OUTER SUBURBAN/INTERFACE SERVICES AND DEVELOPMENT COMMITTEE

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

Melbourne — 18 June 2012

Members

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Wyndham City Council
Mr A. Mayer, chief executive officer, and
Mr D. Wilson and
LeadWest
Mr B. Luxford, Melton City Council
The CHAIR — I would like to offer a welcome to each of you here today to the hearing into growing our suburbs of the Outer Suburban/Interface Services and Development Committee. Parliamentary privilege is extended to you today for the time that you are in this hearing, but only while we are here at this time and in this place together. If you were to make comments outside similar to your input today, that privilege would not be extended to those comments. It is meant to allow you to provide unfettered input to us, and we welcome that.

As you can see, our Hansard recording services are with us today. A hard copy of what is being recorded for us will be made available to you in about two weeks time for any spelling corrections. Thank you very much for this summary presentation format. Is it Mr Mayer, in his capacity as chief executive of LeadWest, who would prefer to make the opening remarks at this point? We have Mr Anton Mayer, chief executive officer of LeadWest, Mr Brett Luxford, representing the Melton Shire Council, and Mr Daryl Wilson, representing the Wyndham council. Welcome to each of you. Mr Mayer, we invite you to give us your opening remarks.

Mr MAYER — Thank you very much, and good afternoon all. Let me say that LeadWest, on behalf of the communities in the west of Melbourne, welcomes the opportunity to present to the parliamentary committee looking at the important issues faced by the high-growth communities that reside in the interface areas of Melbourne. As you are probably aware, LeadWest lodged a formal submission, as did Wyndham and Melton councils independently, to the inquiry. So I will just basically skirt through a fairly brief summary of the key issues that we face and then allow the bulk of the time to field some questions on key issues.

LeadWest is an organisation that represents all the councils in Melbourne’s west, which is a community that has a resident population approaching 850,000 people. Of that population, almost half reside in those high-growth areas of Wyndham and Melton, and that number is being changed significantly, I guess, given the high population growth rates that are being experienced in the outer west. Both Wyndham and Melton are amongst the fastest growing communities in local government areas in Australia, certainly in Melbourne. Their growth rates are reaching 8 per cent, so the population is certainly causing some pressure in their communities. The pressure is usually brought about by the infrastructure shortcomings that such high population growth rates cause.

One of the other things I would like to mention in particular in relation to places like Melton and Wyndham is that they are the centre of major transport corridors that link the CBD of Melbourne, the port of Melbourne and those large provincial cities such as Geelong, Ballarat and Bendigo. So they also provide a gateway to our large regional communities. In part what has driven most of the growth, particularly in the outer west, has been affordability. I think Bernard Salt hit the nail on the head when he said that the single largest reason for the explosion of growth taking place in Wyndham and Melton in particular is that it is one of the few regions left where housing affordability is in existence.

The outer west also has, driven I guess by housing affordability, a fairly young demographic profile. Typical residents of Point Cook and West Melton would be a young couple with school-age children. A higher proportion of our population is a younger demographic, and they have placed pressure on our education services and so forth. You would also be acutely aware that it is a region that, included within metropolitan Melbourne, has a lower socioeconomic index than other parts of Melbourne. I think Melbourne’s north has a similar sort of socioeconomic profile.

As a region, historically it has had significant underinvestment in what I would call both hard and soft infrastructure. Our roads, our schools and our medical facilities are probably not as good as they should be and certainly less than is available to residents of other parts of Melbourne. The other big issue faced by the communities in the outer west in particular is education. Whilst the level of academic attainment in the outer interface areas is improving, on average we still do not have as many people finishing year 12 as they do in other parts of metropolitan Melbourne. Our relative skills base is not as good as it should be, especially if you wish to attract businesses and create jobs out there, which is so vital to the region’s future.

