas of 76m^2 and 126m^2 respectively.

Lot 151 Radbourne Drive, Hyden	Costs
Headworks, connections and fees	$ 104,068
Site works and internal services	$ 200,000
Planning and technical costs provision	$ 18,000
Bushfire prone construction provision	$ 90,600
Construction	$ 1,710,250
Two 2-bed, 1-bath	*$240,875 per dwelling*
Three 3-bed, 2-bath	*$409,500 per dwelling*
Design and construction contingency	10%
TOTAL	**$ 2,335,210**
Per dwelling	*$ 467,042*

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CHADWICK CONSULTING

ECONISIS

KEY WORKER HOUSING INVESTMENT: ROEROC

COST BENEFIT ANALYSIS

Client: Roe Regional Organisation of Councils

Title: ROEROC KEY WORKING HOUSING CBA

Version: FINALB

Date: Monday, 10 March 2025

econisis.com.au

Prepared for:

Roe Regional Organisation of Councils

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DISCLAIMER

VERSION CONTROL

VERSION	PURPOSE	AUTHOR	REVIEWER	APPROVER	APPROVAL DATE
DraftA	Draft for internal review	RS	MW	MW	06/11/2024
DraftB	Draft for client review	MW	RS	MW	07/11/2024
DraftC	Draft with minor edits	MW	RS	MW	27/11/2024
FINALA	Final Report	LP	MW	MW	28/02/2025
FINALB	Final report with minor edits	MW	LP	MW	10/03/2025

APPROVAL FOR ISSUE

APPROVER	CONTACT	SIGNATURE	DATE
Mark Wallace **PRINCIPAL**	**T**: 0431 676 254 **E**: mark.wallace@econisis.com.au		10/03/2025

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Introduction

- Roe Regional Organisation of Council (RoeROC), in partnership with the Wheatbelt Development Commission engaged Econisis to prepare a cost benefit analysis and preliminary business case for key worker housing initiatives in the RoeROC region.
- Key worker housing supply and affordability challenges are increasingly common across regional areas in Australia, impacting the ability to attract and retain key workers. The combination of small labour markets, flat and declining populations, comparatively low median housing market prices, and development feasibility issues require coordinated government intervention.
- The *ROEROC WORKFORCE HOUSING INVESTIGATION 2024* (RWHI) for the region presents evidence to confirm the extent of the key housing need in the Shires of Narembeen, Kulin, Corrigin and Kondinin.
- The purpose of this report is to assess the benefits and impacts of Key Worker Housing in the RoeROC Region.

Project Context

- The RoeROC region sits within the Wheatbelt of Western Australia. RoeROC encompasses a land area of approximately 18,000 km2 and comprises the four Local Government Areas (LGAs).
- Covering an area of 154,862 square kilometres, the Wheatbelt has diverse landscapes that stretch from the clear waters of the Central Coast to the highly productive lands of the Central Midlands and Wheatbelt South, the gentle hills and streams of the Avon Valley and the spectacular terrain in the Central East[1]. The region has an increasingly diverse economic base with growth in primary industries, transport and logistics, manufacturing and construction sectors underpinned by a strong agriculture sector.
- The total population of the catchment area is 3,514 people according to 2023 ABS data. It has been slowly declining since 2001 and WA Tomorrow forecasts expect it to decline to 3,275 people by 2031. Population growth within the region is constrained by the availability of housing to meet the needs of new workers and their families.
- The project is defined as a shortlist of development-ready sites that have been identified to provide key worker housing in the RoeROC region. The shortlisted sites provide 29 key worker dwellings (both residential and serviced apartments).

Cost Benefit Analysis

- A cost benefit analysis (CBA) is the most commonly used, and most comprehensive, of the economic evaluation techniques.
- Econisis has identified numerous key benefits for consideration in the Benefit Statement including:
  - Construction Supply Chain Benefits
  - Economic Contribution of Key Workers
  - Household Expenditure-Based Economic Impacts
  - Business and Employment Visitor Expenditure Impacts
  - Social Benefit of Housing Access

[1] WDC (2023) The Wheatbelt, accessed at https://www.wheatbelt.wa.gov.au/our-region/wheatbelt/

- Housing Market Normalisation
- Residual Asset Value

- The project has a strong economic and social benefit breakdown with a majority split for economic benefits.

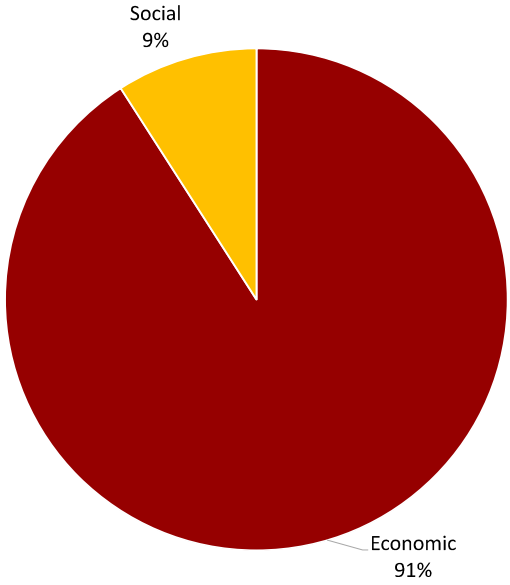

Figure 1 Composition of Benefit Categories, at the 7% Discount Rate

- Econisis estimated the Project is expected to yield a net present value of between 31.27m over 20 years at the 4% discount rate and $14.36m at the 10% discount rate.
- The positive Net Present Value translates to a Benefit Cost Ratio (ratio of benefits to costs) of between 3.30 at the 4% discount rate to 2.13 at the 10% discount rate. The economic nature of the project means the 7% discount is most relevant, meaning that every $1 invested in this project is expected to return $2.62 in economic and social benefits.

Table 1Summary of Cost Benefit Analysis Results

Summary	4%	7%	10%
Total Costs	**-$13.62**	**-$13.09**	**-$12.68**
Capital Costs	-$12.07	-$11.90	-$11.74
Maintenance	-$1.55	-$1.19	-$0.94
Total Benefits	**$44.89**	**$34.30**	**$27.04**
Construction Supply Chain Benefits	$0.86	$0.84	$0.83
Economic Contribution of Key Workers	$32.99	$25.23	$19.86
Household Expenditure-Based Economic Impacts	$4.58	$3.51	$2.76
Business and Employment Visitor Expenditure Impacts	$1.39	$1.06	$0.84
Social Benefit of Housing Access	$2.39	$1.83	$1.44
Housing Market Normalisation	$1.55	$1.19	$0.94
Residual Asset Value	$1.12	$0.64	$0.37
NPV	**$31.27**	**$21.21**	**$14.36**
BCR	**3.30**	**2.62**	**2.13**

- Overall, the BCRs for the project reflect a strong benefit to the community when the identified benefits and costs from the town centre revitalisation are considered.

Economic Impact Assessment

- Econisis has undertaken an Economic Impact Assessment using input/output transaction tables regionalised using detailed local employment data sets.
- The delivery of key worker housing will $21.4m in economic output and $6.7m in Gross Value Added over two years. This will support 11.2 FTEs during the 2 year construction phase.

Conclusion

- The RoeROC housing project would provide a host of benefits to the region, with the project estimated to have a net present value between $14.36m and $31.27m.
- The main benefit is the significantly increased economic contributions of key workers – both short stay and residential. Current housing shortages are preventing key workers from moving into the area, and increasing housing supply will facilitate for these workers to enter the RoeROC workforce and contribute to the local economy. These new workers would produce significant value added to the local economy, estimated to be between $19.86m and $32.99m over 20 years.
- Other benefits are the household and visitor expenditure from these new workers and their households. Increased housing supply brings new families as well as business and employment visitors to the region who will spend at local businesses, stimulating the economy. There are also social benefits to providing housing supply which include enhanced productivity, health savings, and reduced crime, among others.
- This evaluation finds that the sum of these economic and social benefits outweigh the estimated cost of the project. This is reflected in the high NPV and BCR values. At the standard 7% discount rate, the BCR is 2.62. This means that for every dollar spent on the project, there are $2.62 of benefits produced.
- According to the results of the Economic Impact Assessment, this construction phase of the project is expected to generate $21.4m in economic output and $6.7m in Gross Value Added over two years. This economic activity will support 11.2 FTEs across the entire construction phase.
- Overall, the results confirm that the project will generate significant value for the regional and State economies, facilitating economic activity that otherwise would be constrained by housing capacity and availability challenges.
- The inclusion of serviced apartment product to accommodate short-term business and employment visitation provides further additional housing market flexibility and ensuring that key work force requirements are not impacted by a lack of short-term accommodation options or crowd out traditional tourist visitors from the local economy.

