OUTER SUBURBAN INTERFACE AND SERVICES AND DEVELOPMENT COMMITTEE

Inquiry into growing the suburbs:
infrastructure and business development in outer suburban Melbourne

Melbourne—27 February 2012

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Witnesses
Mitchell Shire Council:
Councillor S. Marstaeller, Mayor; and
Mr D. Keenan, Chief Executive Officer.
The CHAIR—First and foremost what I would like to do is to say, as the chair, of the Outer Suburban Interface Services and Development Committee how pleased the committee is to be here today and I will just make a comment that it is really great to see the number of people here today in the public gallery especially, and the staff and mayor of Mitchell Shire. It goes to show how much commitment there is in this shire to come out in all weathers. It has been a bit tough getting here today but we are very pleased to be here, and looking forward to all the input that we are going to garner for our important reference which directs us to come up with a way forward in growing Melbourne suburbs and enhancing economic growth and seeing where infrastructure provision needs to be, and how we can keep a skills base going to feed the demands of economic development and see that people are well served by infrastructure and support systems.

In my capacity as the chair there are a number of formal things that I need to place on the record. We need to understand that this hearing is a parliamentary hearing, so it is actually an extension of the parliament of Victoria. It is an all-party committee. It is an extension of the parliament. We are here to take information from the people who are formally presenting in the hearing. If there was any commentary from the public gallery or anybody wanting to make input from the public gallery, we would have to stop proceedings and the committee would have to discuss that. It is a very formal process here today and everything is being recorded for our deliberations later. Anything that is said today will be captured. For people in the public gallery we will be having a tea break and at the end of the proceedings as well, and any member of the committee is eminently approachable and especially myself.

Before we take information from the council I have to read a formal statement. In welcoming you to the public hearing of the Outer Suburban and Interface Services and Development Committee, evidence taken at this hearing is protected by parliamentary privilege as provided by the Constitution Act of 1975 and further subject to the provisions of the Parliamentary Committees Act of 2003 and the Defamation Act of 2005 and, where applicable, the provisions of reciprocal legislation in the other Australian states and territories. Any comments you make outside the hearing, however, may not be afforded such privilege. This is a forum where people should feel that they operate under parliamentary privilege so that we can get to the root of the matter and people can speak freely. We welcome people adopting that attitude.

The evidence is going to be recorded by our transcription services here today. Typically a transcript of what is said is available within 14 days and we invite you to read it and if there are any spelling mistakes or typographical errors, they will be amended, but there will not be any slabs of contextual matter changed. That is all we need to think about by way of formal proceedings. I invite some comments from Councillor Sue Marstaeller in her capacity as the mayor of the Mitchell Shire Council, and we look forward to her comments.

Mayor MARSTAELLER—Thank you. Ladies and gentlemen, good morning, thank you for making the effort to come up here, we much appreciate it. I also have here with me the chief executive officer, David Keenan, and he will speak further later. We have a number of other people coming later, they are not here at present, so I will leave that there. We have apologies from the Hon. Wendy Lovell and Donna Petrovich MLC. I want to share with you a few words about Mitchell Shire and our particular interest and enthusiasm for this committee and your purpose. Mitchell Shire is a municipality of contrasts. We are strategically located as the first municipality north of metropolitan Melbourne, and our shire boasts a nationally significant transport corridor that connects Melbourne with the major cities on the Australian eastern seaboard. We are very fortunate to have that. With a current population of almost 33,000 people the shire is experiencing a growth rate of approximately two per cent annually.

Our age demographic is very youthful and nearly 30 per cent of the population is aged under 18, with only 14 per cent of our population aged over 60. The townships of Seymour, Kilmore, Wallan, Wandong, Heathcote Junction and Puckapunyal Army Base house the highest concentration of population settlement.
The shire's key employment opportunities are found in manufacturing, retail, trade, agriculture, transport, equine related industries, defence, construction and tourism. Mitchell Shire is in one of those enviable positions where we are a rural, a peri-urban and an interface council with abundant challenges to face now and into the future.

The startling rate of population growth that Mitchell Shire faces, particularly here in the southern part of the shire, gives us a lot of complexity. Within the context of adopted state and local planning policies, our shire faces a period of significant and distinctive change. Where once we were a rural shire, we are now becoming a part of Melbourne and that is something that everybody still has to get their head around. The growth of metropolitan Melbourne which now includes Beveridge, and approaching Wallan up the road, will attract significant investment in regional transport and community infrastructure and it will require strong leadership with a focus on long-term sustainable development solutions. These solutions must incorporate effective partnerships within the community and major stakeholders for the design and delivery of services.

Council is strategically positioning itself to ensure that the growth areas of the shire, including where we are here today in Beveridge, is prepared to accommodate the necessary infrastructure that will allow for an intelligently designed and well-serviced, world-class community. We have that opportunity here. With robust planning, Mitchell Shire has an opportunity to set a new benchmark in quality living. Our key focus is to continue working with the state government in the planning and coordination of our new growth areas. Moving forward there is a key challenge of Mitchell Shire to ensure that our strategic vision and supporting planning policies balance residential growth with access to local jobs, education options, leading health services, vibrant activity centres, efficient road connections, public transport and access to sustainable water and power infrastructure which is very important.