In the west of Melbourne, I guess the employment landscape there is principally driven by construction, transport logistics and retail. In many ways they are sectors that reflect the overall state of the economy, so if the economy is ticking over well, retail is doing well, construction is doing well and you need lots of trucks running around to deliver goods and services. They tend to be the barometers of economic performance. In the last few years they have done reasonably well as the economy has done well. But underneath that, what we face in the west is a real hollowing out of manufacturing. Significant elements of our traditional manufacturing heart are a shadow of what they used to be. In part, the nature of our industries is such that they are impacted by what takes place in global
markets, and the issues of globalisation have certainly cut a swathe through manufacturing employment in the west.

I guess one of the other key issues we face in the west of Melbourne is that whilst we have very high rates of population growth, jobs growth has not been able to keep pace. The transport logistics industry occupies a lot of real estate, but it does not actually create a lot of jobs. We have not been able to keep jobs growth anywhere near the same level as population growth. The result is that our public transport connections to Melbourne, which is where most of our citizens tend to work, are clogged. Our train system going into Melbourne is full, and our roads are choked. I guess that is one of the key reasons why there are so few jobs available locally. I think in Melton something like 16 per cent of the residents work locally; the rest will leave the shire to work. I think in Wyndham it is something like 25 per cent of the citizens who work locally; the rest all have to go into Melbourne to work.

Just as an indication, in job density we have about 300 jobs per 100 000 residents locally available, whereas in the rest of metropolitan Melbourne the number is closer to 460. We are at a significant disadvantage in locally available employment opportunities, and as a government I think there is a need to address the issue of creating jobs were people live. We are never going to be able to build ourselves out of congestion; the money does not exist federally or at a state level to build the roads or put the sort of rolling stock infrastructure into the train networks to accommodate that unless you start to rethink the way our cities operate.

It is pleasing to see that Matthew Guy and the government are re-embracing the concept of Melbourne as a multimodal polycentric city. That is probably something that is going to have to be driven much more, as the Growth Areas Authority — and I am not sure whether the Growth Areas Authority is doing a presentation to this committee; it should — has indicated that 60 per cent of Melbourne’s future population growth is going to be accommodated in growth areas. If that is to be embraced, then we have got to think differently about where people work and how we operate our transport networks. We need to start to look at things like building major employment hubs — if you like, a Parramatta in the west and a Parramatta in the north. We really need to start to build vibrant employment hubs where the people live. I think it is a key role for government to provide the enabling infrastructure to allow the private sector make that call. The government’s role is to put the education facilities in place and to invest in infrastructure connections that will then encourage the private sector to relocate somewhere other than the central business district of Melbourne.

We need then to start to look at, as I said before, developing some of our key employment nodes. In the west you may well have heard of the Werribee employment precinct. It is 1000 hectares of state government-owned real estate. It really represents the ability to not only obviously partly be used for extra housing stock, which could generate some revenue, but for some of that revenue to be used to embed some infrastructure into the Werribee employment precinct. I might say the same is true in other locations in Melton — to use the money that is generated by the lots being made available to really develop some infrastructure to create jobs.

One of the other roles, I think, of government beyond the enabling infrastructure role is to be the catalyst to make things happen. I guess the example I always like to use is the TAC move to Geelong. Some five or six years ago the TAC left its premises in Exhibition Street and moved to Geelong. It created 700 or 800 jobs. Melbourne did not miss a heartbeat by the loss of those jobs, but it made a significant difference to the employment opportunities for the citizens in Geelong. I would encourage the state government to look at decentralising certain state government agencies — and the same applies to the federal government — and embedding them in either regional Victoria or in outer metropolitan areas. I think there is a real opportunity there. As I said, it is not a panacea; ultimately jobs growth in the outer metropolitan areas has to be driven by the private sector, because in reality they are the ones that create the long-term sustainable jobs. But I think it is up to the government to make sure that all the seeds are in place to make that happen.

The other investment that government needs to make in growth areas is basically education and skills development. As I said at the outset, our skill sets in the outer west are not as good as they should be, and there is a real imperative to up the ante for the residents in those interface areas. Businesses will go where they think the pool of skilled people are and where they can locate their businesses. Unless we can address some of those issues in the west, it will be very difficult for us to attract the new sorts of businesses that we have to.