1 INTRODUCTION

This section provides an overview of the background and context, scope and structure of the report.

1.1 Background and Context

Roe Regional Organisation of Council (RoeROC), in partnership with the Wheatbelt Development Commission engaged Econisis to prepare a cost benefit analysis and preliminary business case for key worker housing initiatives in the RoeROC region.

Key worker housing supply and affordability challenges are increasingly common across regional areas in Australia, impacting the ability to attract and retain key workers. The combination of small labour markets, flat and declining populations, comparatively low median housing market prices, and development feasibility issues require coordinated government intervention.

The ROEROC WORKFORCE HOUSING INVESTIGATION 2024 (RWHI) for the region presents evidence to confirm the extent of the key housing need in the Shires of Narembeen, Kulin, Corrigin and Kondinin.

Aggregating data across local government areas in stalled regional markets aims to create sufficient scale for commercially feasible housing development, together with government investment intervention to fund the 'failed market' gap. The RHWI established the scale of demand for purpose-built and appropriate key worker housing, revealing a lack of accommodation to support lone, small and aged households. The expansive land area of the RoeROC region, combined with the comparatively small size of many communities, impacts the viability (and interest) of private housing construction and supply.

1.2 Report Purpose and Structure

The Purpose of this report is to assess the benefits and impacts of Key Worker Housing in the RoeROC Region. This report is comprised of the following sections:

- **Introduction -** An overview of the background, scope, and structure of the report;
- **Project Context -** Outlining the key attributes and drivers of the region and the project;
- **Cost Benefit Analysis -** Outlining the methodology, assumptions, and results of a cost benefit analysis;
- **Economic Impact Assessment -** Results of an input-output based regional assessment of the economic impacts of construction and operational expenditure; and
- **Conclusions and Recommendations -** Outlining the key conclusions and recommendations relating to the project.

1.3 Statistical Geography

The Roe Regional Organisation of Councils Local Government Areas (LGA's) is described as the RoeROC subregion for the purposes of this report.

The subregion encompasses a land area of approximately 18,700km2 and comprises the following LGAs:

- The Shire of Kulin
- The Shire of Corrigin
- The Shire of Narembeen
- The Shire of Kondinin

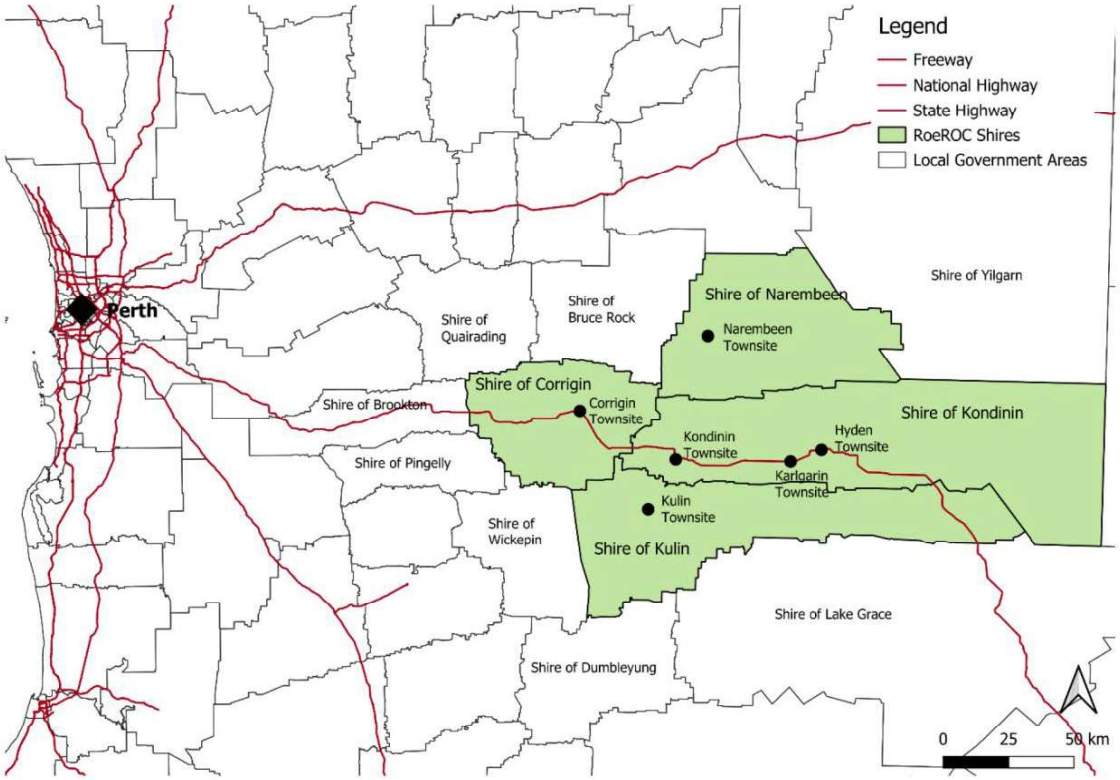

Figure 2 RoeROC LGAs

1.4 Glossary and Abbreviations

The following terms and abbreviations are referenced in this report.

Table 2 Glossary and Abbreviations

Term/Abbreviation	Definition
ABS	Australian Bureau of Statistics
BCR	Benefit Cost Ratio
CBA	Cost Benefit Assessment
EIA	Economic Impact Assessment
Externalities	External Costs or Benefits not captured in market prices
FTE	Full time equivalent
GVA	Gross Value Added
IO	Input-output
KWHA	Key Worker Housing Analysis
LGA	Local Government Area
NPV	Net Present Value
OIA	Office of Impact Analysis
SA2	Statistical Area 2
WDC	Wheatbelt Development Commission
YTD	Year to date

2 PROJECT CONTEXT

This section outlines the key attributes and drivers of the region and the project.

2.1 About the Wheatbelt

2.1.1 The Wheatbelt Region

Covering an area of 154,862 square kilometres, the Wheatbelt has diverse landscapes that stretch from the clear waters of the Central Coast to the highly productive lands of the Central Midlands and Wheatbelt South, the gentle hills and streams of the Avon Valley and the spectacular terrain in the Central East[2].

The Wheatbelt consists of five sub-regions: Avon, Central Coast, Central East, Central Midlands and Wheatbelt South. Each sub-region is serviced by a sub-regional centre (Northam, Jurien Bay, Merredin, Moora and Narrogin) and has unique economic and population drivers.

With a population of 75,000, the Wheatbelt is the third most populous region in the State. This population is highly dispersed with over 200 towns and settlements spread across 154,862 square kilometres. The Region is governed by 42 local governments, with no single dominant regional centre.

With an average annual compound economic growth rate of 8.2% and a diverse economic base, the Wheatbelt is well positioned to make a significant contribution to the State and Nation's growth.

The region has an increasingly diverse economic base with growth in mining, transport and logistics, manufacturing and construction sectors underpinned by a strong agriculture sector.

With abundant renewable energy and a wealth of natural resources, the Wheatbelt is well positioned to capitalise on its competitive advantages. An area that has long benefited from an entrepreneurial spirit, the Wheatbelt is known as a region of innovation. Its proximity to Perth, available land and significant infrastructure see the Wheatbelt poised to build on economic opportunities well into the future[3].

2.1.2 Roe Regional Organisation of Councils

The Roe Regional Organisation of Councils is a voluntary organisation of like minded local governments, consisting of the Shires of Corrigin, Kondinin, Kulin and Narembeen. This voluntary group of Councils seeks to work collaboratively in a manner which enhances and assists in the advancement of the region. This includes supporting industry and economic growth (such as unlocking major tourism assets like Wave Rock in Hyden).

The purpose of RoeROC is to advocate for growth and sustainability of key services and infrastructure across the members local government communities. The group has already had success with a regional waste facility and shared environmental health services.

RoeROC is a voice for the Region's communities and actively collaborates and agrees on collective approaches to regionally significant issues and opportunities.

