30 August 2012

Mr Sean Coley
Executive Officer
Economic Development and Infrastructure Committee
Parliament of Victoria
Parliament House
Spring Street
EAST MELBOURNE VIC 3002

Dear Mr Coley

Thank you for your letter dated 20 July 2012.

On behalf of the City of Monash, I would like to make the following submission to the Economic Development and Infrastructure Committee in respect of the Inquiry into local economic development initiatives in Victoria and address the terms of reference as follows.

Examine the range of existing local economic development programs being carried out in Victorian municipalities.

Council activities include:

- Grow your Business Program: Limitations relevant to businesses eligible for the Grow your Business program require that the business needs to have an import/export nature as well as having 20 FTE, of which many small businesses do not comply with. Also, the three (3) month time frame from date of program approval to deliver the program is restrictive in respect to program promotion, business recruitment and eligibility assessment as well as completion of consultant contact hours
- Investment Attraction: marketing and stakeholder engagement with businesses and infrastructure investment by Council in its activity centres such as Glen Waverley, Oakleigh and Clayton
- Workshops and Seminars: selected workshops and seminars hosted in conjunction with Small Business Victoria along with other agencies that are promoted within the local business community
- Events: provide business event programs such as the Monash Business Awards, the Economic Development Forum and Women’s Business Network events along with other workshops and programs which are promoted through brochures etc
• Local Partnerships: Engage with Trader Associations and other business groups promoting local economic development including special charge schemes and promoting retail precincts

• Regional Partnerships: Engage with other Councils, Economic Development Departments, State and Federal Regional Agencies such as Melbourne East - Regional Development Australia and Committees promoting regional economic development such as the South East Group of Councils and the South East Melbourne Innovation Precinct (SEMIP)

• Fair Trade: The creation of a Fair trade Steering Committee that promotes the principles of Fair Trade to local businesses and the local community through local community events as well as the Committee’s involvement in Fair Trade Fortnight in May

• Communications: Circulate information and data to local businesses through Council’s local business directory, business website, e-bulletins, business newsletters, brochures, policies and local media to facilitate training and informed decision making

• Footpath Trading and Access: Develop and review Footpath Trading and Access Policy for the purpose of facilitating economic activity and providing good pedestrian access for all.

Examine the appropriate role of local government in generating economic development and review the allocation of responsibility in this area with the State Government.

Council and State Government should be working towards:

• attracting business investment through highlighting the municipalities strong business areas and areas of competitive advantage

• potential for funding for local government to help businesses with viable products start up

• the provision of group development programs outside the import/export module to increase business eligibility and to provide for a larger business scope

• State Government to highlight investment areas/industries and to cross-promote with respective local municipalities

• Provision of zoning area information as well as information on available land suitable for business investment and respective agent/local government contacts

One current project in this area is the proposed Eastern Innovation Business Centre situated on Council land at 5A Hartnett Close, Mulgrave. This regional business incubator facility will create long term employment and it requires State Government funding in addition to Federal Government funding.
Examine whether the role of local government in rural and regional areas has different economic development tasks to that of metropolitan based municipalities.

Although the economic profile in rural and regional areas is different to those of metropolitan based municipalities, it is considered that the principles of government engagement with local business are similar. That is State government programs and service delivery along with funding opportunities for economic infrastructure projects are considered to be of paramount importance in demonstrating leadership in this area.

Identify the barriers to local economic development, including compliance costs for business and planning delays, in operating in local municipalities and develop solutions to address these barriers.

Barriers to local economic development are considered to be many and varied and are often due to external influences such as interest rates, initial set up costs and consumer confidence. However, approval and compliance procedures associated with all levels of government are perceived by many as an impediment to economic development. A joint ‘one stop shop’ for the full range of business related approvals from State and Federal Government authorities would, in part, address this along with ongoing simplification of the planning approvals process.

Examine ways in which municipal Councils and the Victorian Government can jointly support local economic development, enhance and promote employment and attract new investment, especially in localities with emerging economic potential.

Council encourages the State Government to maintain and enhance its support for business training programs and services as they are well supported by the local business community.

Some new initiatives which the state government could consider include:

- Collaboration with Destination Melbourne and Tourism Victoria to promote local municipality to tourists ie Discover Your Own Backyard campaign from Destination Melbourne
- Partnership with Business Victoria though increased promotion or cross promotion of local Council websites to increase awareness and provide local government contacts that new/start-up businesses can approach for assistance
- Victorian Government to assist in encouraging businesses to hire those from the ageing population eg Baby Boomers
- Explore a Regional Business Expo that includes all regions to promote local and regional businesses to the wider community as well as having an indigenous and fair trade business aspect. This could be an additional component to the existing annual Small Business Festival in August
• Study the potential of career guidance projects such as the KIOSC Project in Knox which gives students the opportunity to develop the new “green” skills essential for success in the workplace of the future
• Reviving the Young Achievement Australia Program that provides students with the opportunity to gain practical skills in leadership and business in preparation for their life in business
• Creation and support for a partial government funded program to assist graduates from local universities and TAFE institutes to move into employment. This will encourage businesses to employ graduates with reduced financial outlay in respect to current generation employment culture and attitudes
• Explore opportunities to provide funding to Local Government to assist in the revitalisation of major activity areas through marketing and promotional plans, working with the new footpath trading and access policy to try and increase outdoor trading areas as well as beautification projects for underdeveloped areas
• Funding to be made accessible for Local Government Economic Development Groups eg Melbourne South East group for future strategic projects to assist economic development in the respective regions
• The promotion of local and regional strengths across government departments to recognise and enhance opportunities nationally and internationally. For example, the Monash Technology Precinct is an innovation area comprising many private research companies such as Toyota Research and Biota Holdings Limited as well as public research organisations such as Monash University, CSIRO, the Australian Synchrotron, Monash Medical Centre and the Melbourne Centre for Nanofabrication

Investigate best practice local economic development initiatives relevant to the terms of reference.

The best practice delivery of business policies and programs is dependent on agencies and service providers being proactive in their marketing and promotion.

The key factors that have contributed to the successful delivery of business development initiatives include stakeholder engagement through the provision of incentives, sponsorships, in-kind support, branding and promotion.

The provision of State and Federal Government business training programs including the partnering with accredited service providers is most important as they have strong credibility with the business community. It is considered that these training programs should be enhanced and available to all businesses that can benefit from such programs.
If you require further information about this submission please contact Jeffrey McAlpine, Manager of Economic Development, on [Redacted] or [Redacted]

Yours sincerely

PAUL KEARSLEY
Director of City Development