Other areas where government could play a role are in areas where there is an alignment of agendas. If you look at the long-term vision the state government has for Fishermans Bend, Matthew Guy has indicated that he sees a significantly different order of businesses located in Fishermans Bend. I am talking about the Lockheeds and the
Boeings and these sorts of organisations. Typically they are organisations that seek state government support to underpin their operations. I would be saying to organisations like that that the land value capture of relocating and moving businesses like those sorts of aerospace businesses — high-growth areas in the interface councils — makes a bit of sense. The land is extremely valuable and could achieve a higher end for — —

The CHAIR — If I could just interrupt you at that point, Mr Mayer, will LeadWest be putting in a bid to attract an industry base like that?

Mr MAYER — We have certainly expressed that interest to the government. What we are saying is that there are opportunities where long-term plans for places like Fishermans Bend could line up pretty well with the aspirations of the interface areas. You have an operational airport like Avalon sitting out in Werribee, and you have an aerospace industry based in Fishermans Bend. An automotive components industry based in Fishermans Bend, for historical reasons, might have made sense. I do not know whether it still makes sense today, but it would make sense when those companies go to government and say, ‘We would like $200 million; otherwise we struggle to operate’. Part of the answer to them is, ‘Yes, the government will support you, but it might be that you do it in a different location from Fishermans Bend’, because the government can then capture a revenue — that is just an example. I guess it is saying there are creative ways to look at taking jobs out of areas in ill-suited, inner metropolitan areas and out to the growth areas.

In my submission I also touched upon a couple of other direct government roles. That could be transport subsidies — why could we not have free transport or heavily subsidised transport if you are going out? The trains are running anyway, most of them are running empty, so why could we not actually provide subsidised or free transport, if we are going to try to reverse and try to sweat the transport — —

The CHAIR — Are you talking about passenger transport or freight here?

Mr MAYER — Certainly my initial thinking was passengers.

Mr ONDARCHIE — Did you say most of them are running empty?

Mr MAYER — It is like our road system. In the morning our roads are clogged. I come in from Geelong every morning, and going in it is just chock-a-block; going the other way you have three lanes of bitumen there, largely carrying nothing. When I catch the train in from Geelong, that V/Line service from Geelong is absolutely packed.

Mr ONDARCHIE — That is what I thought. I thought you said the trains were running empty.

Mr MAYER — But going the other way — —

Ms HUTCHINS — Going back, going in the other direction — —

Mr MAYER — Or even regional rail, so you have our transport assets working really hard on one side — they are taking everybody this way — and over here very few people are using them for reverse flow. Whether it is Metlink, we could provide some sort of encouragement, to actually have free travel going out. The trains are going out because they have got to come back to bring passengers in.

Ms McLEISH — Do you think the demand is there to support that? There is a capacity now that is not being utilised, so what evidence is there that there is that demand to support that?

Mr ONDARCHIE — Given there are three lanes of traffic and it is empty running the other way as well.

Mr MAYER — Yes.

Mr WILSON — I think looking longer term it is about creating the jobs in the growth areas. If I could take Wyndham as an example, about 60 per cent of our resident workforce are working in a white collar-type environment. They are the ones who are travelling into the city. We understand the challenges associated with getting business to the growth areas, but we understand that that requires having the available education and skills available. This is a very simple sort of way to explain it. My view is that if business X comes to Wyndham tomorrow — and white collar-type employment — we could probably fill 40, 45 or maybe 50 per cent of that job requirement given the flows that are coming back the other way, where it is easy to get on — and I live in
Essendon; I caught the train to work this morning and was the only one in the carriage. There could be other reasons for that, but I doubt it.

That other 50 per cent would be taken up by people in Yarraville, Williamstown, Essendon, North Melbourne, or whatever it is, in the initial period, but over a longer period of time that 50 per cent would grow to 65, 70, 75, 80, if you embed the right education environment for our residents to upskill themselves to work within that environment. That is a sort of longer term view rather than, ‘Let’s just turn the trains around and make it happen tomorrow’. It is a longer term view as to how that would happen.