Council is absolutely committed to ensuring that its new communities do not fall victim to the same delays in infrastructure provision that has occurred in so many other outer urban growth areas. Ladies and gentlemen, it is essential that the state commits to planning for and delivering world-class infrastructure and services for the new Mitchell now. We want our new and existing residents to thrive in cutting-edge sustainable developments. With Mitchell Shire's population expected to increase 50 per cent by the year 2020, and then double again by 2030, other key issues for the shire include balancing our exceptional growth here in the south against the demanding needs of our existing township further north in our peri-urban and rural parts of the shire.

In closing, Mitchell Shire Council emphasises the need to work collaboratively with Commonwealth and state government. Collectively we must ensure that the funding of new community infrastructure for our growth corridor is expedited. Mitchell Shire believes that the state's ambitious plans for growth deserves to be accompanied by fast-track funding. David will go further into this. Thank you once again for coming here and giving us this opportunity.

The CHAIR—Madam Mayor, thank you very much for that impassioned set of opening remarks. The one thing that I have taken notice of is the aspiration for this to be a world-class living environment.

Mayor MARSTAELLER—We have that opportunity here being such a greenfield site. So many other areas have experienced issues that we need to learn from and this gives us a perfect opportunity—government and the shire—to really work together to produce something amazing as a showcase.
The CHAIR—Yes. We appreciate that emphasis very much. We are going to ask Mr David Keenan as chief executive officer for Mitchell Shire Council for his remarks and presentation which we are looking forward to.

Mr KEENAN—Thank you, Madam Chair and committee members. Where we are sitting today is in Lockerbie North. This is part of the Lockerbie North precinct structure plan. I want you to cast your minds perhaps five to 10 years ahead. This will be a population here of some 15,000 to 20,000 people. There will be two state government primary schools, one Catholic primary school and one government high school. There will be a town centre of either 10,000 square metres or 20,000 square metres. From a council perspective we would like 20,000 square metres. There will also be a new station to the east of us here. Further to the south is the Lockerbie precinct structure plan. Within that precinct structure plan we are looking at a total population of around about 40-odd thousand people from our perspective, but keep in mind, down through there, there will be a town centre that will involve some 100,000 square metres, making it quite a sizeable town centre in anyone's terms.

This rate of change is often difficult for us as a council to understand, but at times even more difficult for the community to understand as well. There are certain commitments that need to be put forward in relation to infrastructure, not only hard infrastructure but the social and recreational infrastructure that will come through as well. They are some of the challenges that we are hoping to become involved in through the Growth Area Authority with their draft corridor plan which we look forward to that being a finalised corridor plan, but also in relation to economic development and investment strategies that will deliver jobs for residents in this region, so they do not do what the average growth area person does and that is jump into their car at seven o'clock in the morning and drive for an hour and a bit to work in another municipality and spend their escape expenditure there instead of doing that at home. There is a short presentation which I will give out hard copies at the end. You also have packs that have been given to you that contain the economic development analysis by Essential Economics, the logical inclusion submission, in our submission, to the growth corridor plan as well, for you to read at your leisure.

Slides shown.

Mr KEENAN—The mayor and I recently presented to the Grants Commission. One of our biggest issues for the Grants Commission is defining what the population of Mitchell is at this point in time. We realise that is difficult because we are coming to the end of the census period. Anything we put forward now is not quite there. I believe our population at the moment is probably sitting somewhere between 38,000 and 40,000 people. If I remember correctly the Grants Commission had it down at 35,044, off the top of my head. We think we are probably higher. Again our argument to the Grants Commission has been in the past, let's be pre-emptive about this rather than reactive and recognise where the growth is going to continue and compensate from there in the form of grant funding.

As part of this I am going to set the context, look at the council's competitive advantage, identify some of the issues and then come to, 'Where to from here?' Again the mayor has referred to us as a municipality and our schizophrenic nature. One day of the week are a growth area council, the next day of the week we are an interface, and the day after that we are a rural and regional council. That makes it tough because from a state government point of view we deal with services emanating out of Melbourne from a DPCD perspective. We deal with services emanating out of Benalla from a DPCD perspective and we deal with services coming out of Wangaratta and also Wodonga. It makes it tough.
We are now also involved with the establishment of suburbs such as Wallan, Wandong, Kilmore and Broadford that have very much become commuter suburbs. If one drives past and has a look at the park and ride facilities at each of those train stations, you will see a huge amount of people commuting in and out of Melbourne. The other one where this is starting to occur as well is within Seymour where there are 24-odd services per day going into Melbourne, which is quite good and we are happy with that. We would like to see a few more sprinter services, but other than that we are pretty happy with that. We would like to see more employment opportunities created in Seymour by itself, but as far as having access that fits in fairly well.

Some other quick facts: we are only 30 kilometres from Melbourne CBD where we sit within the Wallan growth corridor and the Beveridge corridor. We are closer to Melbourne than Fountain Gate and Frankston, to a large degree. Yet the perception in people's minds is we are many more kilometres away. This is rapidly changing with the growth of the northern corridor coming through, and the idea of people's minds about proximity, especially given the upgrades being made to the Western Ring Road, and ultimately the Hume Highway as well. Of course we are very supportive of the OMR—Outer Metro Road. Again we have the township sizes in there and the divide between the north and the south within the municipality. We are obviously expecting that population to increase with a very young demographic being the highlight within there as well.