2.2 Population and Demographic Profile

2.2.1 Population

The total population of the catchment area is 3,514 people according to 2023 ABS data[4]. It has been slowly declining since 2001 and WA Tomorrow forecasts expect it to decline to 3,275 people by

[2] WDC (2023) The Wheatbelt, accessed at https://www.wheatbelt.wa.gov.au/our-region/wheatbelt/
[3] WDC (2023) Our Region, accessed at https://www.wheatbelt.wa.gov.au/our-region/
[4] ABS (2023) Regional Population by Age and Sex, accessed at abs.gov.au

2031.[5] Population growth within the region is constrained by the availability of housing to meet the needs of new workers and their families.

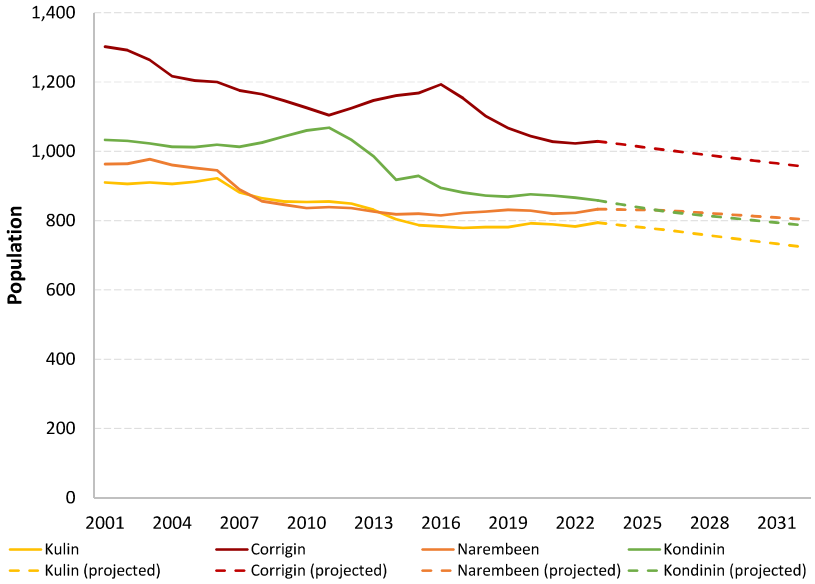

Figure 3 Historical and Projected Population, All LGAs, 2001-2031

2.2.2 Census Profile

A summary of key attributes of the "project location" from the 2021 Census of Population and Housing is provided in the table below.

Table 3 Census Socioeconomic Profile, Catchment Area, 2021[6]

Indicators	Kulin (LGA)	Corrigin (LGA)	Narembeen (LGA)	Kondinin (LGA)	Western Australia
Headline					
Population	769	1,007	787	847	2,660,026
Median Age	44	47	47	46	38
Average Household Size	2.5	2.3	2.3	2.2	2.5
Share of Population 0-14 (%)	20.6%	16.8%	19.3%	17.3%	19.0%
Share of Population 65+ (%)	19.9%	26.2%	24.7%	20.5%	16.1%
Born in Australia	79.5%	83.9%	74.7%	74.3%	62.0%
Total dwellings	394	501	395	460	1,147,872
Share of People Attending Educational Institutions					
Pre-School	10	21	19	7	45,452
Primary	84	75	62	61	222,555
Primary - Government	38.1%	34.1%	24.5%	26.5%	19.3%
Primary - Catholic	0.0%	0.0%	0.0%	0.0%	4.5%
Primary - other non-Government	0.0%	0.0%	0.0%	0.0%	3.6%
Secondary	24	30	21	24	175,841
Secondary - Government	10.6%	11.4%	4.2%	7.5%	12.7%
Secondary - Catholic	0.0%	0.0%	0.0%	0.0%	4.5%

[5] WAPC (2017) WA Tomorrow No 10 Population Projections accessed at wapc.wa.gov.au

[6] ABS (2022) Census of Population and Housing 2021, accessed at abs.gov.au

Indicators	Kulin (LGA)	Corrigin (LGA)	Narembeen (LGA)	Kondinin (LGA)	Western Australia
Secondary - other non-Government	1.3%	0.0%	1.3%	3.5%	4.6%
Tertiary	19	26	11	20	172,239
Tertiary - Vocational education (including TAFE and private training providers)	4.0%	5.0%	3.0%	4.4%	7.4%
Tertiary - University of other higher education	6.2%	7.8%	3.0%	4.9%	13.9%
Weekly Incomes					
Personal	$1,007	$838	$923	$860	$848
Family	$2,225	$2,007	$1,875	$1,875	$2,214
Household	$1,820	$1,399	$1,483	$1,293	$1,815
Share of Household					
Couple family without children	38.0%	37.9%	37.4%	33.2%	27.6%
Couple family with children	30.4%	25.3%	27.9%	22.9%	31.8%
One parent family	3.3%	0.8%	6.5%	9.4%	10.8%
Other family	0.0%	0.0%	0.0%	1.0%	1.1%
Lone Person Households	26.4%	32.2%	26.3%	31.9%	25.4%
Group Households	2.2%	0.8%	1.5%	2.9%	3.4%
Dwelling Occupancy					
Occupied	75.8%	84.4%	77.1%	77.7%	89.1%
Unoccupied	23.9%	14.5%	21.2%	22.0%	10.9%
Dwelling Type					
Separate house	95.6%	94.2%	94.3%	94.9%	79.7%
Semi-detached, row or terrace house, townhouse etc	1.5%	4.3%	6.9%	2.0%	13.0%
Flat or apartment	0.0%	0.0%	0.0%	0.0%	6.5%
Other dwelling	1.5%	1.3%	0.0%	1.3%	0.6%
Tenure					
Owned outright	54.4%	49.6%	56.1%	45.8%	29.2%
Owned with a mortgage	16.3%	21.8%	18.3%	16.5%	40.0%
Rented	18.9%	20.5%	18.7%	25.6%	27.3%
Other tenure type	10.0%	6.8%	7.3%	8.1%	2.1%
Tenure type not stated	0.0%	1.8%	0.0%	3.4%	1.4%

Key findings from the socio-economic profile include:

- All LGAs have significantly older median ages than WA and Australia.
- All of the LGA's have lower tertiary education participation rates than WA.
- The most common type of household is Couple Family without Children. There is also a greater share of lone households in all the LGAs compared to the WA average.
- There is a much higher share of unoccupied homes in the catchment area than the WA average.
- Majority of houses are separate dwellings and are most commonly owned outright. The percentage of outright ownership is much higher than the WA average.

2.2.3 Number of Registered Businesses

Corrigin has the most registered businesses in the catchment area, with 188 as of 2023. This indicates a higher level of commercial activity in this region, followed by the Shire of Kondinin with 180 registrations.

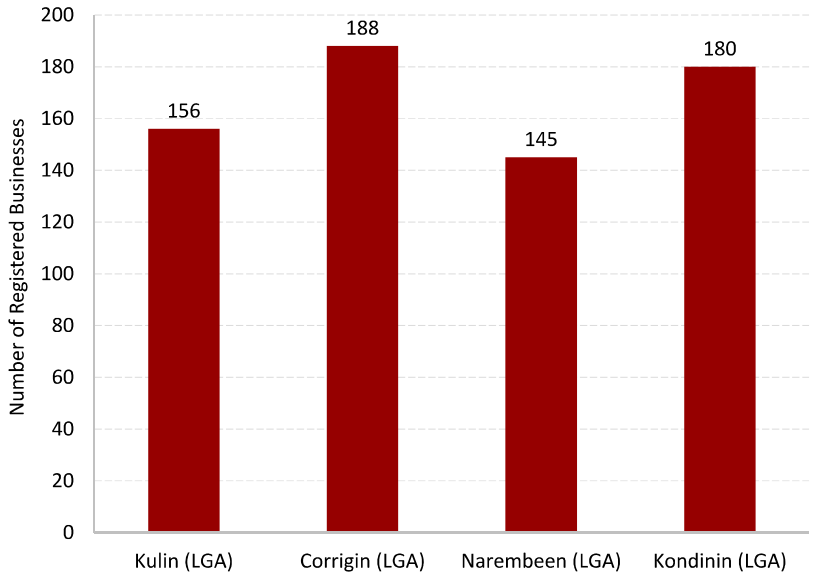

Figure 4 Business Registrations, Catchment Area, 2022[7]

The RoeROC region had 404 businesses in the Agriculture, Forestry and Fishing industry in 2023, which make up the vast majority of businesses in the catchment area. Other industries with a larger number of businesses include Rental, Hiring and Real Estate Services, Construction and Retail Trade.