Mr MAYER — Absolutely. I think it is about actually getting the mindset changed and looking at options like this. The other one, I think, is there is an opportunity there with payroll tax and other taxes. Is it not desirable to look at payroll tax exemptions or reductions if you are more than 30 kilometres out — or whatever the number is: 25, 30 or 40? What we have today is an endless quest to build more roads and longer trains and more trains as we settle people in growth areas, and unless you actually create the environment where there are jobs out there, it will be a race you will never win.

The CHAIR — If we could direct our attention to areas of higher learning, I would be pleased if somebody could go through the campuses for, let us say, Victoria University. Can you run off where they are?

Mr MAYER — Sure. Victoria University has a campus here in Flinders Street; it has a major campus in Footscray — it has two campuses in Footscray, sorry; it has a campus in Sunshine; it has a campus in St Albans; it has a campus in Werribee; and it has a campus in Melton.

Mr LUXFORD — They do.

Ms HUTCHINS — Sorry, where was that last one?

Mr MAYER — Melton.

Mr LUXFORD — They also have a campus in Sunbury, which is unused at the moment.

Mr MAYER — Unused, yes.

The CHAIR — Unused?

Mr LUXFORD — Unused; it is a vacant site.

The CHAIR — That was the site of the mental hospital.

Mr MAYER — It is, yes.

Mr LUXFORD — Yes, that is right. They did have an Anglican secondary grammar in there, but they have moved out, and VU is now reassessing what it is doing with the site — I think as it is with a number of other sites.

The CHAIR — One of the grammar schools has moved out, did you say?

Mr LUXFORD — Sorry, with the Sunbury site, we were talking about the Sunbury VU site. Hume Anglican Grammar did occupy that for some time until their new building was built. Now the Hume Anglican Grammar has moved out of that site, so that site is currently vacant.

The CHAIR — So there is excess capacity there, if there was an institute of higher learning wanting to come in there. Have you got any thoughts as to what sort of uptake there might be?

Mr MAYER — It would be great to —

The CHAIR — A business school, for instance?

Mr MAYER — attract another university into Melbourne’s west to, I think, compete with Victoria University. Victoria University is the major tertiary institution in the west of Melbourne; it is a dual-sector university that does both TAFE and higher ed.
The CHAIR — So you are looking at something that might be more directed to supporting an innovative industrial base?

Mr MAYER — Indeed.

The CHAIR — Where you could have nanotechnologies, for instance, and moving along through that spectrum, advanced materials?

Mr MAYER — I think the opportunity in the west would be to leverage off — it has a history of manufacturing, but manufacturing is changing and is becoming much more technology driven. In order to operate in that environment I think that is where you are — I do not think the west of Melbourne is going to be a centre for biotechnology. I mean, it is going to take a long time for us to build up credentials to compete against Parkville or the Monash STRIP — those sorts of areas. I think the west of Melbourne has to leverage off what it has a history in, and it has a history of manufacturing; it is just that that manufacturing is changing, so part of the answer would be to make investments in education facilities that do the advanced engineering and advanced manufacturing. That represents a real opportunity. But there are also professional services. One of the startling realities in the west of Melbourne is we have about $2 billion worth of escape expenditure every year in the purchase of professional services.

When our manufacturers have to seek legal services beyond somebody who deals in family law or conveyancing, they have to go to Melbourne. We really need to also become a centre to attract higher end professional services.

The CHAIR — There are some interesting models in one economy I have visited — Taiwan in fact. They were talking about centres that employ over 150,000 people in a high-tech industry base. They have got world-class unis and a couple of synchrotrons, but the venture capitalists actually reside within that precinct. It made it an attractive environment, and that goes against all of the arguments for agglomeration being in a big city for those sorts of services. But they have managed to have shopfronts of venture capitalists and other people who will support innovation. Have you visited those concepts yourselves?

Mr MAYER — I spent 30 years of my life as a trade commissioner in Austrade, so I looked at them in Asia, Europe and North America. Absolutely they could work; you have just got to pick the area. I would not be recommending the west of Melbourne to try to cut out a niche in an area that has no sustainable advantage. I would not say that Melbourne’s west is going to be a centre for biotech research or sophisticated nanotechnology when you have got centres in Geelong and in the east. You have to leverage off your background, your culture and your history.