They are some of our stats but those stats are very old. Those stats are based on the last census data, and I believe the stats are probably going to be higher than that. We see relatively steady growth in Kilmore. We see significant growth in Wallan. We see some growth within Broadford and Wandong and we see population stagnation or potential decline within Seymour, and that is of concern. There is your age structure coming through, and can I suggest—as it indicates there, and it probably does not pull it up as well—our age groups are changing, and changing rapidly about where the growth is going to occur. We are both an ageing and a youthful council at the same time. That in itself is going to have some major issues coming through, especially for some of the ageing population in the rural areas. I have to be careful about the rural areas—and you are hearing a presentation from the Victorian Farmers Federation later on. The percentage of farms that make a significant profit or a profit within Mitchell is actually relatively low. I am dealing with the broadacre agriculture from that point of view. I know there is some intensive agriculture that turns a profit within the municipality, but from broad scale we have seem to have more of the lifestyle type people that are coming into this area that in their own way make a contribution to the economy but not necessarily from normal agricultural activity.

The CHAIR—Mr Keenan, I would like to pick up—by 'intensive agriculture', could you give us some examples.

Mr KEENAN—Intensive agriculture might be intensive animal husbandry. It might be limited feedlotting, it may be production of vineyards to a large degree, it might be hydroponics coming through as well where they do not necessarily need 100 hectares to do this type of job, they probably only need about 10 hectares to come through.

The CHAIR—Thank you.

Mr KEENAN—Of concern is people moving into the municipality who do so for the lifestyle opportunities and sometimes are not the best custodians of the land that they purchase because obviously there is a weed regime, and I have noticed there are four or five rabbits behind you, Madam Chair, that have been moving around that probably should be eradicated at some point in time.
Mr ONDARCHIE—We did not bring them with us.

The CHAIR—They are performing on cue for whoever brought them here.

Mr KEENAN—that is right. Our proximity, as the mayor indicated, is significant. With the Outer Metro Road coming through there are significant advantages that will come to this municipality. We are also very keen to see the development of the Merrifield development down on Donnybrook Road which is almost within this municipality but sits within Hume. That development being undertaken by MAB, and on the south side with Folkestone and AMP is obviously going to create a lot of jobs which we believe the residents of Mitchell will be actively employed in. Within that comprehensive development zone we believe that the employment opportunities there may be significant, and therefore also may diminish the need for this municipality to plan a large amount of employment land within our areas, within the growth corridor.

The CHAIR—Can you expand on the reason for the employment opportunities beyond a construction cycle? Are we looking at what a town centre would provide?

Mr KEENAN—Yes. Having worked at Hume and dealt with MAB in the past, their plans for their town centre are significant and seek to replicate University Hill. As a result of that they are looking at both white and blue collar jobs within a comprehensive development zone. They are also proposing some rather significant recreation infrastructure through there, as well as a really big town centre which has been identified as MAC. It is a major town centre that is proposed through there. Given that town centre is proposed there and a principal town centre is proposed within the Lockerbie development, that is going to create a lot of options for both white collar and blue collar work going through there as well.

The CHAIR—Is that dependent on government agencies kick-starting activity?

Mr KEENAN—I think every local government would welcome the decentralisation of government agencies within their own municipalities. We would actively hope that government agencies are planning to go into these areas, because in the past we have not necessarily seen that level of strategic planning undertaken by government agencies.

The CHAIR—if I could just sharpen your answer there: are you dependent on those agencies or do you have other anchor retailers?

Mr KEENAN—Retailers are not really the issue. They will go wherever there is the appropriately zoned land. It is the other ones we are looking at that are not necessarily government offices but the private sector deciding to do niche manufacturing or get involved in service delivery. Those are the anchors that we are really seeking to go into that Merrifield area or to locate within some of the town centres within Mitchell.

The CHAIR—in terms of the shire's dialogue with centres of training like GOTAFE, for instance, is that symbiotic? Is there a shared vision in terms of what sort of programs would be coming on, on time, to actually have a skills base as those things come through?
Mr KEENAN—GOTAFE are coming into a relatively new area and they are going to have to look at how they set up those partnerships, and Mitchell is more than happy to do that with them. In the past when I have worked, for example, at Hume, there was a strong relationship between Kangan, TAFE and Hume City Council about trying to plan for the skills of the new workers, especially in the area where manufacturing is in decline. Now, keep in mind too that through the Campbellfield and Coolaroo areas there is likely to be some decline in manufacturing over the next decade, so it is about planning for the new sunrise industries that may be coming through and reskilling workers from that perspective as well. Having a partnership with TAFE and coordinating where a presence of TAFE may be, either with a municipality facility or other associated government agencies, is a great idea.

The CHAIR—Is the council tracking people when they leave the shire for work and go to the Coolaroos and Campbellfields and so forth? Do you have the percentages of the break-up?

Mr KEENAN—It is coming up in one of the slides, Madam Chair.

The CHAIR—Thank you. I will let you proceed.

