13 December 2011

Mr Nathan Bunt, Executive Officer
Outer Suburban/Interface Services and Development Committee
Parliament of Victoria
Spring Street
EAST MELBOURNE VIC 3002

Dear Sir

INQUIRY INTO GROWING THE SUBURBS: INFRASTRUCTURE AND BUSINESS DEVELOPMENT IN OUTER SUBURBAN MELBOURNE: MITCHELL SHIRE COUNCIL SUBMISSION

Mitchell Shire Council thanks the Outer Suburban Interface Services and Development Committee for the opportunity to provide input into the above Inquiry. Provided below is a summary of Mitchell Shire now and also looking into the future. Council has also addressed each of the questions specific to the Inquiry and has outlined the issues and opportunities which face the Shire pertinent to the Inquiry.

Mitchell Shire Profile 2011

Mitchell Shire begins 40km north of Melbourne, just outside the present metropolitan edge at Craigieburn. It covers an area of 2,864km². The Shire is strategically located as the first municipality north of the Melbourne metropolitan area on the nationally significant transport corridors between Melbourne to Sydney and Brisbane. As of 30 June 2008, Mitchell had an estimated resident population of 32,760 with continuing population growth of more than 2% each year. Mitchell’s age structure is youthful with 29.4% aged under 18 and only 14.2% aged over 60. The population lives predominately in the towns of Seymour, Broadford, Kilmore, Wallan, Wandong-Heathcote Junction and at the Puckapunyal Army Base west of Seymour. Key industries include manufacturing, retail, agriculture, transport, thoroughbred racing/equestrian, government, construction, tourism and defence.
Mitchell Shire looking forward

The Shire faces a period of considerable change over the next decade and beyond. The Shire's population is expected to increase by 50% by the year 2020, and double by the year 2030. Most of this growth will be in the south of the Shire. While the southern growth areas will see a greater proportion of younger families, there is an expectation overall for a healthier, aging population, living longer with a greater proportion of persons over 60 years old. The Shire will also become culturally and linguistically more diverse.

The key issues for the next decade will be managing strong growth in the south of the Shire, changes in the demographic make-up of the Shire, and climate change. In addition the existing community has clear aspirations to maintain and enhance the country character of the Shire while providing for growth and diverse service needs and expectations.

Within the context of adopted State and local planning policies, the municipality faces a period of considerable change and growth over the next decade and beyond, that will challenge all stakeholders to identify and implement initiatives that are sensitive and responsive to the special and distinctive characteristics of the Shire.

The complexity and uncertainty of the economic, social and environmental changes over the next decade will require strong leadership, a focus on long-term and sustainable development solutions and effective partnerships with the community and stakeholders for the design and delivery of services.

The growth of Metropolitan Melbourne incorporating Beveridge, and approaching Wallan, will attract significant investment in regional transport and other infrastructure. The major highways through the Shire and the north-south rail link are strong strategic assets for the Shire. Growth in the Shire’s population will generate demand for further infrastructure, housing and services that will in turn generate jobs and economic growth. The economic future of the Shire over the next decade, however, will likely be one of increased uncertainty, largely because of the uncertain global economic outlook. While the Australian economy is generally sound, the benefits are unevenly spread. Many wage earners live in poverty or financial stress, particularly those on low incomes with large utility, transport and food bills. This is expected to increase.

At a local level, there is growing small business activity focussed on a local market where earnings and profits stay in the Shire for longer periods. The next decade will see continual changes in Federal and State Government legal and policy frameworks and in the availability of resources to support growth and service delivery in the Shire. In particular, changes in State planning policy for Melbourne’s metropolitan boundary and urban growth strategies will have substantial impact on the southern parts of the Shire.
1. Existing and private infrastructure provision, including schools, hospitals, commercial and shopping precincts, transport and roads, telecommunications, water and power

1.1. Education

Mitchell Shire has a mix of public and private primary and secondary schools similar to many parts of Victoria. More specific highlights include Kilmore which is home to two leading private schools, Assumption College and Kilmore International School. Both institutions attract students from a wide geographical area including metropolitan Melbourne.

Mitchell Shire is also home to a leading TAFE institution: GOTAFE is a large regional institute providing a range of vocational courses in a broad range of occupations. The Seymour Campus is a provider of training in community, business and health disciplines.

Mitchell Shire is also part of an $11.2 million Trade Training Centre with hubs located at Seymour Secondary College and Kilmore Assumption College. The hubs offer students training in automotive, engineering, joinery, carpentry and hospitality.

