Inquiry on Growing the Suburbs: Infrastructure and Business Development in Outer Suburban Melbourne Suburbs

Submission from the Western Suburbs Members of Parliament.

January, 2012

Terms of reference:

This submission is particularly relevant to the following inquiry terms of reference:

a) Identify existing public and private infrastructure provision, including schools, hospitals, commercial and shopping precincts, transport and roads, telecommunications, water and power.

b) Assess the capacity of existing infrastructure to accommodate increased population growth.

c) Investigate options, based on intrastate, interstate, and international evidence, which reduce the pressures on infrastructure and essential services.

d) Catalogue 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.

Introduction to the Western Region:

This submission is prepared by the state MPs for Keilor, Derrimut, Melton, Essendon, Williamstown, Footscray, Altona, Kororoit and Tarneit. It is submitted to the Inquiry on Growing the Suburbs: Infrastructure and Business Development in Outer Suburban Melbourne Suburbs. Collectively, these electoral divisions contain the Local Government Areas of Brimbank, Melton, Wyndham, Moonee Valley, Maribyrnong, Moorabool and Hobson’s Bay. Melton and Wyndham are situated on the outer suburban / urban interface and are experiencing some of the most rapid population growth in Australia. We welcome the opportunity to make a submission into the inquiry on growing the suburbs both as residents and elected representatives of these districts.

The Western Growth Corridor has great potential to be an asset to both Melbourne and Australia, however it is currently facing many challenges. The existing infrastructure and essential services do not have the capacity to service the current population let alone the projected population growth in the area. This has flow-on effects for the Inner West, whose services will continue to be overburdened with demand from the Outer West as population growth continues to outstrip service provision. The Outer and Middle West have a high level of socioeconomic disadvantage and a high
proportion of CALD (Culturally and Linguistically Diverse) persons, a narrow range of jobs that are disproportionately blue collar and its major industries in slow growth sectors that are vulnerable to overseas competition. They have a comparatively lower skills base, lower levels of educational attainment with economic growth largely driven by population growth and cheap land prices. This is not sustainable in a knowledge-based and rapidly changing economy.

There have been some very important advancements made in the Western Region over the past decade, however, the Western suburbs require an ongoing, long-term policy commitment in order to allow the region to realise its potential, to prosper and to accommodate both the existing and projected population growth.

**Demographics and Population Growth:**

There is significant diversity across the Western Region in terms of demographic composition, the type of population growth experienced and SEIFA ranking. However, as a whole, the area contains 4 of the 10 most disadvantaged areas in the Melbourne Statistical Division according to the ABS 2006 SEIFA ranking - Brimbank, Maribyrnong, Hobson’s Bay and Melton. While the ABS Census Community Profiles Data for 2007 placed the median household income per week divided by the average household size as 414.6 for Melbourne as a whole, the suburb of Sunshine within Brimbank Council was only 271.0. There is also an aging population in the Western Region, a high proportion of young families and CALD persons. For example, within the electorate of Keilor, the 2006 census data shows that 53.1% of residents only spoke English at home compared to 78.1% across Australia.

The Outer Western region will be expected to accommodate 25% of projected metropolitan population growth over the next 25 years. 2009/10 ABS statistics demonstrate that Melton and Wyndham were the top two fastest growing Local Government Areas in the whole of Australia. This unprecedented population growth will have a huge impact on demand for services and infrastructure in the West and this growth trend is likely to continue over the following decade.

Population growth and intra metropolitan mobility is impacting on the socioeconomic and demographic landscape of the region. In the Inner West, it is being driven by the arrival of well-qualified migrants and the movement of a large number of highly qualified professionals and university graduates. Recent in-movers to the West tend to be more educated than the existing population. The Inner West and some parts of the Outer West experienced net inflow of high income earners from 2001-2006. However, Middle West and some Outer Western areas experienced a net outflow. While the Inner West is increasingly gentrifying, in the short term there is evidence that lower income households and lower skilled workers are being displaced to the Middle West and Outer West. In the long term, this will bring greater affluence and prosperity to the Western Region however it also signifies a spatial concentration of disadvantage in the Middle and Outer West. This is especially the case in areas with old housing stock and poor access to public transport. Outlying areas can also be less suitable for many low income groups as they are less well served by public transport, social services, and existing community and job networks.
3.0 Existing Infrastructure in the West:

Infrastructure and service provision across a range of areas in Melbourne’s Western suburbs are not adequate for meeting the needs of the current population and public sector investment and health services in the West already lag behind other areas of Melbourne. This is an equity issue as the same rate of taxes are levied but residents in the Western Region are not being provided with the same quality and quantity of services as the rest of the Melbourne Statistical Division. Unless it is met with a sustained, long-term policy response, population growth will continue to outstrip service and infrastructure provision and this gap will continue to widen. This is unacceptable to both the people moving into the region and to us as local Parliamentary representatives.