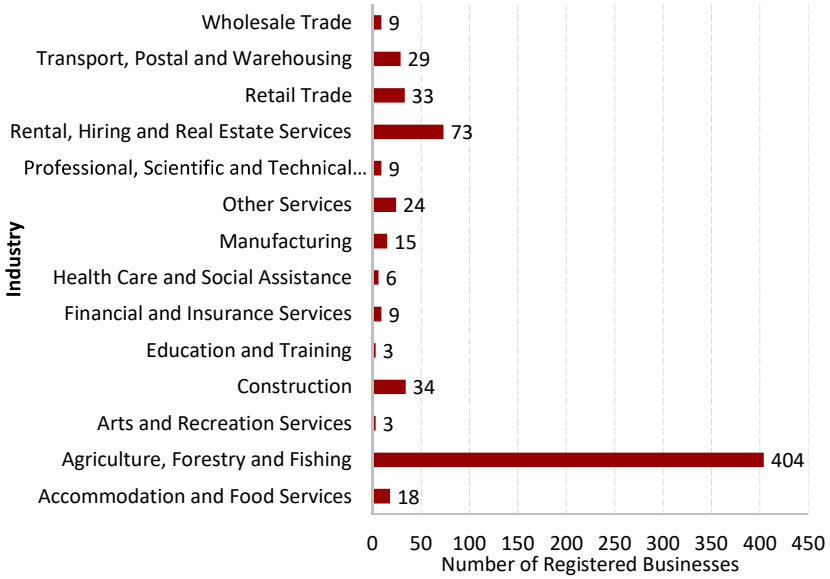

Figure 5 Business Registrations by Industry, Catchment Area, 2023

[7]ABS (2023) Count of Businesses accessed at abs.gov.au

2.2.4 Unemployment Rate

The most recent unemployment data from March 2024 shows that Narembeen had the highest unemployment rate of 3.8% equal to that of the WA state unemployment rate. The Shires of Kulin and Kondinin both had significantly lower rates at 1.9%.

Table 4 Unemployment Rate, Select LGAs, March 2024[8]

LGA	Unemployment Rate
Kulin (LGA)	1.9%
Corrigin (LGA)[9]	-
Narembeen (LGA)	3.8%
Kondinin (LGA)	1.9%
Western Australia	3.8%

2.3 Role of Housing in Key Worker Attraction and Retention

Housing availability in regional and remote areas plays a critical role in supporting the attraction and retention of key workers. This supports the use of "worker productivity" values in monetising the opportunity cost associated with the non-delivery of the housing needed in subject communities. This reflects the fact that without the required housing, the economic and social activity associated with the accommodated workers will not be realised in the region.

2.3.1 What is Worker Productivity?

Worker productivity is the Gross Value Added per Worker in an economy. Gross Value Added is the sum of all value adding activity in the economy and accounts for the vast majority of Gross Product (Regional, State or Domestic).

By dividing GVA by the number of workers in an economy, the relative productivity of an individual worker can be estimated. This same approach can be adopted for individual industries using Industry Value Added and the workers within that industry. This approach provides greater level of detail, recognising the different levels of economic productivity associated with different industries.

Using REMPLAN data for Western Australia, Econisis has provided the following worker productivity estimates by industry and for the economy as a whole.

Table 5 Worker Productivity, Western Australia, 2023[10]

Industry sector	GVA	Workers	Worker Productivity
Accommodation & Food Services	$5,549,534,369	89,363	$62,101
Administrative & Support Services	$4,809,328,210	42,251	$113,828
Agriculture, Forestry & Fishing	$7,760,271,770	31,176	$248,918
Arts & Recreation Services	$2,509,121,685	22,117	$113,448
Construction	$23,739,219,507	121,303	$195,702
Education & Training	$16,264,362,646	119,759	$135,809
Electricity, Gas, Water & Waste Services	$7,910,147,864	15,908	$497,243
Financial & Insurance Services	$13,779,777,586	29,233	$471,377
Health Care & Social Assistance	$24,601,640,140	186,114	$132,186
Information Media & Telecommunications	$3,851,503,200	10,442	$368,847

[8] National Skills Commission (2022) Small Area Labour Markets, accessed at https://www.nationalskillscommission.gov.au/topics/small-area-labour-markets

[9] Note there is insufficient data in the quarter for the unemployment rate for Corrigin to be calculated at this time.

[10] REMPLAN (2024) Economic and Employment, Western Australia accessed at https://app.remplan.com.au/eda-westernaustralia/economy/industries/employment?state=lGv2sz!elxMC6yQNu3wVNqteKmG0SDHdfP7nIrl2ljs3pOpNfPf7yhRfBlGG2qINAZ

Industry sector	GVA	Workers	Worker Productivity
Manufacturing	$14,980,166,313	72,002	$208,052
Mining	$193,587,876,157	105,960	$1,826,990
Other Services	$4,606,017,732	52,983	$86,934
Professional, Scientific & Technical Services	$17,952,625,971	94,061	$190,862
Public Administration & Safety	$17,091,672,587	80,903	$211,261
Rental, Hiring & Real Estate Services	$36,242,106,634	19,497	$1,858,856
Retail Trade	$11,332,934,557	119,926	$94,499
Transport, Postal & Warehousing	$13,009,062,649	62,352	$208,639
Wholesale Trade	$7,337,412,752	33,449	$219,361
Average	$426,914,782,331	1,308,799	$326,188
Average Net Real Estate and Mining	$197,084,799,540	1,082,913	$181,995
Education, Health, Public Admin/Safety Only Average	$57,957,675,373	386,776	$149,848

Overall, the average worker in WA produces $326,188 worth of value added each year.

However, this figure is inflated by a small number of high value adding sectors, namely Mining and Rental, Hiring and Real Estate Services. Remove these and the worker productivity value falls to $181,995 per worker.

Additionally, this estimate continues to include a combination of both public and private sector industries. To get a proxy of public sector, the average worker productivity values of Education and Training, Health Care and Social Assistance and Public Administration and Safety industries can be taken. This reduces the worker productivity value to $149,848.

These values are for Western Australia as a whole to reflect the data available from sources such as REMPLAN and the ABS.

2.4 Short-Listed Housing Project

Four sites were identified for development as part of the RoeROC Key Worker Housing project:

- Lot 1 (24) Lynch Street, Corrigin
- Lot 16 (7) & 17 (5) Currall Street, Narembeen
- Lot 16 (35), 17 (37) & 18 (39) Price Street, Kulin
- Lot 151 (43) Radbourne Drive, Hyden

Cost information was developed by Chadwick Consulting and summarised for the four subject sites and associated development here below.

2.4.1 24 Lynch Street, Corrigin

The vacant lot at 24 Lynch Street, Corrigin, is zoned ‘Commercial’ under the Shire of Corrigin Local Planning Scheme No. 2 (Corrigin LPS), with an area of 1,518 m2. The site is vacant, level and clear, with access available from Lynch St to the east.

Figure 6 Corrigin Site Context

The cost estimates below relate to the development of three 2-bedroom/1-bathroom and three 3-bedroom/2-bathroom dwellings. These costings are based on indicative internal floor areas of 82m^2 and 100m^2 respectively.

Table 6 Cost Estimates for Lot 1 (24) Lynch Street, Corrigin

Lot 1 (24) Lynch Street, Corrigin	Costs
Headworks, connections and fees	$45,005
Site works and internal services	$240,000
Planning and technical costs provision	$22,000
Construction	$2,547,000
Three 2-bed, 1-bath	*$393,000 per dwelling*
Three 3-bed, 2-bath	*$456,000 per dwelling*
Design and construction contingency	10%
TOTAL	**$3,137,206**
Per dwelling	**$522,868**

2.4.2 5 & 7 Currall Street, Narembeen

The vacant, adjoining lots at 5 & 7 Currall Street, Narembeen are zoned 'Town Centre' under the Shire of Narembeen Scheme No. 2 (Narembeen LPS), with a combined area of 4,304m2. The site is vacant, level and clear, with streets adjacent on three sides.

Figure 7 Narembeen Site

Two development scenarios were identified for the subject site – serviced apartments and traditional residential. For the purpose of this assessment, a mixed development concept has been adopted involving:

- 7 serviced apartments (2-bed, 1-bath)
- 5 standard residential dwellings (2-bed, 1-bath)

The cost estimates below relate to the development of this mixed development concept. Note there is a possible marginal increase in headworks, site and planning costs as a result of the mixed development concept being adopted. However, this is likely to be less than 1.6% of the total non-construction costs at the time of this assessment.