I believe Victoria is always going to have manufacturing; it is just going to be smarter and better manufacturing, and where better to put manufacturing than in Melbourne’s west, where you have already got a pool of people who have a history? All you have got to do is upskill them into those sorts of areas. Running parallel to that, you also need to try to address that escape expenditure that goes out of the west every year in a whole range of professional services, be it accounting services or legal services. The fact that the west has to buy in that staff to the tune of over $2 billion a year says a lot about where the gaps are in our climate.

The CHAIR — What about visiting business incubators? What is your thinking there?

Mr LUXFORD — That is something within the western region we are already exploring. On the recent federal government funding through the suburban jobs program, I think both Wyndham and ourselves — —

Mr MAYER — We have both got applications in.

Mr LUXFORD — We have both got applications in for business incubators, and working with Regional Development Australia, the RDA. You can see by us all presenting here today that we are group that actually works quite well together. We are getting together soon to talk about how business incubators in the west might work — that is, rather than us all putting in submissions for single incubators, we sit down and look at how they might work us a hub-and-spoke-type model or something similar to that. Incubators are definitely something on the radar, because we understand that growing jobs locally means growing businesses locally too, so a lot of the jobs growth will come from existing businesses and investing in those businesses. That is why we work hard to support our local businesses and to run education programs for them too, so they can grow, develop and create opportunities for local employment.
Back on the universities, one of the challenges we are facing is keeping university or higher ed. within the west. Rather than attracting higher ed. out to the west, we are losing those opportunities. VU is constantly looking at rationalising some of their campuses to eliminate some of their overheads, and most universities are looking at different models of education delivery, whether that be taking advantage of telecommunications and fibre and things like that, to deliver education services to different locations that they do not own. From Melton’s perspective, we have been working closely with both VU and the University of Ballarat to look at those models. Daryl, did you want to take on incubators?

Mr WILSON — We too have been working with the University of Ballarat, because I think they identified there are gaps in the market that have been created by lack of commitment in some areas by Victoria University, but to go back a step — —

The CHAIR — What are the gaps?

Mr WILSON — Particularly with the recent cuts in TAFE, if I can draw on one very particular example that is immediate, our local learning and employment network, the Wyn Bay LLEN, 12 months ago received $10 million of federal government funding to construct and fit out a trade training centre. That was all pretty much set to go. Following the recent announcements of cuts to TAFE, VU has indicated it can no longer deliver the training within that trade centre, which was what the arrangement was going to be.

We have since spoken to the University of Ballarat and Gordon with a view to potentially have them deliver the training within that trade training centre. The model that was developed between the LLEN and Victoria University was to construct a trade training centre on a site on Hoppers Lane in Werribee that is under the ownership of Victoria University. They have indicated to us so far that they are not prepared to have another provider come in and construct on a site owned and operated by them. We are frantically having discussions with a whole raft of people to see how we can potentially get that to be built somewhere else and get another provider in. That is a major concern to us. I know it is very specific and not, in the broad sense, for this inquiry.

There is another thing I would like to touch on in terms of education. As I said, we have been speaking to a lot of providers. Last year at the rear of Werribee Mercy Hospital a facility was constructed that is run by the University of Notre Dame. It is a medical clinic. They have approximately 40 or 50 interns in there each year where medical training is being delivered. Obviously the internships are with the Werribee Mercy, and we are very excited by that. One of the great gaps within the growth areas is in medical students, so we feel that it is a great opportunity to get those students to come in, stay, see what they like and actually stay and work within the region. I think there is potential for other similar models, whether it is medical, education, business services or whatever, to learn a lot from that model.

From our discussions with universities and so forth, we understand that no university is going to turn around tomorrow and say, ‘We are going to build a massive site here and put bricks and mortar and deliver a university on your back doorstep’, but we understand they are very keen to have a small presence and get a small footprint within the region, and I think at a government level what government can do to make that happen is provide some kind of incentive — something that will get them excited to get into the region and develop their business models. Then they can become sustainable in the longer term. They are the sorts of discussion that have been taking place.