Skills Base, Industry and the Economy:

In the early twentieth century, manufacturing activities requiring large areas of land associated with Melbourne’s industrial base expanded. The Western Region became a key site for this expansion as it offered large lot sizes, sparse settlement and the possibility for discharge into the Maribyrnong. This manufacturing trend has continued over the century and there is an ongoing presence of land-extensive activities and access constraints caused by transport infrastructure and the Maribyrnong River which resulted in isolated urban developments with transport connections centred on through-routes and industrial requirements rather than accessibility between significant community focal points. This was compounded by the lack of available public land for major transport corridors, making significant access improvements extremely expensive. Relatively cheap residential land and the demand for large quantities of semi-skilled labour for manufacturing and processing industries influenced the social development of the regional community. This traditionally limited the diversity of the region’s socio-economic profile which is generally characterised by ‘blue-collar’ households.

The West’s current economic growth has been driven by population growth and private investment taking advantage of low cost land. It is currently in an ‘extensive’ phase of growth driven by increases in factors of production but not in rates of productivity. There is a requirement to transition to an ‘intensive’ phase of economic growth with higher knowledge intensity, a more diverse economy and higher real incomes. However, large sections of the population have comparatively lower levels of educational attainment and a lower skills base with Manufacturing, Transport and Storage (MTS) remaining the dominant employment sector. This is not sustainable in its current form. The WREIDS report of 2007 states that job growth projections to 2031 show the rate of jobs per 1,000 residents will not significantly increase during this period. Despite being the dominant employer in the region, the rate of MTS jobs per 1,000 residents is below the MSD average. Employment in this sector is declining at roughly the same rate as the MSD however it does not have the corresponding growth rate in Commercial Services to counterbalance this decline.

The gap between the number of people in the West and the number of jobs is getting wider. Victorian University research shows that a decade ago the region had 8% of Melbourne’s population and 10% of the jobs but now it has 16% of the population and only 8% of the jobs. Melton and Wyndham are experiencing the fastest population growth rates but have the lowest jobs
to population ratios. A large proportion of the regional workforce is employed in Inner Melbourne, placing significant pressure on road transport links and existing public transport services. For example, Melton Shire and the Bacchus Marsh township are still serviced by an infrequent and V-Line rail service without adequate capacity. ABS Journey to Work Statistics demonstrate that while large numbers of Commercial Services workers commute to the Inner Region, managerial positions in the West are predominantly held by non-residents. There needs to be a jobs target agreed to, such as the Whittlesea Council target of one job per two people moving in to the region. A failure to provide substantial services jobs, knowledge intensive jobs and the inability to improve the skills base of the region’s workforce will only increase the West’s dependency on Inner Melbourne, with the attendant pressures on public transport and roads.

**Improving the Skills Base and Employment Opportunities:**

The region’s skill base and the employment opportunities available need to be improved in order to provide a more diverse, resilient and knowledge-intensive economy. This includes improving access to education and training, increasing school retention rates and growing the number of local tertiary graduates. There have been significant advances in the West’s economy and skills base over the past decade. While the gentrifiers in the Inner West are currently oriented toward the CBD for jobs, they are nevertheless a resource for the skills base and workforce of the West. They provide a local base for a professional workforce which could serve knowledge intensive organisations as they become established in the region.

The VCAL program has been very valuable within the region for building the skills base of disengaged and disadvantaged youth, however it is likely to be adversely affected by the Baillieu government’s funding cuts to VCAL co-ordinators. The redevelopment associated with the Western Hospital at Sunshine and its training and research development facilities are important, as is the development of Central Activity Districts and the commitment of the Victorian government of $52.1 million over four years to revitalise Footscray. These initiatives need to continue and their funding must be guaranteed. Employment corridors in the manufacturing and transport sectors are developing in the Outer West linking nodes in the South (around Laverton/Sunshine) to nodes in the North (Melbourne Airport, Broadmeadows and Craigieburn). These corridors draw a substantial amount of their workforce from the Western Region with linkages enhanced by the Western Ring Road. The Outer Ring Road, after the success of the Western Ring Road, needs to be designed and constructed as quickly as possible.