These costings are based on indicative internal floor areas of 82m^2 and 100m^2 respectively.

Table 7 Cost Estimates for 5 & 7 Currall Street, Narembeen

5 & 7 Currall Street, Narembeen	Costs
Headworks, connections and fees	$227,401
Site works and internal services	$480,000
Planning and technical costs provision	$29,000
Construction	$3,187,500
Seven 2-bed, 2-bath (dual-key)	*$282,700 per dwelling*
Five 2-bed, 1-bath	*$235,000 per dwelling*
Design and construction contingency	10%
TOTAL	**$4,313,391**
Per dwelling	**$359,449**

2.4.3 35, 37, & 39 Price Street, Kulin

The three vacant adjoining lots of 35, 37, and 39 Price Street, Kulin are zoned 'Residential' under the Shire of Kulin Local Planning Scheme No. 2 (Kulin LPS). The combined area of these lots is 2,107m2. The site is generally vacant and level, road access is available from Price Street to the south-east.

Figure 8 Kulin Site

The cost estimates below relate to a mix development of three 2-bedroom/1-bathroom and three 3-bedroom/2-bathroom dwellings. These costings are based on an indicative internal floor area of 76m^2 and 126m^2 respectively.

Table 8 Cost Estimates for 35, 37, & 39 Price Street, Kulin

35, 37, & 39 Price Street, Kulin	Costs
Headworks, connections and fees	$67,565
Site works and internal services	$240,000
Planning and technical costs provision	$29,000
Construction	$1,951,125
Three 2-bed, 1-bath	*$240,875 per dwelling*
Three 3-bed, 2-bath	*$409,500 per dwelling*
Design and construction contingency	10%
TOTAL	**$2,516,459**
Per dwelling	**$419,410**

2.4.4 43 Radbourne Drive, Hyden

The vacant lot of 43 Radbourne Drive, Hyden is zoned "Residential" under the Shire of Kondinin Scheme No. 1 (Kondinin LPS). The total area of this lot is 2,147m^2 and is generally clear and level, road access is available from both north and east from Radbourne Drive.

Figure 9 Hyden Site

The cost estimates below relate to a mix development of two 2-bedroom/1-bathroom and three 3-bedroom/2-bathroom dwellings. These costings are based on an indicative internal floor area of 76m^2 and 126m^2 respectively.

Table 9 Cost Estimates for 43 Radbourne Drive, Hyden

43 Radbourne Drive, Hyden	Costs
Headworks, connections and fees	$104,068
Site works and internal services	$200,000
Planning and technical costs provision	$18,000
Bushfire prone construction provision	$90,600
Construction	*$1,710,250*
Two 2-bed, 1-bath	*$240,875 per dwelling*
Three 3-bed, 2-bath	$409,500 per dwelling
Design and construction contingency	10%
TOTAL	**$2,335,210**
Per dwelling	**$467,042**

3 COST BENEFIT ANALYSIS

This section outlines the methodology, assumptions, and results of a cost benefit analysis.

3.1 Methodology

A CBA is the most commonly used, and most comprehensive, of the economic evaluation techniques. Essentially, a CBA compares the monetised benefits and costs of a project to evaluate the desirability of a project. This approach is the most appropriate to assess the net economic benefits that accrue from the project.

The CBA steps include:

1. Identify the quantifiable benefits that can be monetised;
2. Calculate the value (in monetary terms) of the quantified incremental benefits and capital costs in net present value (NPV) terms using the discount rates;
3. Calculate the benefit cost ratio (BCR) – the total present value of all net benefits compared to the present value of capital costs to determine the ratio to which incremental net benefits exceed (or undershoot) incremental costs related with the upgrade; and
4. Undertake a sensitivity assessment.

3.1.1 Discount Rates

Discounting is the reverse of adding (or compounding) interest. It reduces the monetary value of future costs and benefits back to a common time dimension – the base date. Discounting satisfies the view that people prefer immediate benefits over future benefits (social time preference), and it also enables the opportunity cost to be reflected (opportunity cost of capital). Recognising the potential for multiple audiences for the business cases, real discount rates of 3, 7 and 10% have been applied. This complies with recommendations set by the Office of Impact Analysis (OIA) at the Federal Government level and Western Australian Treasury guidelines.

Modelling of quantifiable benefits and costs are developed over a 20-year timeframe (post initial year).

3.1.2 Cost of Capital Approach

The cost benefit analysis undertaken in this report represents a “cost of capital” assessment. This approach focuses primarily on the up-front capital costs of the project with reduced consideration of ongoing costs (beyond basic operational cost impacts). The reason for this approach is twofold:

- Firstly, it reflects the stage of the project design and concept that the Cost Benefit Assessment is testing – early stage concepts typically have a capital cost estimate but may not have detailed cash flow or maintenance cost estimates. As such, the “cost of capital” approach does not consider ongoing cashflow consideration which includes discounting any financial revenues that could be secured by the harbour to offset unknown maintenance costs;
- Secondly, this economic business case specifically seeks to develop or address the validity of potential capital investment in the project. As such, evidence is required, through the CBA, of the potential return on investment (in the form of economic and social benefits) to inform this capital decision.

3.1.3 Comparison with the Base Case

For the purpose of this report, Econisis has undertaken a cost benefit assessment of the net additional benefits and costs above and beyond the “project”. All NPVs and BCRs generated as part of the Cost Benefit Analysis are reflective of the net increase in gross value added and economic and social benefit beyond the “project”

3.1.4 Key Assumptions

The following assumptions have been considered in the evaluation of the benefits.

Table 10 Assumptions Table

Assumption	Details
Annual Maintenance Cost	1% of Capital Costs annually
Length of Construction Phase	2 years
Supply Chain Multiplier	7.1%[11]
Average Worker Productivity WA, Education, Health, Public Admin/Safety Industries Only	$149,848[12]
Number of New Households	22 long-term residential, 7 serviced apartments
Number of Key Workers per Household	1.25 (based on adjusted household sizes for different dwelling sizes)
Attribution Rate of Worker Productivity to Housing Access	50%
Average Household Yearly Expenditure	$33,000[13]
Worker GVA to Expenditure Conversion Rate	50%
Serviced Apartment Occupancy Rate	80%
Nightly Intrastate Visitor Expenditure Average	$115[14]
Health Cost Savings per Household	$2,990.51[15]
Reduced Domestic Violence per Household	$2,5990.80[16]
Enhanced Human Capital per Household	$1,940.87[17]
Reduced Costs of Crime per Household	$891.24[18]
Education Benefits per Household	$177.40[19]
Annual Value of Normalisation of Housing Market	1% of Capital Cost

3.2 Benefits Statement

A range of direct economic and social benefits of the Project have been identified. Those benefits which are capable of being monetised for inclusion in the CBA are outlined in the table below. Refer to the assumptions table in Section 3.1.4 for specific values.

Table 11 Benefit Statement

Benefit	Theme/Description	Method of Calculation
Construction Supply Chain Benefits	Benefits to the WA and regional construction industry of the non-residential capital investment.	Applied a first round GVA economic multiplier of 7.1% to the capital expenditure. Based on WA specific regionalised input/output transaction table. Assumed a construction phase of 2 years.
Direct Economic Contribution of New Key Worker Households	The key workers moving into the houses will be able to be work in the region. This benefit measures	The relative productivity of an individual- worker was calculated by dividing the GVA of the Education, Health and Public Safety/Admin

[11] Based on WA specific regionalised input/output table of non-residential capital expenditure.
[12] REMPLAN (2023) Economic and Employment, Western Australia accessed at https://app.remplan.com.au/eda-westernaustralia/economy/industries/employment?state=
[13] Market Info 2022 (Market Data Systems)
[14] TRA (2024) Wheatbelt Regional Tourism Profile, Tourism Research Australia
[15] SGS (2021) Give Me Shelter accessed at https://sgsep.com.au/projects/give-me-shelter.
[16] See above.
[17] See above.
[18] See above.
[19] See above.