Mr KEENAN—The other ones there—again commuter settlements—I have spoken about. One of the issues that we have—and that is near the Donnybrook area that I am talking about, in relation to the MAB development there—our municipality boundary sits probably just up there on Gunns Gully Road, keeping in mind that there are some major activities to occur here in relation to a water recharge, then comprehensive development kicks in through here and residential goes further to the west, subject to components to the logical inclusions process as well.

Madam Chair, some comments we need to make in relation to the growth corridor plan that is under consideration by the Growth Areas Authority at the moment, what we are concerned about within the growth corridor plan is probably some of the generic responses to how infrastructure will actually be delivered in these areas, and we are unsure whether there is that level of commitment behind the different agencies that are responsible for that infrastructure coming through. We also remain a little bit concerned about some of the hierarchy associated with the town centres going through. The hierarchy I am referring to is the principal activity centres, the major activity centres and the neighbourhood activity centres. We recognise that commitment has been made by the Growth Areas Authority to supply one job per household within the growth areas which is an ambitious objective to have.

What we are concerned about is that those jobs should not all be retail jobs. Retail creates employment; secondary employment, not primary employment. Primary employment really needs to be generated within the manufacturing sector, the services sector or somewhere else to facilitate those catchments and expenditure that will then allow for that retail to come into play. We see that as very important about getting the town centre right. The other thing we will argue consistently is preference should be given to town centres that are located near railway stations. To us that is almost a no-brainer, that where you have a railway station and a high level infrastructure, one should aim to have the larger town centres associated around those facilities. Now, we have one that will go in here at Beveridge, it has been earmarked within the corridor plan and the precinct structure plan. We believe that should be a major town centre, rather than a neighbourhood town centre.
The CHAIR—Point taken. I would like to make a comment. When we see the problems that the retail sector is having and the advances of technology on people’s buying habits, it probably has limited prospects.

Mr KEENAN—I agree. We need to be careful that we are also not undertaking the planning that simply says, there will be a Coles here, a Woolies here, an Aldi here and 25 specialty shops in the middle, and maybe on the edge there will be five bulky goods stores. We have to get a bit better than that. Part of our submission within the precinct structure planning process is to also think about business incubation and about how we can actually provide serviced offices for those businesses that can then grow and mature into a private marketplace as well. We would like to do that in conjunction with TAFEs or other educational institutions.

The CHAIR—How far down the track are you with the concept of business incubators?

Mr KEENAN—We got fairly far down the track at Hume with it, but it is a matter of getting it taken up by the Growth Areas Authority and some of the other key players. There are already good examples of those that exist in Ballarat. There are two in Darebin at this point in time that do really well, and they are over-subscribed with potential tenants. If we can do that in the growth areas that would be really beneficial because it does two things: (1) it grows a business and (2) it means that we are not having those people travel outside the municipality for employment, which is what we spoke about before.

The CHAIR—you will be looking to find the means to encourage industries that would be innovators as well?

Mr KEENAN—Innovators, but ideally to try and find a couple of anchor tenants that may sit within a business incubator, then pull on some ancillary tenants that sit around those, and it may be that if I am an accountant and Sue comes in and operates a masseuse business and she is in the same building as me, she can turn around and say, ‘Hey, Dave, you do accounting, don’t you?’ ‘Yes, I’ll give you a hand with that.’ It then means that I can act as a business mentor to her and vice versa. Then if you have another person in that same building who is doing marketing, for example, or web design, you end up—now, the whole idea is they do not stay there for a long period of time, they are in there for a year on subsidised rent and they go out to the marketplace. It is about growing businesses and they are very successful and we hope that becomes part of a broader strategy by the Growth Areas Authority in relation to employment and investment.

We would really like to know about the intermodal freight facility or interstate freight facility that is planned down the road. There are 1,100 hectares to 1,200 hectares of land that has been quarantined for this purpose. At this point in time we are unsure as to when this will be built, the level of infrastructure, whether there will be allowances for industrial development in there or any of those things. We are also utterly confused as to how the trucks will gain access to this site because within the precinct structure plans we have not seen any information from VicRoads or the Department of Transport about how this will occur. The intermodal freight facility is where the train is meant to bring in the shipping containers. Those are meant to be dropped into flatbed semis or smaller trucks that then allow them to be distributed around Melbourne with different products and good et cetera.
We support the idea wholeheartedly but we need to get some more detail so we can do the appropriate planning for this precinct and Lockerbie as well, as well as other areas up the corridor. At the moment the PSP indicates that high-density housing should be located near the town centre which I would not have thought you would want high-density housing overlooking the rail yards. I do not think that will work.

The CHAIR—There is a dislocation there. You have something that has been in a conceptual form. You have not seen any boundaries to that.

Mr KEENAN—It simply sits within the corridor plan and in the PSP as an intermodal facility. It is very difficult to plan when you do not know the entire picture that you are planning for.

The CHAIR—Do you have any conceptual plans of it though?

Mr KEENAN—No.

The CHAIR—No shape?

Mr KEENAN—No, only the shape of the land as it sits as a zone. That is it. That is 1,200 hectares which is a fair whack of land.

The CHAIR—Yes.

