

## Newsletter February 2009



### LeadWest Membership changes

The recent Council elections saw a change in Council Directors to LeadWest. LeadWest would like to express its thanks to departing Directors – former Councillors Ben Opie, Chris Pappas and Ken Capar and extend a warm welcome to three new LeadWest Council Directors – Cr Margaret Giudice (Brimbank City Council), Cr Ange Kenos (Moonee Valley City Council) and Cr Garry Stock (Melton Shire Council).

### LeadWest welcomes Western Bulldogs on board as Members



LeadWest is pleased to advise that the Western Bulldogs have joined LeadWest. The Western Bulldogs are major players in supporting a range of community development initiatives in the west. This new alliance shares many common aspirations in securing a better future for Melbourne's west.

### Leadwest attends High Productivity Vehicles Briefing



The MAV hosted a forum on Higher Productivity Vehicles (HPVs) on Wednesday 25 February. The forum provided Councils with the latest information on HPVs, their relevance to State and Federal transport strategies and also discussed options for a united local government position.

It should be noted that HPVs cover a large range of vehicles of which 'B triples' are a small component. Local road access and local amenity were also amongst the issues explored at the forum, which was opened by Minister for Roads, The Hon Tim Pallas. A range of industry and local government speakers were also present.

### Metro Transport Plan

The MAV held a meeting on Wednesday 11 February to discuss the involvement of local government in the development of the metropolitan element of the Victorian Transport Plan. The aim of the meeting was to agree on a shared approach in conjunction with the State

Government. Given overall long term targets, there are significant benefits in local and State Government collaborating to develop joint objectives and strategies for metropolitan-wide transport planning.

### LeadWest's AGM to be held in April

LeadWest's Inaugural Annual General Meeting is scheduled for Wednesday 8th April and will be held at the Moonee Valley City Council Offices.

### Leadwest & HealthWest Partnership to forge Strategic Ties



LeadWest and HealthWest have endorsed entering into a MOU in an effort to develop a coordinated approach in addressing the significant health challenges facing the residents of Melbourne's western suburbs. The MOU will be formally signed by the end of March 2009.

The drastic shortage of GPs and other medical staff, high levels of diabetes and under funding of western region human services are the key issues facing our region.

Securing additional funding to support the expansion of Western Hospital in Brimbank is vital in supporting the western suburbs population explosion.

### LeadWest meets with Minister for Industry, Trade and Industrial Relations, MLC Martin Pakula

LeadWest's CEO briefed the State Member for Western Metropolitan, MLC Martin Pakula, on the outcomes achieved by LeadWest during 2008 and the future strategic priorities and business plan goals for 2009.

Supporting jobs growth and stimulating economic development are seen as key imperatives as are addressing the western suburbs education, skills and training deficiencies.

### LeadWest and Western Melbourne Tourism (WMT) Review 2009 Priorities

LeadWest continues to work closely with WMT to roll out key initiatives to develop the tourism sector in Melbourne's



western suburbs. Already a major employment area, particularly for younger people, the tourism sector has the potential to further grow its capacity on the back of growing visitor numbers attracted to the key tourism destinations offered in the west.



**Leadwest CEO Briefed on Linfox Development Plans at Avalon Airport**



LeadWest's CEO met with head of Linfox Airports regarding their expansion plans for Avalon airport. Avalon, already supporting domestic budget airline Jetstar, is looking at upgrading facilities and related infrastructure in order

to support their quest to attract International services.

Linfox will seek the support of both Leadwest and the Geelong Region Alliance – G21 to capture both State and Federal Government support in the provision of enabling infrastructure.

In addition to expanding its air operations at Avalon, Linfox is also interested in expanding into retail services and commercial offices to capture further opportunities. Already employing approx 1300 people, Linfox at Avalon is a significant western region employer and engine of economic growth.

**Leadwest contributes to development of Brimbank Community Plan**

LeadWest participated in key stakeholder consultations in the development of the Brimbank City Councils Community Plan.



The Community Plan will provide the road map to guide resource prioritisation in the delivery of key infrastructure and general services for Brimbank's rapidly growing and ethnically diverse community

**LeadWest joins Greater Western Chamber Of Commerce & Industry ( GWCCI )**

LeadWest has joined one of the western suburbs key business support groups. GWCCI has a broad membership base spanning many of the key employment sectors in the west and host a regular series of business improvement briefings and workshops.

With an aim of assisting local enterprises grow their businesses and create more jobs, LeadWest was eager to lend its support to this body's mission on behalf of businesses located in the western suburbs.