Benefit	Theme/Description	Method of Calculation
	their productivity by working in the local economy.	industries in WA by the number of workers in these industries. This was multiplied by the 22 new long-term households. Weighting of 80% applied to remaining 7 dwellings for short-term serviced apartment occupancy rate. It was assumed that there will be 1.25 key workers per household. An attribution rate of 50% was applied to account for other factors contributing to a worker's productivity e.g. the company they work for.
Household Expenditure Benefit	The contribution to the local economy of the new households' spending at local retail businesses.	An average household's retail related expenditure is $33,000 per year[20]. This was applied to the 22 new long-term households and a GVA to expenditure conversion rate of 50% was applied.
Business and Employment Visitor Expenditure Impacts	The expenditure and Gross Value Added contribution of short-term workers accommodated in the dwellings.	Based on an average occupancy rate of the 7 serviced apartments of 80% per year with 1.25 people per apartment and an average intrastate visitor expenditure per night. Converted to GVA in line with Tourism Satellite Account for WA 5 year average. An attribution rate of 50% was applied to reflect non-accommodation share of expenditure impacts
Social Benefit of Housing Access	The social benefits of housing access include health cost savings, reduced domestic violence, enhanced human capital, reduced costs of crime, and education benefits.	These social benefits were quantified and collated by SGS Economics in their 2022 'Give Me Shelter' report. The combined total of these benefits per household is $8,600[21]. This was applied to the 22 long-term households.
Housing Market Normalisation	Benefit relating to housing market normalisation due to no functioning housing market currently.	Multiplied the construction cost of the homes by 1% each year.
Residual Asset Value	A static residual value compares the direct and indirect costs associated with the construction of a dwelling with the notional market value of that dwelling.	Calculated by dividing the construction cost by 25 years and multiplying it by 5 (for the remaining years at the end of the assessment. Applied in the final year of the assessment (20 years after construction).

3.3 Cost Benefit Analysis Results

This section provides an overview of the present value and composition of costs and benefits for the project. It includes an outline of the Benefit Cost Ratios and Net Present Value results for each project.

3.3.1 Costs

The evaluation estimates the present value of costs to range from $13.62m at the 4% discount rate to $12.68m at the 10% discount rate. The majority of this is the capital cost, with the remainder comprising the annual maintenance cost.

[20] Market Info 2022 (Market Data Systems)
[21] SGS Economics and Planning (2022) Give Me Shelter. Accessed at https://sgsep.com.au/assets/main/SGS-Economics-and-Planning_Give-Me-Shelter.pdf

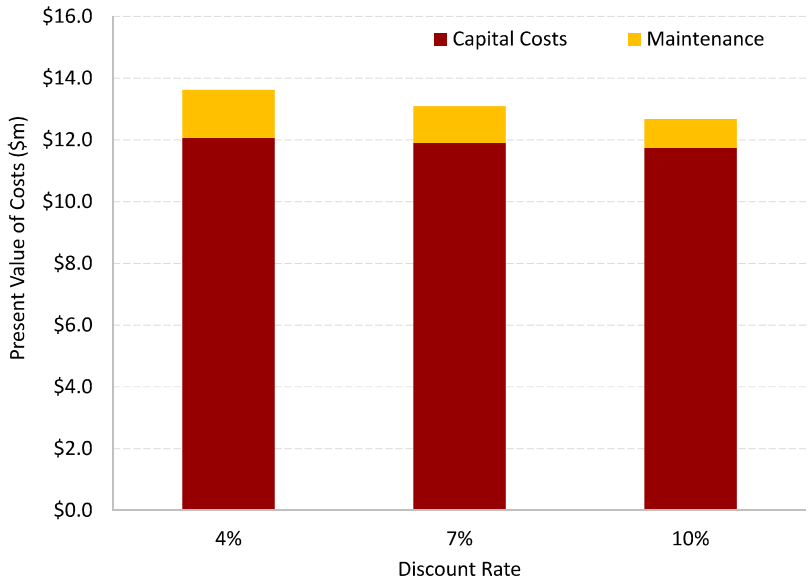

Figure 10 Present Value of Costs

3.3.2 Value of Benefits

Overall, the benefits of the project are approximately $34.30m at the 7% discount rate. This ranges from $27.04m at the 10% discount rate to $44.89m at 4%.

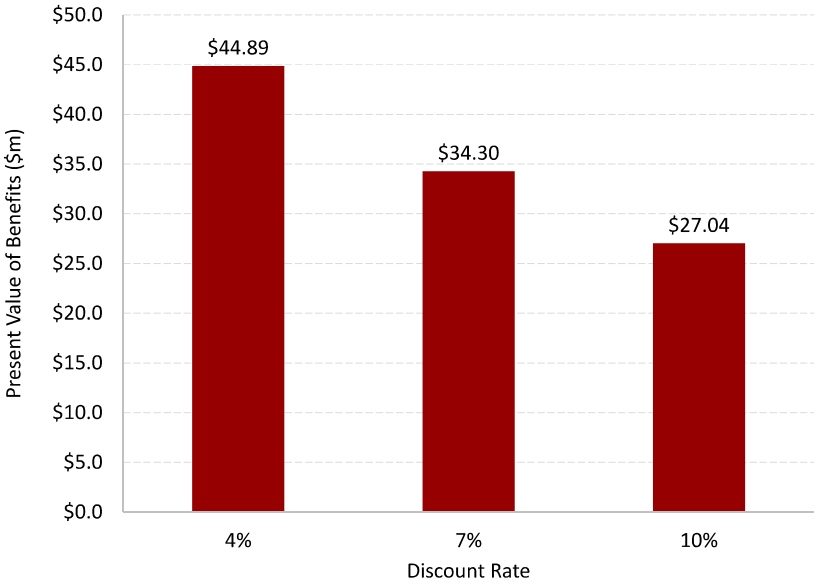

Figure 11 Present Value of Benefits

The largest benefit expected over the 20-year assessment period for the project (at a 7% discount rate) is the economic contribution of key workers (both short and long-term stays), accounting for $25.23m. Following this are Household Expenditure and Social Benefit of Housing Access, which account for $3.51m and $1.83m respectively. All other benefits are valued at less than $1.2m at the 7% discount rate over 20 years.

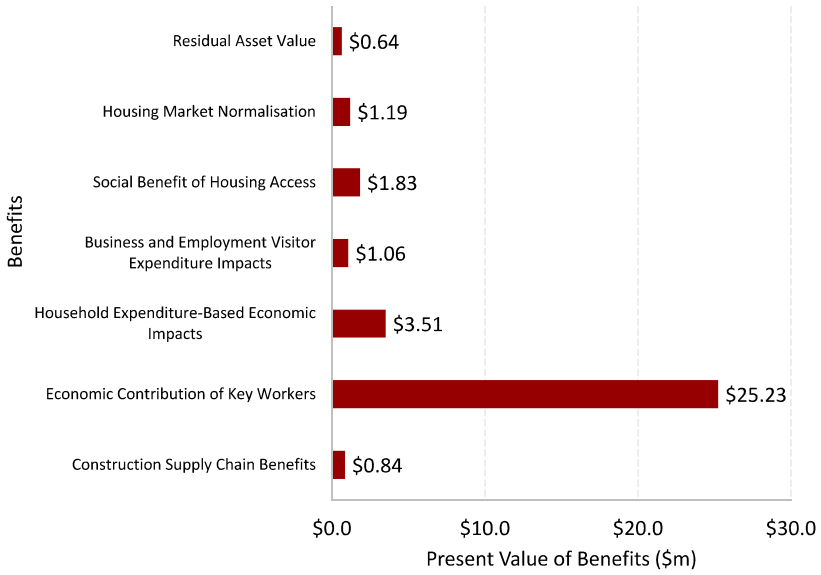

Figure 12 Present Value of Benefits ($m)

Each benefit was categorised as either social or economic. The majority of the benefit of this project is economic, with 9% of benefits being social. This is due to the significant value of worker contribution benefits.