Mr KEENAN—The other one I need to talk about, and it will go to the next slide, is the logical inclusions process. The existing urban growth boundary sits approximately here on Hadfield Road and finishes there. Part of this means that all the infrastructure that is obtained through the GAC and DCPs and everything else will only go up to Hadfield Road. In between Hadfield Road and Wallan, that means there is going to be approximately four kilometres of land that is farming zone. It is fair to say there is not a lot of farming going on in that area. One of our big concerns is that the level of infrastructure that will be delivered through the PSPs, the development contribution plans and the GAC, in this area, means there will be a higher standard of social and recreational infrastructure in this area than there will be in Wallan, because Wallan would not be part of the urban growth boundary. Therefore it would be set under a separate structure plan rather than being dealt with as part of a precinct structure plan.

It also means that hypothetically there would be no transport routes going north from this area because there would be no funds to actually pay for any of those transport routes because the land would not be picked up. We believe as a council that the most logical part of the logical inclusions process is to include Wallan, so there is the same standard of contribution that will come through from both state and the private sector to ensure that each of these communities have similar standards of living coming through. For example, we are going to have to construct an aquatic centre one day in either Wallan or this area through here. Logically you would construct one facility to deal with both populations going through. The impact of activity centres within here is going to impact on the CBD of Wallan as well: 20-odd thousand square metres, whether it go on the west side of Hume or the east side of Hume is going to have a significant impact on the 8,000 to 10,000 square metres of retail space that currently exists within Wallan.
There are too many similarities between these areas. I have not gone into the sewerage connections that are going through here, but we want to make sure that this part is included through here. We also, as part of our process, have argued for the inclusion of land to the east of the Wallan train station. Again I go back to that principle about developing up land around railway stations where you have sunk infrastructure. We are also arguing for the inclusion of this area through here which is east of the Wallara Waters development as well. That needs to come in to create communities of size and economies of scale going through there as well.

The CHAIR—In terms of the land between Beveridge and Wallan, what comments can you make by way of any tracts of that being subject to a land banking strategy?

Mr KEENAN—I am unaware of any land banking strategies. I am aware that through this area here, certainly the areas that we have recommended up through here, are owned by huge amounts of people. There must be 40 different ownerships through there, I would imagine. The other people through here, there has been longstanding ownership of land through here by people that bought here probably eight to 10 years ago before anyone ever thought of the logical inclusions process, and probably when the urban growth boundary sat well south of this as well. Up to this line here means that we will have a population within that growth area of 95,000 people based on 2.8 people per household. That is a bit low for a growth area; usually you should be aiming over three. If this comes into the urban growth boundary that will add another 45,000 people to it, so round that off to about 150-odd thousand people. If you are being realistic it would probably be a little bit more. There is still probably another 10,000 people that can come out of Wallan on the land that is already zoned through there at the moment, around about the 170,000 mark. If you add on Kilmore to that, that will sit at the same time at around 10,000, maybe 12,000 at some point in time through there, and hopefully get Seymour up around those levels. You are looking at a municipality in 10 to 15 years that ultimately could have a population of around about 180,000 to 200,000-odd people based on fairly conservative growth going through. That is the reality that fits in through there.

We have spoken about where our people are employed. The majority are in manufacturing, construction, warehousing—and unfortunately with warehousing it takes up a lot of land but does not deliver a lot of employment outcomes—public administration and safety. Please keep in mind, once the precinct structure plans, the corridor plan and logical inclusions are all decided, we are likely to see a significant rise in the number of people employed in the construction area and we would actively seek to try and get more construction businesses to be based here as well. Again a lower amount of people are employed in financial business, health, education and training. There are a number of business opportunities through there. Our total jobs sit there at eight and a half, with 13,000 people within the workforce. Our ratio of jobs indicates that we are already exporting jobs out of the municipality, so there is a need to create more jobs within our municipality. We really need to get down to a figure where Hume is at the moment, where Hume has around about 50 per cent of its workforce employed within its municipality, and that is seen as probably one of the best examples, so their journey to work times are severely reduced. They are only travelling five or 10 minutes up the road, and hopefully they are on a bus, but that is not always the case.

From business and government investment, again I have spoken a bit about the corridor through here. We would love to get this finalised within the precinct structure planning process through here. At the moment we are only dealing with two precinct structure plans—the one down here in the south which is the Lockerbie one which we are doing with Hume and with Whittlesea, and the one we are dealing with at the moment here which is part of the Lockerbie North precinct structure plan. Again, indicatively, that is the sort of development you are looking at in between that area I just referred to in the logical inclusions area. Can I make one thing very clear: there are no green wedges within the shire of Mitchell, none. This area here is zoned farming, it is not zoned green wedge. We need to be very clear about that. People come out and often say, 'That's a green wedge.' It is not a green wedge. Green wedge zoning has completely different implications associated with it. This is farming zoned through here.
If it was to be included as part of the logical inclusions process it would either be subject to further planning in the corridor plan or move into an urban growth zone through there as well.

The CHAIR—in terms of the points you are making about these logical inclusions, what sort of feedback have you had from the Growth Areas Authority?

Mr KEENAN—they fully support our submission, every bit of our submission, with the exception of one component which is not very well outlined here. There is a component that was running up the west side of Old Sydney Road that involved the Scanlon property and they indicated that they did not support the Scanlon property at this point in time. There were some issues with that that we probably have not done our strategic planning to a point where we are dealing with ridge lines through there and how that would be developed on a significant gradient through there as well.