The CHAIR — One of the things we see as important to attract and retain the professions and the high-end white collar jobs is obviously diversity of housing stock to attract people to the lifestyle they might be used to in parts of Melbourne — and private schools. I must say there is a collective dismay in this state with the closure of Mowbray College, for instance. For all the disappointment that that represents, that is an opportunity with a campus, and they have got other outreach campuses. Is it three others in addition to the main one?

Mr LUXFORD — They have a campus at Melton, one at Brookside and one at Caroline Springs. Indications are that the Caroline Springs and Brookside campuses are fairly sought after by alternative education providers coming to move into that area. The Melton one we are still working with a little bit to understand what level of demand there might be for that campus. You are right; the provision of quality education — especially options for education too — is vitally important within the west to attract a different level of skills into the area. I think both of us are finding that the new estates that are developing, particularly in what we in Melton call our eastern corridor, Caroline Springs and Taylors Hill, are attracting a range of people with professional skills that we probably have not seen in the past. So the demographic in the area is changing significantly with a whole range of
professional people moving in there and bringing a whole large of new skills but looking for new job opportunities as well.

The CHAIR — I will open up the questioning to the three of you now with my colleagues here.

Ms McLEISH — You touched on high-density, affordable housing. Earlier we were having a discussion about what seems to be a lack of investment in flats everywhere, yet people talk about some of the thriving areas such as St Kilda or Elwood, where there is a quite high proportion of those sorts of dwellings. Has any thought been given by the councils out in the west to development or building of flats, and is that something that you think people are actually willing to consider these days?

Mr WILSON — Meaning apartment living; is that what we are talking about?

Ms McLEISH — Yes.

Mr WILSON — Certainly from Wyndham’s perspective we have developed a precinct structure plan for the Werribee city centre. That documentation is available for this committee, should you require it. It is not bedded down yet. We are at the stage where there was a public exhibition period, and we are in the next phase of looking at those comments. In essence, the responses back from the residents have been very positive, but in a simple sense the Werribee city centre connects to the Werribee employment precinct that we were talking about before, that 925 hectares, so we are really keen to get a connection between the two.

In a very simple way, what the Werribee city centre will look like in 20 or 25 years is activated retail on the bottom, some office on the next level and up to 12 storeys sitting on top of it, with a train line and activity around there and a sense of people living and working within the precinct. So we have certainly thought of that, apart from some higher density. As you can probably well appreciate, Wyndham has — I forget the number; I would have to check it — numerous precinct structure plans happening at the moment. Very often as part of that planning process in terms of around the activity centres there is a sense of a high-density living environment, so that there is that close connection. It is certainly within our thinking.

Mr LUXFORD — And typically within Melton there is a similar sort of thing. Caroline Springs is probably an example of a town centre that is starting to work well. We have a mixture there of office-based accommodation, retail, education and a little bit of medical, but there is also starting to be some higher density accommodation coming out of there. We are getting applications for apartments upwards of six storeys, which is really good. That needs to be supported by transport infrastructure, so the provision of railway stations at Caroline Springs and an improvement to the Melton line would be really vital, in our view, in making some of that work.

Typically also with our precinct structure planning we work closely with the Growth Areas Authority in identifying opportunities. Precinct structure planning that has occurred for Toolern again identifies a significant shopping centre/activity centre within Toolern and much higher densities around that, with apartments as well in that area. Again that needs to be supported by the provision of public transport, and a railway station at Toolern would be fantastic to enable people to actually move into the area and not have to purchase two cars to get anywhere.

Ms McLEISH — In the past decade, what has prevented that sort of development?

Mr LUXFORD — It started to occur in the inner west in the older townships. The older townships within Melton and other areas have had larger blocks, obviously, when the subdivisions went through, so people have started to do their own subdivisions. Probably a fragmentation of land ownership has meant there has been a struggle for that to occur. If you look at Caroline Springs, I think people are now starting to accept that people can actually live in apartment blocks and have a good-quality life with good open space on their doorstep and not have to be in the centre of Melbourne. I think that perception has started, that you can have that and not have to be in Docklands or somewhere like that.