Opportunities

The growth of Metropolitan Melbourne incorporating Beveridge and Wallan will create signification investment opportunities in public and private education. Investment in tertiary education will also be significant with opportunities to establish a University or TAFE campus in a primary growth corridor which is projected to have a settlement of over 80,000 people.

The establishment of a University or TAFE campus in Mitchell South would assist in mediating the migration of youth to more distant regional and metropolitan providers which would in turn increase the retention of a skilled workforce. This is something that is expected to be explored through future growth area planning.

1.2. Health Services

A range of local and general medical services are provided to settlements in Mitchell Shire. Mitchell Community Health is a regional service provider that provides a range of quality health and social services to the Mitchell community. Kilmore and Seymour district hospitals also provide a range of quality medical services and provide aged care facilities and services. The road and air ambulance service connects Mitchell Shire to metropolitan emergency health services for severe illness and injury. Kilmore and Seymour hospitals have on-site helipads.
In addition, significant investment has recently been committed to the development of a super clinic in Wallan. This facility is seen as critical to providing ongoing and more accessible health services to meet the needs of both existing and future communities which will evolve as a result of growth.

A range of alternative medical services are also available in the Shire.

Opportunities

The demographic structure of Mitchell Shire is projected to change rapidly with high population growth. Within the southern growth area of Mitchell Shire, it’s anticipated a greater proportion of young families will locate in this region taking up first and second home opportunities. This will create a demand for maternal and children’s health services as well as education.

By 2020 Mitchell Shire will have a high proportion of aged residents which will create a greater demand for local health services and aged support services.

1.3. Commercial and shopping precincts

Mitchell Shire has a long and diverse history, established communities and a depth of culture and heritage.

The major town centres in Mitchell Shire all have either wider catchments and/or are experiencing significant population growth.

- **Seymour** is Mitchell’s main business, industrial and population centre with a catchment extending to Yea, Euroa, and Nagambie and sits adjacent to the picturesque Goulburn River. Supporting two open plan activity centres, Seymour Central and Anzac Village, Seymour features an array of specialty shops, four major supermarkets chains and three major banks.

- **Kilmore** has a catchment extending to Broadford, Lancefield, and Wandong-Heathcote Junction. Established around the main street (Northern Highway), Kilmore features a traditional shopping strip with heritage aspects. Like Seymour, Kilmore also supports a small industry sector providing an array of quality services and products in manufacturing and equine.

- **Wallan**’s rapid population growth is generating a range of investment opportunities for businesses. Featuring a modern shopping precinct which includes open and one enclosed shopping centre, Wallan supports an array of retail and commercial operations.
Opportunities

Mitchell Shire is experiencing significant population growth. Such growth is having a significant impact on the demand for retail services and retail growth throughout the Shire through a combination of:-

- More people with disposable income; and
- Reduction in escape spending through the development of a critical population mass, with a number a major retail brands having invested in Mitchell

It is anticipated that as growth continues, there will be a need to strengthen the role of local retailing and provide additional opportunity to diversify the range of products available locally.

Associated with the projected population growth is a number of events and tourism related activities that generate a significant number of visitors; these events include the:-

- Annual Seymour Alternative Farming Expo which generates around 20,000 visitors
- Major race meetings at both Kilmore and Seymour; the Seymour Cup attracts 4000 visitors
- Tastes of the Goulburn – food and wine festival
- Victorian Country Thoroughbred Festival with an expected attendance of 5,000 people over 3 days

The presence of the Puckapunyal Army Base also generates a high level of visitation.

1.4. Transport and Roads

Mitchell Shire is strategically positioned in relation to Victoria’s major transport routes. The Hume Freeway, Northern Highway and Goulburn Valley Highway provide excellent access through the region and to Melbourne, regional Victoria and interstate locations.

The Hume Corridor which runs the length of the Mitchell Shire is a nationally significant transport route linking Melbourne with Northern Victoria and beyond to Sydney and Brisbane. The Craigieburn Bypass has led to an improvement in access times to central Melbourne, with improved connections to the Western Ring Road, Melbourne Airport and Port of Melbourne. The current State Government has begun a preliminary investigation to determine a route for the Kilmore-Wallan Bypass, a road project which will improve road access to further parts of the Shire.

Mitchell Shire is also well serviced by rail. V/Line passenger services run via the Hume Corridor to Albury, and provide services for seven stations located in Mitchell Shire. There are approximately 20 commuting inbound services from Seymour to
Melbourne and approximately 23 outbound services from Melbourne to Seymour each weekday.