Some of the existing ones, we have Hidden Valley which still has about 200 lots left to go, if I remember correctly—and I know, Madam Chair, that you are having a look at Hidden Valley this afternoon. We have Mandalay, which I think you are giving a presentation on as well, which incorporates a golf course through there. We have Wallara Waters which is the development directly behind the sound wall which also has Devine Homes next to it as well. We have Spring Ridge which is directly west of Hidden Valley. There is a list of some of the future developers within our area: Stockland, MAB, Mondous, Australand, Nick Baldi, which is in this area where we are sitting, and the intermodal going through. Then there is a smorgasbord of other people involved in development.

We are looking, from our perspective, at a diversity of lifestyle opportunities, and it is very much what the mayor said before, we do not want this to be cookie-cutter planning where we see Roxburgh Park replicated or Craigieburn replicated over and over again. How do we make it different to make sure that what is going to occur here is going to be different to any of the other developments that we have seen within the growth corridors? We have all been through Casey, Cardinia, Melton, Wyndham, all the other areas. How do we make it different? How do we incorporate better water sensitive urban design? How do we think about better ways of dealing with waste management, for example? We are keen to explore those ones because, as the mayor said, we are greenfield and now is the time to do it.

Clearly, from the development of the Mitchell 2020 document, and through other consultations, one of the most important things is there needs to be a retention of some of the rural aspects of this municipality, that they can turn around and incorporate the country aspects and amenity with some of the issues that come through from the urban perspective as well. That is clear from the community. We probably would not go down the path of seeing how Pakenham has been absorbed, for example, within the Cardinia area, although there are certain parts of Pakenham where you can still see remnants of what used to be the rural industries or whatever else that was there. It would be nice if we could try and do that a bit more within this whole precinct through here. But keep in mind too we are going to have the option where the knock-on effect of the growth will mean that we will see Kilmore expand, we will see Broadford expand and we will see people going to Seymour. They will first come and have a look at the growth area here and they will turn around and say, ‘Well, it's not as far away as I thought. We might have a look up the road because it might be cheaper,’ et cetera. We will get the knock-on effect.

We are very happy, we are blessed with the fact that we have two really high quality educational institutions in Kilmore. We have the International School and Assumption College as well. We are going to see that growth also go further north as people migrate with their children up there as well.
The CHAIR—Is there an international student intake for both of those colleges?

Mr KEENAN—Yes, there is, and in fact there is a very high percentage at the International School of both Chinese and Japanese students there as well. Again we would like to see nice public open space. At the same time we are careful when we say that because we realise the maintenance obligations that fall back on council, and they are significant. We need to be careful about that. Our major issues—and I will try and finish up as quickly as I can now. The Mitchell 2020, the first part of doing the document that can take us into the future. There has not been a lot of strategic planning done at this municipality in the past, and it is a huge challenge for a municipality that was predominantly rural in nature, to suddenly turn around and say, 'You're part of metro Melbourne now and it's time to get on with things.'

We would hope that the government in the longer term can look at seeing how we can get more resources in to do that planning because prior to me getting here—and I have been here 18 months—there was no strategic planning department. Happily, we now have three people working in it, which is great, otherwise we would have been beyond the back foot. We need to do the policy development in those five different areas through there to make sure that we get everything we can in partnership with the developers who are working on their different developments going through there. One of the issues, Madam Chair, that we are concerned about is exactly where we are sitting at the moment. The township here is excluded from the precinct structure planning process. All the precinct structure planning work is now being done for all the areas around here that are in the urban growth zone. Anything within a township zone is not included within the precinct structure planning process. The same exists for Kalkallo to the south because it is a township. We are concerned that the residents in these areas may not necessarily get the same benefit that everyone else is going to get through the precinct structure planning process. We are also concerned about some of the education processes associated with that as well. We are going to have to try to bring this community along. The other one there, staff resources—and I have spoken about the different people we have to deal with from all the different government departments from all their different geographical locations.

The CHAIR—Mr Keenan, before I invite the other members of the committee to put some questions to you, you have not mentioned air transport within the shire.

Mr KEENAN—Yes. We do not have any air transport within the shire. What we are keen to see is the Aitken Boulevard or the E14, which is a north-south transit corridor which incorporates dedicated bus lanes that at the moment is running from Somerton Road that is planned to run all the way up into Wallan, we would like to see that eventually connected to Melbourne Airport. Other than that we do not have any airfreight or references to airfields within the municipality.

The CHAIR—That is not in the concept for this intermodal centre at all?

Mr KEENAN—The intermodal is only trains—trains transferred to trucks. The intermodal will be a new spur line that will kick in—maybe on one of these plans. Yes, there it is there. This spur line running down through there is where the Sydney trains would drop off through there, from Brisbane all the way down, would get rid of their loads through there and transport them onto trucks. The other comment we have made as a council—and I think we are one of the only councils to make a submission—was also in relation to the high-speed rail feasibility study that is under way at the moment. We suggested that maybe it is a good idea to have one of those stops located somewhere around here as well.
But this is only train and truck, keeping in mind that the OMR—see how the train hooks into the Outer Metro Road—goes all the way down to Lara, hopefully with a connection to the Geelong ports in the long term. That is the 1,100 hectares of land I was referring to which is a bit of question mark as to what is actually going to be on there.