The Werribee Employment Precinct is a parcel of government owned land four times the size of the Melbourne CBD, which is currently home to research and development organisations such as CSIRO Food and Nutritional Sciences, the Dairy Innovation Centre and Agrifood Technology. It is also home to educational institutions such as Victoria University, Melbourne University Veterinary Clinic and the new selective entry Suzanne Cory High School. The development of this precinct is a long term project but one which has and will continue to increase the diversity of jobs available in the Western Region, particularly white collar and knowledge intensive jobs.
In particular, the Inner West has had important improvements in it economy, skills base and real incomes. However, it is necessary for the government to be proactive in bringing out and enhancing the potential of the whole Western Region. High Speed Broadband infrastructure is necessary for the economic development of the area. An additional Central Activity District in the outer west should be developed in Wyndham or Melton as per the WREIDS report of 2007. Many places in the outer suburbs can’t currently access ground based broadband such as ADSL. Melton is one of the locations for the rollout of optic fibre that will commence in 2012 which is exciting, however NBN Co could be encouraged to rollout optic fibre in other Outer Western suburbs early in the scheme.

**Transport:**

Increasing transport connectivity is one of the most important factors in unlocking the region’s potential. Existing transport infrastructure and the location of urban developments in the West can be both a blessing and a curse for regional development. The region has significant locational advantages in that it has good inter-regional links; it is highly accessible to Melbourne’s port and air freight hubs and to the major rail and road networks linking Victoria to the eastern seaboard markets. However, it has poor intra-regional connectivity, public transport services and infrastructure particularly in newly developed areas. For example, there are no bus services to the Waterford or Toolern residential estates, even as new residents are building and moving to their family homes. Accessibility within the region is distinctly limited and is dependent on relatively few high capacity links. This encourages economic activity links to form outside the region rather than between its various activity centres.

Over the decades, there have been significant transport investments in the region such as the opening of the West Gate Bridge and the Western Ring Road which have contributed to higher levels of population growth, a more diverse demographic landscape and facilitated the formation of the West Industrial Node. The initiatives discussed in the *Melbourne West Growth Corridor Plan* such as the Regional Rail Link project, new stations at Tarneit and Paynes Road, an upgraded station at Rockbank and the Intermodal Freight Terminal and the Outer Metropolitan Ring Road are all important initiatives that need to be funded urgently but will improve connectivity in the West once completed.

However, there are other important transport developments needed in the West. These include new stations at Caroline Springs (fully funded in the forward estimates and State budget but cancelled by the Baillieu Government) and Toolern and more capacity on existing rail lines such as duplicating the Melton/Bacchus Marsh rail line from Deer Park West. The Melton rail line should be urgently electrified and duplicated and the Melton highway should be duplicated. The rail capacity bottlenecks at Sunshine, Footscray and North Melbourne need to be urgently addressed. The recent improvement to the West Gate Bridge capacity is important, although Melbourne remains vulnerable with only one river crossing; there is a need for an alternative river crossing to the West Gate Bridge. The Truck Action Plan implementation is necessary to reduce the number of trucks using residential streets in the West. The rail link between Melbourne Airport and the CBD that uses the Albion line should be designed and developed. Designing and investing into road based public transport services needs to occur, such as additional bus routes, increased service frequencies, later
night services and coordination with rail timetables. There is a much less developed tram network in the West than the rest of metropolitan Melbourne. New buses and bus routes are required to service new estates. It is inequitable to charge Zone 2 fares for a region that is so badly serviced by public transport compared to the rest of Metropolitan Melbourne.

While there have been some considerable improvements to both intra and inter regional connectivity in the West and the *Melbourne West Growth Corridor Plan* outlines some important further initiatives, there is much more that needs to be done to reduce transport disadvantage in the West and to unlock the region’s potential.

