



Setting the direction for Cockburn's economy:

A discussion paper

July 2014

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The role of this discussion paper

The aim of the discussion paper is to provide the basis for community and stakeholder discussion to inform the preparation of an economic development strategy for the City of Cockburn, including:

- How can the City best support local industry, businesses and local jobs?;
- Stimulating discussion and encouraging ideas to strengthen the sub region's economy, and;
- Identifying new issues that are important to the future of the area.

The discussion paper summarises the findings of the draft Economic Development Directions Strategy adopted by Council for the purposes of community consultation at the 12 June Council meeting.

This discussion paper and the *draft Economic Development Directions Strategy* is structured around 2 discussion points :

- Where are we now?
- What is our vision and priorities?

The final section outlines - Where to from here.



We want your ideas and comments

Online or in writing

Any person wishing to make comment on the Draft Directions Strategy and the Discussion Paper should do so in writing and lodge it with the City addressed to the Chief Executive Officer, or online via www.cockburn.wa.gov.au/OnlineSubmissions on or before 5 September 2014

Chief Executive Officer,
City of Cockburn,
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Bibra Lake 6965.

Questions

If you have any queries please phone Rachel Pleasant – Senior Strategic Planner 94113448.

This discussion paper is supported by a draft Economic Development Directions Strategy of which can be viewed at the City's administration building or online at -

www.cockburn.wa.gov.au/DEDDS

Why do we need an economic development strategy?

The Cockburn community places the highest level of importance on planning for economic development and the long term liveability of our region within Cockburn’s collective vision for the future by stating its aspiration as - *‘To make the City of Cockburn the most attractive place to live, work, visit and invest in, within the Perth metropolitan area.’* (City of Cockburn Strategic Community Plan 2012 – 2022).

The City has responded to this desire by identifying the need to undertake a strategic approach towards economic development (Corporate Business Plan 2012/13-2016/17). As a result, the Directions Strategy is the first step in identifying an integrated approach towards planning for the future economy of the Cockburn region and to provide direction for the preparation of an Economic Development Strategy.

Given Cockburn’s location within the South-west growth corridor, planning over the last 25 years has largely been growth orientated with large tracts of greenfield sites developed for residential

development and the infrastructure required to support this growth. As an example of this growth, there has been an increase of 29,422 residents in the last 10 years (ABS 2014), seeing Cockburn grow from 73,929 to 103,351 residents and a focus on the delivery of large, regionally significant projects including Cockburn Central (Thomson’s Lake Regional Centre), Southern Growth Suburbs, Cockburn Central West, Muriel Court and the emerging Cockburn Coast development. Active planning of key developments has also seen the delivery of new jobs and services including the industrial precincts of Bibra Lake Estate (addition of Cockburn Commercial Park and Phoenix Business Park), the Australian Marine Complex and Jandakot City. While forecasts indicate a strong future for Cockburn, growth attributable to greenfield development is expected to slow towards 2022, as the City transitions towards growth mainly attributable from urban infill and revitalisation.

This slow in growth is likely to see a change in focus for the City, moving away



Figure 1: Draft Integrated Planning Framework - proposed hierarchy incorporating economic development.

from its major land and infrastructure delivery role, to having to provide a greater focus on supporting Cockburn's key strategic industries and local businesses of which have arisen as a result of these developments. This will include identifying an approach to support the regions key strategic sectors and to enable more Cockburn residents to work closer to home rather than commuting to distant employment centres.



Above: The emerging Cockburn Central Regional Centre provides a mix of residential and commercial uses with good links to a range of transport options.

Emerging Council amalgamations demonstrate the need to undertake a regional collaborative role and a shared, coordinated approach beyond the City's current boundaries. Now is an opportune time for the City to consider in practical terms where it sits in terms of achieving the community's vision for the future, confirm where we want to be, and decide collectively how we will get there.

At a national level, factors that have contributed to economic change include a strong Australian dollar, the emergence of the digital economy and online markets, the expansion of Asian economies and economic challenges in Europe and the

United States, demographic change such as an ageing population, and competition within Australia for particular types of skilled labour. As the economy transitions, some industries face greater competitive pressures while for others, opportunities arise.