The CHAIR—Thank you. Have you finished your presentation?

Mr KEENAN—I think I will leave it there, Madam Chair.

The CHAIR—I am going to invite Mr Craig Ondarchie to ask some questions.

Mr ONDARCHIE—Thank you, Chair. Mayor, the CEO was saying in his presentation that it is not only about retail jobs in terms of sustainable jobs in Mitchell. There is a suspected decline in manufacturing around the Campbellfield area. He referred to niche manufacturing. I am really interested in where the jobs are coming from and what you mean by niche manufacturing.

Mayor MARSTAELLER—Niche manufacturing is small business, jobs that have not even been created yet. That is the thing. I know when my son was born and they said, 'He'll eventually have a job that we don't even know exists at this point.' I am not really sure—the niche manufacturing is?

Mr KEENAN—The niche manufacturing actually comes out of both the state and federal government's manufacturing strategies. The niche manufacturing we are looking at is small businesses that are highly adaptable, too often short orders within the sector. There are a number of niche manufacturers that sit around the Ford facility at Campbellfield at the moment. They only do just in time stock through there. They will turn around and say, 'We want 10,000 mirrors that are painted red. Can you do that within 48 hours?' Or are they niche manufacturers that then turn around and say, 'No, we're only going to make one device, we'll put that device in the marketplace and we're not going to chase that market over there, we're only chasing that one.' If we could get innovative groups that decide to do the next electric motorbike, for want of a better term, those are the sorts of things we would really like to support going ahead in the future.

Mr ONDARCHIE—What is the attraction to Mitchell ahead of, say, a place like Hume?

Mr KEENAN—with Mitchell it is all the information I have spoken about as to the residential opportunities that come through. There is a diversity there where you might turn around and say, 'Okay. If there's affordable housing I'm going to get workers that can come along and live and be here.' If there is a diversity of housing it may be that the general manager wants to live in something luxurious, that is an option as well. What is the other rationale? There is infrastructure here that turns around and says, 'If I'm making motorbikes and I need 10 megalitres of water to do a cooling process, I can access it here out of the recycled water facilities that already have an abundance of recycled water.' There is power, gas and all of those sorts of things that come through.

Mayor MARSTAELLER—Also access to transport to take it out of the state, this intermodal section, straight onto that corridor and out.
Mr ONDARCHIE—Does the shire have an investment attraction program?

Mr KEENAN—We have an economic development and tourism strategy that was adopted by council not last year but the year before. Within that it speaks about trying to attract niche manufacturing within the south of the municipality. It also refers to business incubation in both the south and the north of the municipality as well. Again the niche manufacturing—not so much manufacturing but identify product that we can succeed in. A good example of product from a tourism point of view is in Seymour based around the military services, for example. We have a military heritage weekend coming up on 30 March and within that we are trying to build off the infrastructure that is there with Puckapunyal, with the Vietnam vets memorial with Light Horse Park et cetera going through there.

What we have to do in the south here within Beveridge is identify how we can leverage off some of the infrastructure here, so doing further work with GOTAFE in relation to transport and logistics. If we know there is going to be 1,200 hectares of land dedicated to transport and logistics, let's make sure we have enough people that can operate forklifts safely. Let's make sure we have enough people who know how to do warehousing properly.

Ms HUTCHINS—When you talked about the precinct plans for Lockerbie North and Lockerbie, you mentioned two new primary schools and a Catholic school for Lockerbie North. I assume there are more plans for Lockerbie that you did not go into the detail of in terms of new schools within the PSP. Is that right?

Mr KEENAN—All the PSPs, yes. Again our predominant comments, we have to remember with the Lockerbie PSP it is problematic in some senses because there are three municipalities involved. The area in the Lockerbie plan, if I remember correctly, we are dealing with one community centre, a primary school and two ovals and some tennis courts. That is within the Lockerbie one. To the south of that where Hume is responsible, they are dealing with a high school, a private high school. Everything else is through there as well. From the Whittlesea point of view they have a couple of bridges that are going to prove to be quite challenging from a financial point of view, and I wish them luck with that, and they have a whole lot of other things. Hume, on the other hand, will be responsible for town squares, fairly significant learning facilities in the longer term going through, all of these based on the precinct structure planning guidelines that are auspiced by the Growth Areas Authority.

Ms HUTCHINS—Maybe if I could ask, on the same topic, a sustainability question to the mayor. Do you think the precinct plan for both of these areas, Lockerbie and Lockerbie North, have enough in them to meet the education and health demands of the future population?

Mayor MARSTAELLER—As we discussed earlier, Education are good, they do good planning, they put that in there. Nothing for health has been put aside. Nothing for police stations has been put aside. Nothing for a court has been put aside. That concerns us greatly. Education are right on the ball and they plan well ahead, but the other government departments do not seem to do that. We have this huge area with no police station, no court, no health services. Nothing has been put aside or planned for those areas, and that is a great concern to us.
Ms McLEISH—We have done a number of these hearings and been to many councils already and as David alluded to earlier, yes, there have been mistakes that have been made elsewhere and in fact went on to mention a couple of those. I would like you to outline what you see are some of the mistakes or the failures that have been made in other areas and how you plan to do something differently and in fact what it is that you plan to do differently.