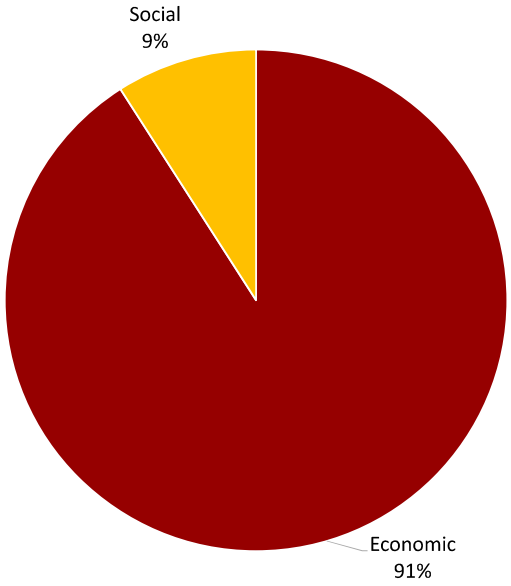

Figure 13 Composition of Benefits, Economic and Social Benefit Categories, at the 7% Discount Rate

3.3.3 NPV and BCR

Comparing the present value of benefits to that of costs, Econisis estimates the project will yield a net present value of between $31.27m over 20 years at the 4% discount rate and $14.36m at the 10% discount rate. All net present value estimates are above $0, meaning that the present value of the benefits is greater than that of the costs across all discount rates.

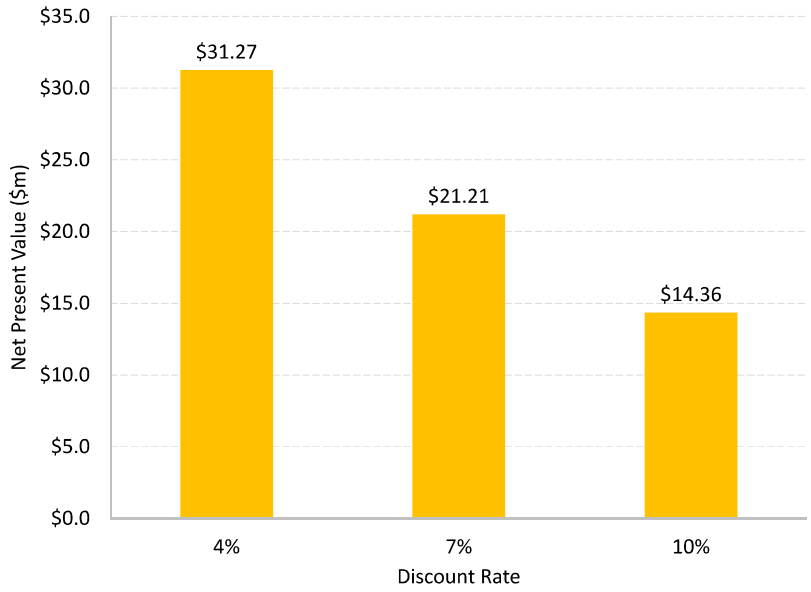

Figure 14 Net Present Value by Discount Rate

The benefit cost ratios ranged from 3.30 at the 4% discount rate to 2.13 at the 10% discount rate. Any BCR above 1.0 is regarded as positive, with BCRs at or approaching 3.0 particularly positive. This reflects the fact that benefits that accrue in the future have a higher degree of uncertainty, and while this is addressed to an extent by the discount rates, a higher BCR provides the project a greater "buffer" that it will indeed yield benefits greater than the costs. In this instance, the predominantly economic nature of the assets means that the 7% discount rate is most relevant.

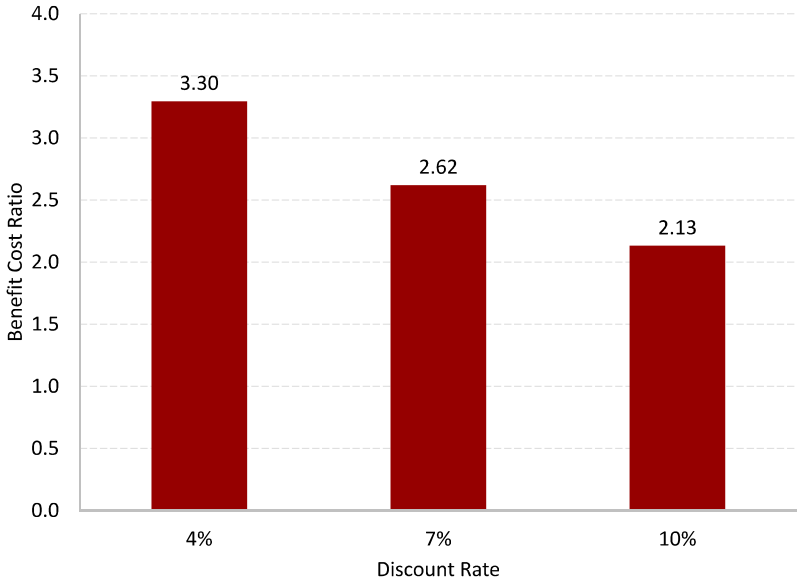

Figure 15 Benefit Cost Ratio by Discount Rate

The below table summarises the results of the cost benefit analysis.

Table 12 Summary of Cost Benefit Analysis Results

Summary	4%	7%	10%
Total Costs	**-$13.62**	**-$13.09**	**-$12.68**
Capital Costs	-$12.07	-$11.90	-$11.74
Maintenance	-$1.55	-$1.19	-$0.94
Total Benefits	**$44.89**	**$34.30**	**$27.04**
Construction Supply Chain Benefits	$0.86	$0.84	$0.83
Economic Contribution of Key Workers	$32.99	$25.23	$19.86
Household Expenditure-Based Economic Impacts	$4.58	$3.51	$2.76
Business and Employment Visitor Expenditure Impacts	$1.39	$1.06	$0.84
Social Benefit of Housing Access	$2.39	$1.83	$1.44
Housing Market Normalisation	$1.55	$1.19	$0.94
Residual Asset Value	$1.12	$0.64	$0.37
NPV	**$31.27**	**$21.21**	**$14.36**
BCR	**3.30**	**2.62**	**2.13**

Overall, the results confirm that the project will generate significant value for the regional and State economies, facilitating economic activity that otherwise would be constrained by housing capacity and availability challenges.

The inclusion of serviced apartment product to accommodate short-term business and employment visitation provides further additional housing market flexibility and ensuring that key work force requirements are not impacted by a lack of short-term accommodation options or crowd out traditional tourist visitors from the local economy.

3.3.4 Sensitivity Tests

Three sensitivity tests of the Program were undertaken which examined:

- Test 1 - 1 Key Worker per Dwelling
- Test 2 - Worker Productivity Benefits Extend for Only 10 Years
- Test 3 - No Residual Value

The results of the BCRs at the 7% discount rate for the main scenario and the three Sensitivity Tests are outlined below.

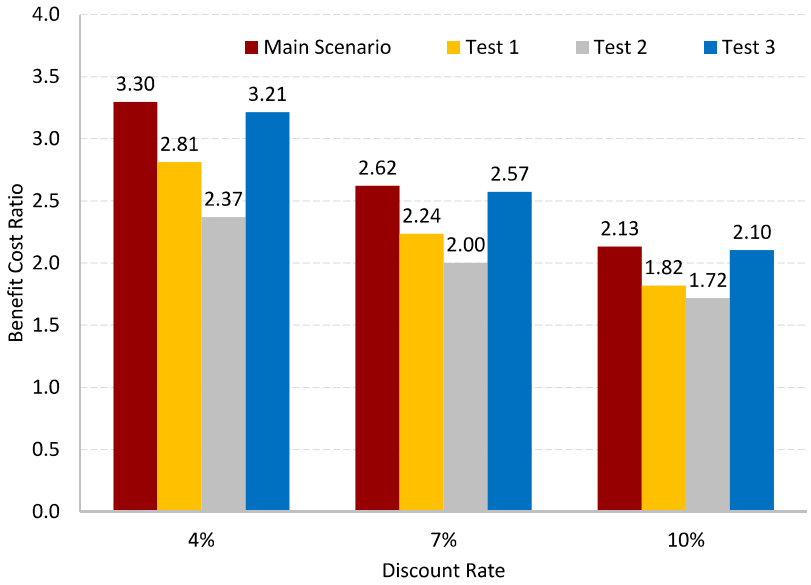

Figure 16 Sensitivity Tests

Test 1 resulted in the BCR decreasing to between 2.81 at the 4% discount rate and 1.82 at 10%. This change is not significant and demonstrates that when the number of key workers per dwelling is decreased, the benefits associated with workforce and household formation remain positive.

Test 2 results in a further decline in the BCR to 2.37 at 4% and 1.72 at 10%, though the BCRs remain positive. This reflects the fact that even if the length of time during which worker economic productivity is effectively halved, the benefits of this initial period of additional workforce capacity continues to generate positive impacts.