*The Greater Western Chamber of Commerce & Industry aims to be the business community forum for Melbourne's West - encouraging growth and leadership through accessibility, connection, innovation and information.*



**Melton Shire – Be Surprised**



Melton Shire is one of the fastest growing municipalities in Australia, offering the best in urban and rural lifestyles. With 73 % of the 91,000 strong population under 45 years of age, there is a sense of renewed vibrancy in the community making Melton Shire an exciting place to live.

Under the Melbourne 2030 strategy, the Victorian Government has approved a new development area south of Melton Township called Toolern. Toolern will be an entirely new community and home to up to 100,000 people over the next 20 years.

The expansion of the Toolern Industrial Park and other commercial areas take advantage of Melton's strategic position close to Melbourne Airport, Melbourne and Geelong ports and national freight routes.

Melton Shire is also Victoria's leading equine municipality and the home of harness racing with the Melton Harness Racing and Entertainment Complex, Tabcorp Park, opening early March 2009.

Melton Council is striving to create an environment that will attract business and provide employment and choice to the growing community.



**Leadwest supports Export Push for Western Businesses**

LeadWest's CEO participated in an export forum / breakfast briefing directed at raising the level of export engagement of Western Melbourne businesses. Hosted by the Western Export Network in partnership with Austrade, over 100 businesses drawn from across the west were able to listen to case studies from successful local exporters and network with key local providers of export related services.

**LeadWest contributes to evaluation of Connex Stakeholder strategy**

Leadwest's CEO participated in Connex's key stakeholder evaluation feedback, to measure the quality of Connex's relationship with individuals and organisations. In particular, the evaluation looked at four key dimensions of relationships: trust, commitment, satisfaction and mutuality of control.



**LeadWest & WAGA meet with Senior Advisors of Senator Kim Carr**

LeadWest's CEO and the Executive Officer of the Western Alliance For Greenhouse Action ( WAGA ) met with key advisors of the Federal Minister for Innovation, Industry, Science and Research, Senator Kim Carr. The meeting, arranged by LeadWest, provided the opportunity for

LeadWest and WAGA to brief Kim Carr's advisors on industry developments in Melbourne's west focusing on sustainability. The advisors were extremely supportive of the work WAGA had undertaken in mapping the roofs (specifically industry and business) for use in collecting solar energy, feeding back into the grid, as well as utilising the large warehouse roofs for water catchment. The meeting also gave LeadWest the chance to explore areas of support and funding to underpin a climate change forum.

Western Melbourne is significantly exposed to the policy implications of the government's "White Paper" on greenhouse emissions and needs to embrace Federal Government support and assistance measures to "retool" for a more sustainable future.

### Emissions Trading Whitepaper

The Australian Government has released its Carbon Pollution Reduction Scheme (CPRS) Whitepaper, due to commence on 1 July 2010. The Whitepaper re-affirms the Government's commitment to reduce national greenhouse gas emissions by 60 per cent of 2000 levels by 2050, with a 2020 unilateral target of 5 per cent reduction or around 27 per cent on a per capita basis.

It states that the Government would commit to a 15 per cent reduction only if developed countries across the globe made similar commitments. While a start, commitments ranging from 5 to 15 per cent across the developed world only provide a chance of stabilising greenhouse gas emissions at 550 parts per million carbon dioxide equivalent (ppm CO<sub>2</sub>-e) and nowhere near the 25-50 per cent emissions reductions required by 2020, or 80 per cent needed by mid century, for the world to aim to avert "dangerous climate change as associated with a global average warming of 20 C or 450ppm CO<sub>2</sub>-e.

The Prime Minister stated that he would seek a mandate from the people of Australia to commit to a 450ppm CO<sub>2</sub>-e goal. In working toward the 5 per cent commitment, the Whitepaper indicates a modest increase in over-all living costs from when the CPRS is introduced. Electricity bills are expected to increase \$4 per week and gas / other fuels by \$2 per week. A \$6 billion assistance package per year on going, as generated from the sale of emissions permits, is proposed to offset the full costs for low income earners and partially for middle income earners. The paper identified emissions from landfills to be included in the CPRS from 2010 however, legacy emissions will be excluded until 2018.

### LeadWest to host Climate Change Forum - Impacts for Western Melbourne Business

Western Alliance for Greenhouse Action ( WAGA ), Maribyrnong City Council ( MCC ) with LeadWest's support is looking at staging a Climate Change Forum



in the second quarter of 2009 targeting western Melbourne businesses.

The issue continues to be a priority agenda for both Federal and State government policy makers and is being increasingly embraced by western Melbourne Councils.