Mr KEENAN—Well, that is a tall order, to say the least. The best thing you can do with mistakes is learn from mistakes. It is not about identifying and saying, 'That one is good, that one is a really bad one,' et cetera, but it is about learning where you can get it right and at what point in time. A good example of one where the impetus has potentially passed and been left behind, I will say, is two years ago a train station was opened at Coolaroo. It had been promised by various different governments for the last 15, 20 years. Realistically, is a train station needed at Coolaroo? Probably not. The community has got used to it not being there. When I drive past every now and then, I look to see if the carpark is full and it is not. That is probably one example.

Another example. If you go to Caroline Springs, they have done a really good town centre there, but there are a couple of issues within how you get in that town centre and how you get out of that town centre. At 8.30 on any weekday morning and at about four o'clock on any weekday afternoon that town centre is buzzing. It is buzzing so much that you cannot get in and you cannot get out because the schools are in there—

The CHAIR—We went there, firstly.

Mr KEENAN—Well, you will know exactly what I am talking about. Looking at whether the co-location of educational facilities right next to a town centre is a great idea when you have competition for carparking, for example, is one that we really need to look at and see if that works out or it does not work out. With Caroline Springs, if you went there and asked people what is the biggest thing they wanted in Caroline Springs, we all know the answer will be a train station. I do not think we are ever going to get to the point that I mentioned at Coolaroo because it really is an isolated community.

The CHAIR—I think Coolaroo station has train stabling facilities there, has it?

Mr KEENAN—Not at Coolaroo. Craigieburn does.

The CHAIR—It is Craigieburn.

Mr KEENAN—Yes, not at Coolaroo. Craigieburn is purely a passenger station. Learning from those ones would be how you go about doing those better, whether the whole idea - and this is one that is still out for debate at the moment. The co-sharing of recreational facilities with educational institutions; there have been some great outcomes from that and there have been some very poor outcomes from that in relation to how the fields are damaged and how children with flat-soled shoes kill the grass for everyone involved. Against that it has worked out really well in other places, such as the Highlands development within Craigieburn where you have co-sharing uses with the University of the Third Age and everyone else using sporting pavilions. That is a great outcome where you can get that occurring.
They are some of the lessons we need to learn. Similar to what Madam Chair said before, examining what the future of retail will be is going to be paramount to how we design our town centres in the future, and I am not sure if we will have the same stock standard supermarkets going through at 2,000-odd square metres. I think they will diminish. The jury will be out on how we deal with bulky goods in the longer term as well because you can only have so many Sleepy Sam mattress places located along the highway as they do at Sydenham there, for example. There are ones we can learn from there.

The CHAIR—Thank you very much, Mr Keenan. I am going to ask whether any other members of the committee have another question to put at this point. We are a little bit over time so if we can keep it tight.

Mr ONDARCHIE—I will be very brief. Mayor, a pretty ambitious plan for Mitchell. Congratulations. How does the existing business community feel about your push to bring more competition into the area?

Mayor MARSTAELLER—We do not have a huge amount of business. I think they look forward to it, actually, to increase what is here, because at the moment so much is going out of the shire. I think they would be happy to see a lot more within and keep the dollars within the shire. At the moment I know that a lot of us that live in the south tend to shop at Epping, Whittlesea or Broadmeadows in Hume because you can access everything in those areas. You can go to Wallan and Kilmore and still not get everything and then you have to turn around and go back down. I think some of the people here would welcome different and diverse businesses coming here to keep everybody and keep the dollar within the shire.

The CHAIR—I have a burning question and it goes to the centre of the establishment of a university or a TAFE campus in Mitchell South which would increase retention of a skilled workforce here. Can you expand on that proposal and to what extent is Mitchell currently experiencing problems with the retention of a skilled workforce.

Mr KEENAN—In the south?

The CHAIR—Yes.

Mr KEENAN—Okay. In the north we tend to have people going to Latrobe at Bendigo or going further up to the TAFE at Shepparton as well, but there is already a good presence there. Every interface council and every growth areas council would love to have a university set up. The reality is there will be very few universities that set up brand new campuses in the next two decades. There are a number of universities that have expressed interest, and I am aware that there is a partnership between Deakin University and Hume City Council where there may be the co-badging of the Craigieburn Library and Learning Centre as an outpost for Deakin University. It would be great to think that there is the capacity to establish a university, but they are cost-prohibitive, they are unaffordable to set up the basic infrastructure through there.
From our perspective we are still suffering the normal migration of young people out of the area that go and work in the city and then come back again, the same as any other regional area experiences those. What we have to do is make sure there are the jobs and the housing options for those people to come back once they decide to have children because that tends to be the pattern that goes through, because when they have the children they need the other four things that come along with the children; they are called grandparents, otherwise known as babysitters that do not get paid. They tend to move back into those areas where they can get the childcare from that perspective.

The CHAIR—Mr Keenan, we will have to leave it on this note because we are eating into other witness time, but we will obviously continue our dialogue when we are in an informal setting.

Mr KEENAN—No worries.

The CHAIR—Thank you very much for your input. We have really enjoyed it today.

Witnesses withdrew.

Hearing suspended.