**Social Infrastructure, Health and Community Services:**

To be a productive population, it is necessary to be a healthy population. The Outer west has comparatively poor health outcomes across a variety of areas and it also has the lowest number of general practitioners, dental services and pharmacies per capita of anywhere in the Metropolitan Health Plan. There are greatly lower rates of key providers in relation to the area’s burden of disease and demographic profile, such as welfare workers, counsellors and psychologists. There is a shortage of Medicare centres in the Outer West, which inhibits access to Medicare rebates. According to Bernard Salt’s KPMG report, the level of growth experienced in the Outer west supports demand for 28 more doctors, 9 more dentists, 150 more general nurses on the western edge *every year* just to keep pace with current population growth. There are 41 babies born in Melton every week, demonstrating the growing demand for early childhood services. Areas in the Outer West have a ratio of 1 medical practitioner per 1,300 persons as compared with the Melbourne ratio of 1 medical practitioner per 332 persons.

Information regarding community indicators and participation in sporting and community groups demonstrates a lack of social capital in the outer west and a need to build avenues for greater community connectivity and social networks. This is especially true of Brimbank, which performs worse on almost all community indicators examined by the DPCD compared with Rural Victoria, Metropolitan Melbourne and Victorian State averages. Only 53.2% of residents within Brimbank believe that the area has good or very good access to recreational and leisure facilities compared to 82% across the state. 25% reported participation in sport, compared to 41% across the state and 36.1% believe there is a wider range of community and support groups compared to 60% across Victoria.

Hard infra-structure is extremely important for the development of the West, however we urge that shortages in social and community infrastructure are also urgently addressed. There is a need for more health service providers; a 24 hour GP clinic located near Sunshine Hospital to take the pressure off the secondary tier of health services; another Medicare centre in the Outer West to improve access to Medicare rebates; and a Melton Day Hospital needs to be built along with the Melton Community Health Centre which has been in rented accommodation since its establishment in 1984. Sunshine Hospital and Western Health need to have their master plan completed to around $1b just to keep up with population growth. There needs to be more community spaces and funding for community groups and further investigation into the mental health status needs and services for
the region. Increased investment into social and community services and infrastructure in the West is necessary in order to improve the health, happiness and social capital of the West.

There is also an urgent need for the expansion and rebuilding of the Footscray Diabetes Clinic to deal with the level of this disease in the community.

DON NARDELLA MLA

Chair Western Suburbs MP’s group
Conclusions:

- The capacity of current infrastructure to service the needs of the existing population and the projected population is inadequate. This requires an ongoing, long-term structural response in terms of infrastructure and service delivery.
- The government needs to be proactive in continuing to foster education, training and a diversity of employment opportunities in the Western Region.
- An additional Central Activity District is required in the Outer West such as in Melton or Wyndham.
- The government needs to reinstate its funding to VCAL co-ordinators, as this funding cut will damage a program that has played an integral role in building the skills base and job opportunities of disengaged and disadvantaged youth in the West.
- Broadband infrastructure is necessary to unlock the region’s potential and the NBN Co should be encouraged to increase its rollout in the Outer West beyond Melton as soon as possible.
- Increased transport connectivity is necessary such as more capacity on existing rail lines and additional stations (such as at Caroline Springs and Toolern).
- More attention needs to be given to road based public transport services, such as additional bus routes, service frequencies, late night services and coordination with rail timetables.
- This includes more buses and bus routes to service the new estates.
- There is a need to implement The Truck Action Plan in the West.
- The duplication and electrification of Melton rail lines is necessary especially given that Melton won’t be serviced by the Regional Rail Link.
- The Melton Highway should be duplicated.
- The Outer Western Ring Road needs to be completed as soon as possible.
- There are severe shortages in social and community health and infrastructure that need to be urgently addressed.
- A 24 hour GP clinic situated near Sunshine Hospital would reduce the strain on the secondary tier of healthcare services.
- More residential facilities are required to service the aging population.
- Another Medicare Centre in the Outer West to increase access to rebates.
- More meeting spaces and funding for community groups.
- Increased investment in the artistic and creative life of the region.
- Increased funding by all levels of government for emergency relief for families in need.
• A Central Activity District should be developed in the Outer West.
• There is also an urgent need for the expansion and rebuilding of the Footscray Diabetes Clinic to deal with the level of this disease in the community.

Sources:


Rassmussen, Bruce (Et al.), ‘Updating Melbourne’s West’, Centre for Strategic Economic Studies, Victoria University, April 2010.


‘Submission to Parliament of Victoria on Growing the Suburbs (DRAFT)’ LeadWest, 21st November 2011.