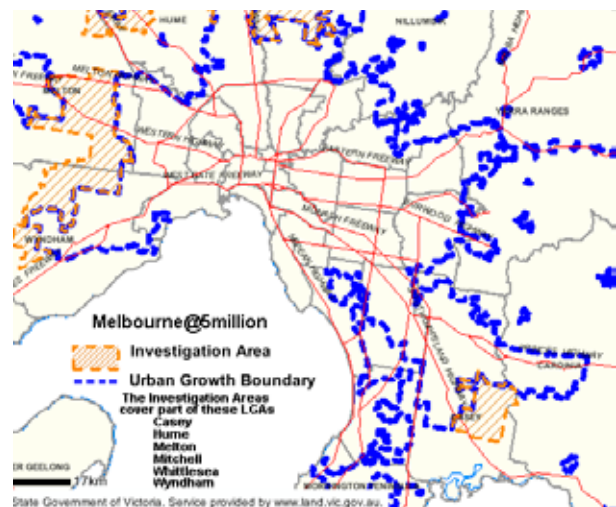
It is proposed the Federal Climate Change minister Hon Penny Wong will be the keynote speaker at this breakfast briefing.

### Melbourne @ 5 million

The State Government recently announced *Melbourne @ 5 million*, a planning update to Melbourne 2030 in light of the Victoria in Future population projections. Based on the 2006 census, the projections show that from 2006 to 2036 Melbourne will grow by 1.8 million people, and regional Victoria by almost half a million. Key aspects include –

- a review process to expand the Urban Growth Boundary (UGB) by September 2009;
- reforms to council infrastructure charges in growth areas;
- payment of a one-off Growth Areas Infrastructure Contribution (GAIC) by landowners able to develop their land inside the revised UGB; and
- removal of the 2005 state developer infrastructure contribution for land that was within the boundary prior to 2005.

The State will also invest in five newly designated Central Activity Districts (CADs) at Broadmeadows, Box Hill, Dandenong, Frankston, Footscray and Ringwood to better distribute jobs and activity away from the single CBD-focused city structure. The MAV is seeking further information on the implications of CADs for councils and the criteria and operation of the Growth Areas Development fund. Victoria in Future 2008 and *Melbourne @ 5 million* are available online at [www.dpcd.vic.gov.au/planning](http://www.dpcd.vic.gov.au/planning).



## Western Bulldogs Sign Up Mission Foods as Major Partner

In late January the Western Bulldogs announced that Mission Foods had been signed as the Bulldog's major partner for the next three years. Mission Foods is a leading worldwide manufacturer of flatbreads and corn flour products and is engaged primarily in the production, marketing, distribution and sale of tortillas, corn chips, wraps, flatbreads, corn and wheat flour. The partnership with the Western Bulldogs is part of Mission Food's campaign to establish their brand in the Australian market and lines up with the national introduction of their products in supermarkets from 19 January 2009.

Mission Foods has operations spanning in Mexico, the US, Central and South America, UK, Asia and now Australia and exports to 90 countries worldwide. Mission Foods manufacture over 25% of the world's flatbreads and wraps.

## Western Region Education & Skills Conference 2009

LeadWest Directors have endorsed LeadWest in partnership with Victoria University and other key western region education and training sector stakeholders to stage a Western Region Education & Skills Conference in the third quarter of 2009.



The issue of skills and raising education standards was seen as a key regional imperative in LeadWest's Business Plan 2008 / 2009 as well as a key

underlying theme of the LeadWest Western Agenda.

The Education and skills base of the western region's community is low and building a strong skills base is a crucial issue. The western region has the lowest rate of tertiary qualified graduates in metropolitan Melbourne. The skills shortfall in this area requires local employers to import approx \$2.8 billion of high end skilled staff. In addition the west faces low school retention rates and the highest youth unemployment rate in metropolitan Melbourne.

A concerted effort is needed to be made to raise education and skill levels in the region so as to better improve future employability and improve student access to a range of education facilities.

## LeadWest CEO meets with Learning & Innovation West

LeadWest's CEO met with stakeholders representing the education sector in the west to develop strategies and secure media attention on the highly important education and skills agenda in Melbourne's western suburbs.

With economic conditions and employment levels likely to be impacted negatively the case for a heightened focus on skills development is seen as requiring strong government support.

## LeadWest Directors to Tour Port Of Melbourne

LeadWest Director and members will undertake a tour of the Port of Melbourne to gain a better understanding of this organisations pivotal role in underpinning the growth of the Victorian Economy.