Test 3 saw only a marginal decline in BCRs across all discount rates. This test revealed that despite removing residual values, the impact of discounting on the present value of the assets, the short lifespan assumed in the CBA (i.e. 25 years), and the fact that the role of the dwellings is only indirectly related to general housing market dynamics and instead is focused on key worker capacity building, the project still provides a strong value for money opportunity.

4 ECONOMIC AND EMPLOYMENT IMPACT ASSESSMENT

This section provides an estimate of the direct and indirect economic and employment impacts of the project construction phase.

4.1 Methodology and Approach

At the core of an Economic Impact Assessment is Input–Output (IO) tables. IO tables are part of the national accounts by the ABS and provide detailed information about the supply and use of products in the Australian economy, and the structure of and inter–relationships between Australian industries.

IO tables are converted, through statistical analysis, into a series of Economic Multipliers. These Multipliers represent the relationship between the direct activity (expenditure or production) associated with a Project and the wider economy.

The results of an EIA are generally presented as both direct effects, that is effects from the direct activity of the Project or event, and indirect effects, which are additional effects from further rounds of spending in the supply chain. A third or consumption effect, resulting from rounds of consumer spending generated by the additional income in the region can also be calculated.

There are two broad levels of Multipliers that can be utilised for Impact Assessments:

1. **Simple Multipliers** – including the Direct or Initial Effect, First Round and Industry Supply Chain effects.
2. **Total Multipliers** – including the Simple Multipliers plus subsequent Induced Production and Household Consumptions effects.

Impact Assessments can assess:

- **Output** - the actual dollar amount spent on the Project in the Region.
- **Income** - the number of wages and salaries paid to labour.
- **Employment** - the full-time equivalent (FTE) per annum employment generated by the Project; and
- **Value Added** - the value added to materials and labour expended on the Project.

Econisis has undertaken an Impact Assessment for the WA state economy, focused solely on **Simple Multipliers**. For the WA economic impacts, this entailed the following tasks:

1. Transaction tables were developed from National IO tables for the WA State economy. For the WA economy, the Regional Transaction Table was calculated by applying employment-based location quotients for the Region, based on the results of the 2016/2021 Census of Population and Housing. This has the effect of excluding spending on imports to the Region since they generate no local economic activity.
2. Economic Multipliers were then generated for WA economy across 119 industry categories defined by the ABS.
3. Construction and operational expenditure and production associated with the development were allocated across 119 industry categories.
4. Economic impacts associated with the Project are calculated.

4.1.1 Criticisms of Impact Assessments

Economic Impact Assessments based on IO-tables and Economic Multipliers have been criticised by Government and academia. Econisis recognises Economic Multipliers are based on limited

assumptions that can result in multipliers being a biased estimator of the benefits or costs of a Project.

Shortcomings and limitations of multipliers for economic impact analysis include:

- **Lack of supply**–side constraints: The most significant limitation of economic impact analysis using multipliers is the implicit assumption that the economy has no supply–side constraints. That is, it is assumed that extra output can be produced in one area without taking resources away from other activities, thus overstating economic impacts. The actual impact is likely to be dependent on the extent to which the economy is operating at or if it is near capacity.
- **Fixed prices**: Constraints on the availability of inputs, such as skilled labour, require prices to act as a rationing device. In assessments using multipliers, where factors of production are assumed to be limitless, this rationing response is assumed not to occur. Prices are assumed to be unaffected by policy and any crowding out effects are not captured.
- **Fixed ratios for intermediate inputs and production**: Economic impact analysis using multipliers implicitly assumes that there is a fixed input structure in each industry and fixed ratios for production. As such, impact analysis using multipliers can be seen to describe average effects, not marginal effects. For example, increased demand for a product is assumed to imply an equal increase in production for that product. In reality, however, it may be more efficient to increase imports or divert some exports to local consumption rather than increasing local production by the full amount.
- **No allowance for purchasers' marginal responses to change**: Economic impact analysis using multipliers assumes that households consume goods and services in exact proportions to their initial budget shares. For example, the household budget share of some goods might increase as household income increases. This equally applies to industrial consumption of intermediate inputs and factors of production.
- **Absence of budget constraints**: Assessments of economic impacts using multipliers that consider consumption induced effects (type two multipliers) implicitly assume that household and government consumption is not subject to budget constraints.
- **Not applicable for small regions**: Multipliers that have been calculated from the national IO table are not appropriate for use in economic impact analysis of Projects in small regions. For small regions multipliers tend to be smaller than national multipliers since the inter–industry linkages are normally relatively shallow. Inter–industry linkages tend to be shallow in small regions as they usually do not have the capacity to produce the wide range of goods used for inputs and consumption, instead importing a large proportion of these goods from other regions.

4.1.2 Adjustments to Improve EIA Reliability

Despite this, IO tables and Economic Multipliers remain popular due to their ease of use and communication of results. Econisis has undertaken a number of steps and made appropriate adjustments to the EIA methodology to address and mitigate these concerns.

Econisis has only used ***Simple Multipliers*** in the Assessment. This has the effect of discounting Household Consumption impacts from the assessment. By doing so, only those industries with a first round or supply chain connection are considered. This has the effect of making the results of the EIA conservative and suitable to inform decision making.

Additionally, Econisis has developed economic multipliers for the ***Regional WA economy only***. This has the effect of internalising and limiting the extent of the economic impact outside of the State.

Econisis regards the use of Economic Multipliers as part of this Assessment as appropriate and reliable. The results of the assessment are conservative, defensible and suitable for informing decision making.

4.2 Summary of Results

4.2.1 Construction Phase

Econisis has allocated the construction costs for the housing development across the following sectors of the WA economy:

- Heavy and Civil Engineering Construction (10%)
- Residential Building Construction (80%)
- Professional, Scientific and Technical Services (5%)
- Public Administration and Regulatory Services (5%).

For the purpose of this assessment, Econisis has assumed a 2 year construction phase in line with the CBA.

Overall, this construction phase of the project is expected to generate $21.4m in economic output and $6.7m in Gross Value Added over two years.

Table 13 Construction Phase Economic and Employment Impacts, 2 Year Phase

Indicators	Direct Impact	First Round	Industry Support	Simple Multiplier
Output ($m)	$12.3	$6.0	$3.1	$21.4
Incomes ($m)	$1.7	$1.3	$0.7	$3.6
Employment (FTEs)	3.0	1.8	5.9	11.2
GVA ($m)	$3.2	$2.2	$1.2	$6.7

This economic activity will support 11.2 FTEs across the entire construction phase.

Table 14 Construction Phase Economic and Employment Impacts, Annual Impact

Indicators	Direct Impact	First Round	Industry Support	Simple Multiplier
Output ($m)	$6.2	$3.0	$1.5	$10.7
Incomes ($m)	$0.8	$0.6	$0.3	$1.8
Employment (FTEs)	3.0	1.8	5.9	11.2
GVA ($m)	$1.6	$1.1	$0.6	$3.3

5 CONCLUSION

The RoeROC housing project would provide a host of benefits to the region, with the project estimated to have a net present value between $14.36m and $31.27m.

The main benefit is the significantly increased economic contributions of key workers – both short stay and residential. Current housing shortages are preventing key workers from moving into the area, and increasing housing supply will facilitate for these workers to enter the RoeROC workforce and contribute to the local economy. These new workers would produce significant value added to the local economy, estimated to be between $19.86m and $32.99m over 20 years.

Other benefits are the household and visitor expenditure from these new workers and their households. Increased housing supply brings new families as well as business and employment visitors to the region who will spend at local businesses, stimulating the economy. There are also social benefits to providing housing supply which include enhanced productivity, health savings, and reduced crime, among others.

This evaluation finds that the sum of these economic and social benefits outweigh the estimated cost of the project. This is reflected in the high NPV and BCR values. At the standard 7% discount rate, the BCR is 2.62. This means that for every dollar spent on the project, there are $2.62 of benefits produced.

According to the results of the Economic Impact Assessment, this construction phase of the project is expected to generate $21.4m in economic output and $6.7m in Gross Value Added over two years. This economic activity will support 11.2 FTEs across the entire construction phase.

Overall, the results confirm that the project will generate significant value for the regional and State economies, facilitating economic activity that otherwise would be constrained by housing capacity and availability challenges.

The inclusion of serviced apartment product to accommodate short-term business and employment visitation provides further additional housing market flexibility and ensuring that key work force requirements are not impacted by a lack of short-term accommodation options or crowd out traditional tourist visitors from the local economy.

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