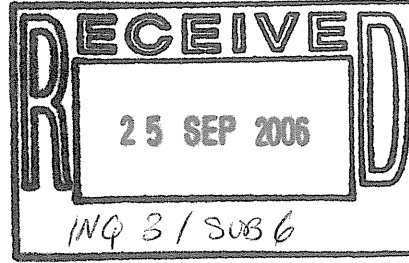


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Mr D Nardella MP  
Chair  
Outer Suburban / Interface Services & Development Committee  
Level 3  
157 Spring Street  
**MELBOURNE 3000**

Dear Mr Nardella

**RE INQUIRY INTO LOCAL ECONOMIC DEVELOPMENT IN OUTER SUBURBAN AREAS**

Thank you for the opportunity to make a submission to the Inquiry into Local Economic Development in Outer Suburban Areas. Council appreciates that it is not an Interface Council, however, it firmly believes that solutions to the challenges facing the west will be found in a combination of local activity together with partnerships that deliver regional responses to the key issues.

Melbourne's western region comprises of the municipalities of Brimbank, Hobsons Bay, Maribyrnong, Melton, Moonee Valley and Wyndham. The estimated resident population of the region (June 2005) is 616,000 persons with this projected to grow to 851,000 by 2031. The west is Victoria's growth area.

The high levels of current and future population growth present a conundrum for the region. On one hand population growth compounds difficulties for the region to develop a sufficient base of local and regional employment to meet future needs, whilst on the other hand it provides historically significant opportunities for new investment, development and strategic consolidation of the region.

The region also has other considerable advantages based on location, access to freight and trade routes and the competitive advantages afforded to logistics based manufacturing and distribution networks.

Yet despite a raft of advantages the region remains unsustainable given the current trends of employment growth against population growth.

In an economic context the key characteristics of the west are:

- Significance of manufacturing – traditionally the west has been involved in manufacturing which has profoundly influenced land use patterns and the image of the region;
- Under provision of services – the region is heavily dependent on manufacturing transport and logistics, construction and retail (51% compared to 40% in the metropolitan economy). In contrast the region is under represented in commercial services (13% compared to 25% of the metropolitan economy);
- Reliance on Central Melbourne for employment – the city of Melbourne is a significant source of employment (32% of the west employed in Melbourne);

manufacturing, transport and storage. Structural change in this sector has had an enormous effect on the economy of the west;

- Reliance on imported services and knowledge – the region imports knowledge and services to the order of 2 billion dollars annually;
- Growth of logistics based industries – the development of infrastructure such as the Western Ring road has led to a significant expansion in the logistics based industries. The growth in industries of this nature has masked under performance in a range of other areas of the economy; and
- Absence of a significant knowledge based regional structure – the west fares poorly in knowledge based industries compared with all other metropolitan regions.

Failure to address the imbalance in these characteristics will have dire consequences for the region.

Council sees the following as the key issues for Brimbank and the broader region:

- The need to have strong, effective local leadership and for transparency in the critical relationships likely to steer economic, social, environmental and political development within the region (**Note: this is currently being addressed by the regional councils with the proposed establishment of LeadWest**);
- The rapid social change occurring in the community in particular the expected dynamic increase in the regional population and the increased demand for residential and employment development to accommodate this growth;
- Pressure to increase the rate of jobs growth in the region and to increase the diversity of these jobs to provide a wider choice;
- The need for increased capital expenditure by Government to provide for matters such as the improvement to the intra regional transport network in particular the need to establish an integrated public transport framework which provides effective links across the region;
- The emerging need to establish a core of leading knowledge based manufacturing industries and a growing core of health, community and business services to meet current and future needs;
- Demands to develop new skills for the changing structure of the workforce;
- Demands for greater environmental sustainability from business in terms of energy consumption, water use, recycling and re-use, waste management, building and development and transport usage.

Brimbank as previously indicated is part of a changing western region landscape which now hosts a number of outstanding strengths particularly in location, access to freight and trade routes and the competitive advantages afforded to logistics based manufacturing and distribution networks.

The challenge facing Brimbank and the broader western region is to build on these strengths by extending and diversifying into new related industries. Brimbank is home to approximately 175,000 people and is dominated by the manufacturing and wholesale/retail sectors. The industry mix on offer in Brimbank is similar to the broader region and weighted towards sectors that are expected to experience only moderate growth in the next 5-10 years. Brimbank is keen to build on opportunities to facilitate investment in industry sectors that are likely to grow.

The continuing transition of the west including Brimbank will be built on the community's ability to maximise the development opportunities that exist in high tech manufacturing, export, import replacement (technology and business services), further attraction of quality

retail, personal and other services sector, health and medical services, education and research, interstate trade development, increased involvement in existing supply chains and supply chain development and activities based around aeronautical services and tourism.

Local government has an important role to play in economic development. Economic Development Units within Councils are responsible for a range of activities including coordination (and knowledge) of the local economy, regional representation, facilitation of projects / business attraction programs, major projects, assistance with establishing special rates and charge schemes, business networking, business development type funding programs, business and industry sustainability initiatives, promotion of the local economy and profiling local economic activity.

Council at a local level will undertake seven key strategic actions to improve the economic outcomes for the City. These actions include:

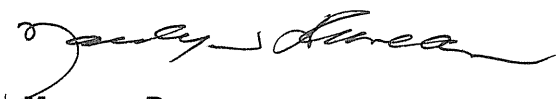
- Building stronger networks
- Fostering local business growth
- Facilitating new business growth
- Revitalising older industrial / retail / commercial centres
- Supporting education, training and skills development initiatives
- Developing new and managing existing infrastructure
- Marketing and promotion

Council is committed to championing the municipality's competitive advantages and opportunities and to working with other regional stakeholders in the ongoing transition of the West. Brimbank's future prosperity, sustainable social structure and quality environment is the highest priority for a Council committed to improving the well being of its community through its role in 'adding value' to the work being undertaken by its community stakeholders.

Council's strategic aim is to continue to position Brimbank as a prime investment site, a destination for quality business development and as a growing community offering a range of lifestyle opportunities. Council will pursue its local goals whilst supporting a myriad of regional responses to issues around employment generation, infrastructure development, improvement in education outcomes, skills development, better land use planning and the development of an integrated transport system.

Council looks forward to working with the State government, our regional neighbours and other key stakeholders to deliver a prosperous future for those who choose to live, work and do business in the west.

Yours sincerely



**MARILYN DUNCAN**  
CHIEF EXECUTIVE OFFICER