As Australia's busiest port, the Port of Melbourne has been undertaking significant expansion and upgrade of its major shipping channel into the Port to support more efficient ships being able to use the port facility.

As a major creator of jobs across for Melbourne's west this key enterprise is a stakeholder to support the west of Melbourne's continued development.

## State Government Priorities for 2009

Premier Brumby has delivered his Statement of Intentions outlining the Government's priorities for 2009. Top of the State's agenda are jobs creation and building of new infrastructure to stimulate the economy.

Other key initiatives to address current financial, social and environmental challenges include

- further streamlining of business regulation;
- a new green economy and jobs action plan;
- development of a Victorian Integrated Housing strategy;
- a new Blueprint for Regional Growth;
- reforms to address alcohol and community safety;
- a Future Energy Statement; and
- a new White Paper on land and biodiversity.

The Premier also announced planning reforms to speed up development, including a rolling audit of pending projects to identify where the use of ministerial call-in powers may deliver a 'net community benefit' through jobs creation.

## Community Infrastructure Boost - \$500 Million

The Commonwealth Government has announced in February 2009 an additional \$500 million over two years to fund projects submitted for the competitive strategic component of the Regional and Local Community Infrastructure program. Only applications made to the first \$50 million tranche of funding will be eligible for the new funding commitment. In addition, the mini-budget allocated an additional \$90 million over two years for the Black Spot program. Other measures announced in the \$42 billion stimulus package aimed at maintaining employment were payments of \$950 to individuals and families, \$14.7 billion for school infrastructure and maintenance, \$6.6 billion for community housing, \$3.9 billion to improve the energy efficiency of Australian homes, and a \$2.7 billion reduction in taxes for small businesses. The package has been passed in the House of Representatives and is being considered by the Senate.



## LeadWest Participates in Telecommunications Society of Australia (TSA) Awards Night

LeadWest attended the TSA awards ceremony recognising excellence in the area of telecommunications technologies. Senator Stephen Conroy, Minister for Broadband, Communications & the Digital Economy officiated at the event and delivered the keynote address.

## Expert Panel Submits Report on National Broadband Network Submissions

The Minister for Broadband, Communications and Digital Economy, Senator Stephen Conroy recently announced that the final report from the Panel of Experts on submissions to the National Broadband Network process has been received.

The Minister stated that the receipt of this report marked a significant milestone in the NBN process: "The Government is now considering the Panel of Experts' report. Until this point, the evaluation of proposals received in the National Broadband Network process has proceeded at arm's length from the Government. The Government had not seen the contents of any proposal, nor had it received detailed briefings on any proposals from the Panel of Experts. The Government will give this serious and detailed report careful consideration."

The Minister emphasized that while the Government had now received the final report of the Panel of Experts, the NBN process and associated probity requirements remained active. The disclosure of the contents of the Panel of Experts' report before the completion of the process, particularly any negotiation phase, had the potential to prejudice the outcome of the process. As such, the Government would not be commenting on the contents of the report.

The Minister also took the opportunity to congratulate the Panel of Experts for their contribution to the NBN process: "The Panel has made an invaluable contribution to the realisation of the Government's commitment to the roll out of the National Broadband Network."

The Minister also acknowledged the important contribution to the process by the Australian Competition and Consumer Commission which had provided its own report as input for the Panel's consideration.

## LeadWest meets with Melbourne Water at Western Treatment Plant

LeadWest CEO met with officials of Melbourne Water at their Werribee Treatment facility to look at the latest technological developments at water treatment and explore options for the greater use of treated water for local application.



## Telecommunications Infrastructure

The following is a summary of a recent AIG survey that concluded that Australians have begun to realise the contribution that telecommunications and competitive media can make to the development of a prosperous and socially viable nation. "With the public realisation of the impact telecommunications has on their day-to-day life, the topic of broadband has now moved to the centre of the policy agenda."

The survey determined that Australia's information policy should be modified to achieve real competition across the 'four digital doors' of telecommunications infrastructure. It surmised that Broadband competition should come from and within:

- copper telephone lines (ADSL and VDSL)
- wireless systems (mobiles, WiMax, satellite)
- hybrid fibre-coaxial (HFC) cable
- fibre systems (including FTTN)

with each of these digital doors having the potential to produce fast broadband and the services that go with it over a range of platforms. It was felt that there would be less need for regulation of any one door if all four doors were competing. To this end, many industry commentators were concerned that we seemed to be bogged down in a technologically exclusive debate about a 98 per cent rollout of FTTN rather than investigating how to deliver the best information services to customers in differing situations and creating maximum competition opportunities between broadband infrastructure systems.