**Opportunities**

Household budgets in Mitchell Shire are significantly impacted on by high petrol prices. In outer metropolitan and regional areas where reliance on a motor vehicle is high, people seek alternative transport options. This is leading to a higher demand for public transport services. With the growth of metropolitan Melbourne towards Wallan over the next 15 years, there will be a great need for in-town and regional public transport connections.

A large proportion of southern Mitchell workers travel to metropolitan Melbourne for work. The recent release of the Growth Corridor Plans identify significant areas for employment / business opportunities for local residents to work closer to where they live. However there is a need to ensure that employment is diversified so there is a greater choice of job options for skilled and unskilled labour along with a greater mix of white and blue collar jobs. The longer term proposal for the northern Intermodal Freight Terminal will also assist in reducing the migration of skills and create new employment opportunities by creating blue and white collar jobs in transport and logistics related fields on the edge of Beveridge.

The establishment of the terminal in the longer term will also facilitate a number of economic development opportunities by linking into existing infrastructure which is for the time being under-utilised.

**1.5. Water and Power**

SP Ausnet manages three Victorian energy networks – electricity transmission, electricity distribution and gas distribution and is the major supplier of these services for the Hume Region.

SP Ausnet provides end-to-end services to a variety of customers through its existing business streams which include:

- Select Data and Measurement Solutions (DMS)
- Select Technical Solutions
- Select Telecommunications
- Select Utility Solutions

Goulburn Valley Water (GVW) provides urban water and wastewater services to nearly 129,000 residents in 54 towns across the region. Bulk water supply is sourced principally from the Goulburn/Broken, Murray, Stevenson, Rubicon and Delatitlie River systems and a number of smaller local streams such as Sunday Creek and Seven Creeks. The GVW region covers north Mitchell and parts of southern Mitchell, specifically Kilmore, Wandong and Heathcote Junction.
All other southern Mitchell townships, including Beveridge and Wallan, are serviced by Yarra Valley Water. Future growth within the growth corridor and its townships will place much greater demands on this infrastructure and the capacity of infrastructure could certainly be reached or exceeded if it is not successfully planned and upgraded in time with new development.

2. The capacity of existing infrastructure to accommodate increased population growth

The southernmost part of Mitchell Shire, from Gunns Gully Road to Wallan, is and will experience major population growth as it is transformed from a mainly agricultural area with two towns to a metropolitan and urban area. This will of course greatly increase the need for infrastructure and services in the local area. Present growth is related to the attractiveness of Wallan as a reasonably small town at a convenient distance to jobs in the northern suburbs of Melbourne, which also provides an attractive country setting and most basic retail and services close at hand.

Most of the land between the existing suburbs of metropolitan Melbourne (Hume City) and the township of Wallan was included in 2009 in the future metropolitan area of Melbourne through the realignment of the Urban Growth Boundary. This area makes up the northernmost part of the Northern Growth Corridor. The Growth Areas Authority is currently developing a Growth Corridor Plan (recently released in draft form for public comment) and Precinct Structure Plans for the area, which includes the land around the existing Beveridge township.

According to the recently released draft Growth Corridor Plan, the area’s population could grow to in the order of 100,000 people by 2030. At present the area has a population of less than 10,000 people. Most of the land in this area has been used only for rural uses and is thus not serviced by the infrastructure required in urban areas. Development and populating of this area needs to be accompanied by adequate infrastructure provision. To achieve this, the funding mechanisms that ensure developers make adequate contributions towards the infrastructure required need to be kept relevant and the contributions adequate.

A significant shortfall of the recently released Growth Corridor Plan was the lack of detailed infrastructure planning, along with the lack of a commitment to delivery of infrastructure. Too often, vital infrastructure is not provided in a timely manner to support communities, often the lag between the development of a residential neighbourhood and the required infrastructure is significant – sometimes several years elapses in which a community exists without adequate infrastructure to support it.

Council is concerned with the lack of coordination of regional level infrastructure provision within a growth area context. It is unclear how communities and increasing population growth will be managed and how agencies will be able to provide the level of infrastructure required. One example of the need to better coordinate infrastructure delivery is the significant road and transport upgrades that will be required within the
region. While the Growth Areas Infrastructure Contribution will be available, in part to assist in the delivery of infrastructure in growth areas, there is a need to ensure regional areas have funding arrangements in place to ensure regional and State level infrastructure can be delivered in a timely fashion alongside increases in population and demand.

It is anticipated that outer metropolitan Councils will face ongoing difficulties in funding the ongoing management of infrastructure and services associated with new developments, including physical infrastructure and the operation of community facilities such as maternal and child health services, kindergartens and libraries, etc.

