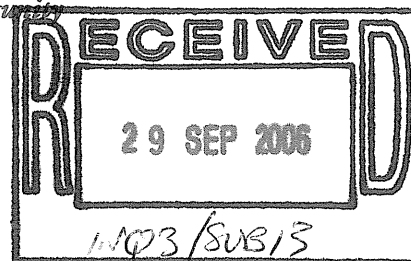


Reference: 29/9/06
Enquiries: Ron Ghiggino tel 9238 1571



Mr Don Nardella, MP
Chair, Outer Suburban/Interface services and Development Committee
Parliament of Victoria
Level 3, 157 Spring Street
Melbourne Vic 3000

Dear Mr Nardella

Inquiry into Local Economic Development in Outer Suburban Areas

We would like to present the attached submission to the Inquiry into Local Economic Development in Outer Suburban Areas.

It is understood that the outer suburban areas are generally considered to be the interface councils and whilst the City of Greater Dandenong is not an interface council in a regional and economic context there is considerable interaction with these areas. This is particularly so in a growth corridor where the residents of the outer suburban areas are often reliant on the employment opportunities in areas of significant commercial and industrial activity such as Dandenong.

Whilst the specific responses the Committee is seeking relate to the economic development initiatives in the outer suburban areas themselves our brief submission aims to highlight some of the regional context of these initiatives.

We hope the Committee finds some value in our submission and if any further information or comment is required please contact the undersigned.

We wish the Committee well in completing the Inquiry and look forward in due course to the detail of the report to Parliament.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ron Ghiggino'.

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City of Greater Dandenong

Inquiry into Local Economic Development in Outer Suburban Areas

Submission to Outer Suburban/Interface Services and Development Committee

September 2006

The City of Greater Dandenong (CGD) would like to make the following submission to the Outer Suburban/Interface Services and Development Committee in response to the Inquiry into Local Economic Development in Outer Suburban Areas.

The Terms of Reference seek to inquire into and report to Parliament on issues relating to strengthening communities through local economic initiatives in outer suburban areas. Within this context it is understood the outer suburban area to generally be the eight interface council areas and whilst CGD is not one of these areas the CGD economy is a significant provider of services and employment to these interface council areas in Melbourne's South East corridor.

Regional Context

CGD includes the major commercial and retail centre of Dandenong and the industrial areas of Keysborough, Dandenong, South Dandenong and Lyndhurst that are the manufacturing and logistics hub of the South East. The area has over 67,000 jobs (2001 JTW data) with over 22,000 jobs in manufacturing and 9500 in wholesale and transport. Of relevance to the inquiry is nearly 11% of Cardinia's, 20% of Casey's and nearly 5% of Mornington Peninsula's employed residents work in the general Dandenong area.

In a regional context this means that the economic development linkages or interactions extend well beyond any one council area and economic development programs need to be set within a regional framework particularly in a growth corridor.

This data is based on 2001 Census and given the unprecedented residential growth in the South East corridor since then it is a reasonable assumption that the 2006 Census data will confirm an even greater number of outer suburban resident are now part of the CGD labour market.

Skills and Training

Much has been written about national and state skill shortages and the development of appropriate strategies to either re-skill, up-skill or provide appropriate career pathways to maintain both the competitiveness of industry and to contribute to strong communities through employment outcomes.

Much of this is then reflected in local strategies or initiatives that perhaps only cover one or two local council areas whereas many of the employment opportunities will be regional rather than local. In this context employers in CGD or other major industrial concentrations are reliant equally on the skills of residents of outer suburban areas as they are on local residents.

This has important implications that skills and training initiatives that contribute to economic development reflect regional outcomes not just a local focus.

Information

One of the greatest barriers to effective local economic development is economic information or data. Much time and resources are expended in developing business directories and similar databases but effective local economic modelling tools that can be used for informed decision making are generally beyond the resources of local governments.

From time to time studies are completed, generally with some form of funding support, but are then unable to be maintained or updated. Effective modelling of local economies would be a powerful tool for strategic planning and economic development and would contribute to enhanced skills and decision making.

Summary

Whilst the Inquiry will focus on economic initiatives in outer suburban areas there are many regional linkages in economic development that impact on other council areas particularly in growth corridors.

Any review of the outer suburban areas should take these linkages into account as they impact on infrastructure demand management including freight and public transport networks, industry concentrations and their critical mass and employment demand (jobs) and supply (skills)