It emphasised that access, pricing and other forms of regulation had to facilitate investment as well as competition. NGN deployment required substantial, long-term sunk investments and this left investors vulnerable to regulatory holdup. It felt that in many ways the current tender process was not necessarily the best way, as it ran the risk of "picking winners". It suggested the government may be better advised to fix the current regulatory regime and then let investment decisions flow (including the decision about whether to deploy FTTN). The report further suggested a subsidised (\$4.7 billion) FTTN rollout would be unnecessary given the potential of mobile and satellite systems and the chance to blend and extend existing fibre cables with wired and wireless systems in the bush. It felt that the design of the National Broadband Network (NBN) should also consider applying a different regulatory approach to different geographic areas, differentiated according to population density and commercial opportunity.

The structural separation of Telstra was considered an unnecessary risk and undesirable as there were distinct investment coordination advantages and other vertical synergies from owning a network and retail telecommunications business. Most critically, it saw separation as creating challenges in the coordination



of operational and investment decisions – a particularly acute problem given the scale and progressive nature of the NBN rollout. However, in order to achieve horizontal competition in telecommunications and particularly broadband, the report felt the successful bidder for the tender should be required to divest all its shares in its coaxial cable systems.

Mobile networks were seen as possible competitive constraints on fixed networks. The report concluded that there was viable competition from Telstra, Optus, Vodaphone and 3 on wireless broadband and regulation should be crafted to provide the right incentives to invest. A generous access regime would not meet this objective. Substantial further investment would be required to possibly take fibre beyond the node to the premises.

The report felt that many commentators would argue against the development of a single national solution. The Federal Government's tender process involved a clear technological preference. The concern was that the government may be cutting off options for tailoring and economising based on locations. Cable could now deliver speeds up to 40 Mbps and wireless technologies were improving constantly (speeds up to 100 Mbps under development). While non fibre solutions may not be technically superior to fibre, given the cost of a new rollout, they could be economically superior to fibre. It found that users are also changing their preferred mode of accessing the internet – with a preference for convenience over speed evidenced by in home choices of WiFi over higher-speed wired access and the popularity of iPhones.

The report concluded there were clear regulatory issues surrounding broadband that needed to be resolved. In Australia the opportunity for intermodal competition was reduced by –

- a) the two cable television networks being in the hands of Telstra and Optus, and not controlled by parties independent of the major telecommunications carriers, and
- b) the largely aligned coverage areas of 2.5 million households in aggregate and the decision by Optus to retire its network and deliver broadband services using Telstra's mandated and unbundled local loops (ULLs) service.

It saw that any provider proposing a fibre to the node network would also need access to the copper tails of Telstra and backhaul services from the exchange. This meant that open access to the conduits that house the fibre along our streets would be needed as would a regulatory structure that allowed continued supply of existing basic broadband and ADSL services by their current suppliers ('back stop' competition). 'Interoperability' between different technologies needed to be built in so that connections by alternative suppliers were possible at the exchange, node and street. It felt that restrictions on competition under the name of preventing over-build should also be resisted.

Finally, broadband was not seen as just about the basic infrastructure. To provide value to consumers there were other parts that require attention – most notably broadband applications.

### **LeadWest Chairman tours Eynesbury Development**

The Chairman and CEO of LeadWest visited the GEO Properties "Eynesbury Residential / Lifestyle Development" located in the Shire of Melton.

Forty minutes from the CBD, Eynesbury will be a township with a rural flavour.



It will have a town centre, schools, bank, postal services, shopping precincts and eateries.

The state of the art development encompasses extensive adoption of sustainable technologies including extensive use of treated water for widespread use within the development via access to Western Water's Surbiton Park Treatment Plant.

### **LeadWest participated in a "Employment Futures Workshop" run by DPCD**

DPCD convened a workshop for outer metropolitan Councils on February 4 2009 on the Employment Future of Melbourne. This workshop was intended to introduce discussion on employment and jobs development issues and provide input into the development of an employment issues paper, following the release of Melbourne @ 5 million.

Presentations were delivered by key growth Councils, VECCI, Small Business Victoria, Delfin, Growth Area Authority, Dept of Transport and Vic Urban.

### **LeadWest CEO met with VU and Swedish Local government delegation visiting Melbourne**

LeadWest provided a briefing on regional development issues to a visiting delegation of Swedish Local Government officials.

Victoria University facilitated this visit that enabled the Swedish delegation to look at best practice examples of local government service.