In northern Mitchell Shire, which is far beyond the metropolitan boundary, Seymour is in a strategic position to accommodate additional residential and business growth as it has all basic infrastructure provision as well as services to support a wide catchment area. However, Seymour has current constraints, the most important of which is the risk of flooding for all low lying land in the area. It is anticipated that large parts of the town currently at risk will be protected in the long term by the construction of a levee. The levee is in planning stages at present but could be built within 5-10 years. The completion of the levee will significantly improve the outlook for growth in the area.

3. **The skills mix of outer suburban residents to identify those areas with a skills shortage and provide options for skills training and retention, especially as it relates to both younger and semi retired people**

Small Area Labour Markets (Department of Education, Employment and Workforce Relations) estimates of unemployment for Mitchell Shire are 6.2%. The 2011 Environmental Scan by the Central Ranges Local Learning & Employment Network (the Scan) covering three LGA areas - Mitchell, Macedon Ranges and Murrindindi - reported Mitchell Shire as having the higher level of unemployment and one of the higher levels of socio-economic disadvantage. The Scan identified Seymour as having a high level of disadvantage and it is also likely to have the highest concentration of people experiencing unemployment.

Central Victoria Group Training Seymour has collated a small catalogue of identified skill shortages in Mitchell Shire:

- Chefs
- Bakers
- Experienced knife hands
- Roof tiling
- Gardeners
- Small engine mechanics (automotive)
- Hairdressers
- Hospitality
- Mechanical (welding, etc)
- Truck Drivers
- Qualified trainers
As the region expands in population, Mitchell Shire in mindful that more residents will seek employment opportunities closer to home hence the importance of creating a diverse business community that supports an array of skills.

Developing strong linkages between education providers and industry will further develop new opportunities and assist in mediating skill migration of youth to outer metropolitan regions.

4. The role of small businesses, local councils and community groups (such as Rotary and Lions Clubs) in developing local expertise

One characteristic of a vibrant local community is its investment in economic, social and cultural development.

Service clubs, small business, chambers of commerce and community groups alike engage with their local business and community to drive this investment and to generate ideas and networks which unlock a region’s potential.

Representing business and wider community interests and advocating to all levels of government, these groups strive through collaborative means to increase:

- Economic activity
- Tourism development and events
- Improved social infrastructure
- Job creation
- Networking opportunities
- Business development (retention of existing and facilitation of new investments)

These business and community groups have a high value role in the development of local expertise as they provide rich input into the planning cycle that informs policy and planning.

5. The value of Sister City relationships with key trade and innovation markets

Many local governments have a Sister City relationship with an international country which can have social/educational, economic or other benefits.

Sister City relationships with key trade and innovation markets can facilitate new investment and trade opportunities. While many Councils have a sister city relationship which may focus on social and educational outcomes, there is opportunity for councils/regions to collaboratively work together to establish sister city relationships with key trade and innovation markets to deliver economic development outcomes to a cluster of business groups.
Plenty Food Group, a network of food manufacturers based in Melbourne’s northern suburbs is one example of a cluster network that has established strong trade connections and opportunities for export to Asian and South East Asian markets.

6. Local manufacturing capacity and export development opportunities available for businesses operating in the outer suburbs

The Hume Growth Corridor in Melbourne’s northern suburbs has established a reputation for being a primary manufacturing centre for Victoria. A wide range of industries, including automotive, aviation, boating, caravan, food, textiles and component suppliers, call this Corridor home.

More and more businesses are choosing to relocate to the Hume Growth Corridor as its proximity and accessibility to key infrastructure including Melbourne Airport (24 hour curfew free), a network of highways and freeways, Melbourne to Sydney freight rail line, Melbourne’s CBD and Port, provides easy access to domestic and international markets.

Global and local trends suggest that manufacturing in Victoria is facing many challenges with many jobs being lost in textiles and footwear, food, automotive, metals and machinery, particularly in the period from 1995 to the present.

Along with the rest of the world, this region is experiencing economic transition and uncertainty, however with the right strategic framework the region has an opportunity to capture growth and export opportunities.

The investment in skills, knowledge based jobs and retention/investment in advanced manufacturing will increase the region’s capacity to export and compete in a global environment.

Food, biotechnology, automotive, machinery, defence and green technology are local manufacturing sectors that have the capacity, brand and creative skill base to capture export development opportunities to international markets.

Final Comments

Council trusts that the information in this submission will be of use to the Committee. If the Committee wishes to clarify any of the points made in this submission, please contact Stacey Gardiner, Manager Strategic Planning on 5734 6431.

Yours faithfully

CR. SUE MARSTAELLER, JP
MAYOR