Ms HUTCHINS — I want to ask about youth unemployment. Obviously it is pretty high in the outer west. I know it is around 16 per cent in the area that I cover, which crosses over to Melton. What do you think needs to be done in the immediate future by the state government to help address that high rate of youth unemployment in the outer west?
Mr WILSON — I think as a starting point we can talk about pathways into employment and all that sort of thing. I would like to go back another step actually, and I hope I am going to partly answer the question. One of the big challenges we have, as I am guessing most growth areas have, is that we are growing so rapidly that we build a primary school — so we go right back to where the basic education starts and where children are really influenced by what sort of learner they are going to be in moving forward — then all of a sudden it is full. The day it is open it is full, and all of a sudden it is not coping with what it was built for. How that infrastructure and the building of that school infrastructure actually keeps up with the growth is a really critical factor. I think that is the first part.

Certainly our local learning and employment network have done significant work in looking at different programs, and they have developed a number of really good programs — but not enough. One very small program, if I can just bring it to your attention, is that they developed a partnership with one of our large manufacturing companies, the Alex Fraser Group, who are into recycling and so forth, based at Laverton North. What they found was that these disengaged children — their parents were not going to parent-teacher interviews, so they had no real sense of what was happening at school and so forth. There was no connect at home. They entered into a partnership with business, and in a very simple explanation all the Alex Fraser employees who have children at school are given time off to attend parent-teacher interviews. Lectures and talks have been given to those parents on site, at the place of work, to encourage them and get them to understand why they need to be there. It is some of those really simple things that can be brokered, and I think there is a whole raft of potential —

The CHAIR — That is a fantastic model.

Mr WILSON — programs like that. We can sit down, and I think they need to be workshopped. That one there does not need lots and lots of money to make it work. It has industry support, but I think state government has a key role in actually facilitating that.

The CHAIR — It gladdens my heart to hear about a model like that, because that is so practical.

Mr WILSON — I will get you a copy of the annual report, if you like.

The CHAIR — Thank you very much for that.

Mr ONDARCHIE — As a former board member of the Western Melbourne Regional Economic Development Organisation — the predecessor to yours, Anton — there have been people who have come before us and talked about or questioned the value of a rail link to Avalon and about Avalon as a second major airport. I thought you would be a big fan of that. I would like to hear your views about that.

Mr MAYER — I am a fan of Avalon because it is more than just an airport. They become hubs for employment. You look around at what is happening at Melbourne Airport today, and Avalon has that real potential to offer that for that whole growth corridor in the outer west going across to Geelong. It has been hamstrung a little bit at this stage, I think, with some tough planning regulations brought about by its being a sort of defence airport. I think it has made it difficult for the operator of the facility to get approvals to build terminals and so forth, absolutely. It could and should be not only a viable second airport for Melbourne but a major centre for aviation-related businesses.

I think Richard Dalla-Riva has a discussion paper out looking at the establishment of a national aviation services precinct. Certainly sites that would really come to mind as a highly central location for something like that — obviously Essendon Airport does have appeal, but if you are looking at balancing the needs of growth areas with high-end potential manufacturing, I would be looking at something like that at Avalon, because if that is where you put your services precinct, it is just the sort of skill set the west would be well placed to move towards, so I think it would be great outcome to grow that sort of business out of Avalon.

Mr LUXFORD — If I can just add to that, in a previous life I attended the airport cities conference in Dallas, just looking at some of the examples of airports around the world that have been able to leverage significant economic development not just within the airport itself but beyond and in local areas to attract businesses that are working in those time-sensitive sort of fly-in, fly-out operations. They will fly laptops in overnight, get them repaired on site or near site and then fly them back out to the consumer next day. So the ability to leverage jobs at a major international airport is significant.
The CHAIR — We have run out of time. We will have to draw our time together to a close, gentlemen, but Mr Wilson, Mr Mayer and Mr Luxford, we appreciate your input and value it. Thank you very much for coming along and making this contribution to us today.

Mr WILSON — Thank you. We appreciate it.

Witnesses withdrew.