One of the key challenges for Cockburn will be how to take advantage of opportunities to achieve sustainable economic growth into the future.

Cockburn's integrated planning framework

Economic development is not a standalone function therefore it is important to understand where the Economic Development Strategy will sit within Councils existing strategic planning framework so that it may synergise and inform other key documents. Figure 1 presents a draft amendment of an Integrated Planning Framework incorporating the economic development strategy. This framework emphasises importance of an Economic Development by identifying it as an overarching strategy, above Cockburn's informing strategies.

The importance of economic development planning and local governments role.

A successful local economy is a key driver of the wellbeing of a community. As a result, Council has an important role to play in promoting and facilitating economic development for local businesses and supporting the City's residents through the provision of jobs and services.

Given the close relationship with residents and the business community, Council is in a unique position to identify economic development initiatives in order to capitalise on opportunities for growth. Further, the development of an economic development strategy is an important part of gaining an understanding of roadblocks and the prioritisation of resources to support the continued growth of strategic employment within the City, including how we plan and support the growth of our activity centres.

Traditionally, Councils commonly involved in economic development have focused on land use planning, infrastructure and business attraction initiatives such as marketing and investment attraction. However it is becoming increasingly common for Councils to undertake more strategic economic development functions.

As economies become more complex, many are realising economic development is a specialised responsibility. This is a result of greater community expectations with regards to such things as the identification of employment and business challenges and opportunities, globalisation and competition between regions, the emergence of online services, and decentralisation of economic development roles from higher levels of government.

The structure of this discussion paper

A literature review and background analysis was undertaken and is presented within the draft Economic Development Directions Strategy. The following provides a summary of these findings. Page 9 and 12 poses the discussion

paper's questions. Therefore should you wish to read more about the analysis undertaken or any of the points presented here, please refer to the draft Economic Directions Strategy on the City's website.

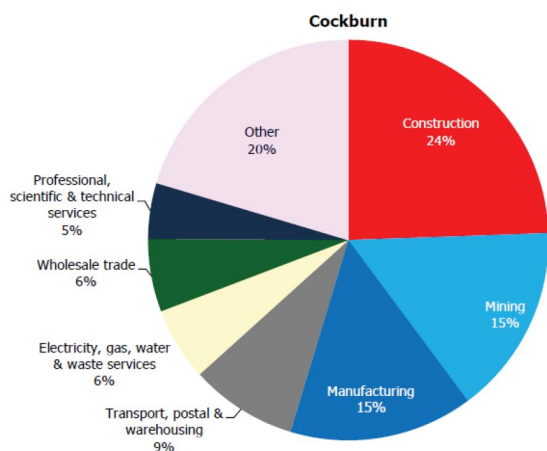
Economic trends and challenges

Sustainability aims and strategies at the local level are commonly seeing integrated approaches when planning for the economy, social cohesion and the environment. Integrated approaches assist in addressing broader inter-related social, economic and environmental forces. For Cockburn, some of these relate to:

- Globalisation, including global markets- demand and competition from emerging economies;
- The rapid development of the digital and knowledge based economy;
- Changes to population growth, including an ageing and growing population, and changes to overseas and interstate migration;
- Employment and occupation changes; and;
- Housing affordability.

A wide range of economic development focused actions can be undertaken and the City already performs some of these activities in its current processes. A key objective in developing an Economic Development Strategy will be to analyse and refine the greatest opportunities for job generation by managing the region's strengths and trends as they occur in the National and Global environment.

Industry and Cockburn's 6 key strategic sectors



Above: Structure of Cockburn's economy 2012/13.

Analysis of Cockburn's economy provides insight into a strong and growing regional economy. A focus of the analysis is the presence of strategic employment (the transfer of goods and services to an external market) and Cockburn's 6 key strategic industries.

The largest of these is *Other Transport Equipment Manufacturing* due to the agglomerations of marine manufacturing enterprises located at Henderson (including the Australian Marine Complex).

Other major industry segments directly involved in the creation and exportation of goods and services to external markets that include significant numbers of strategic jobs includes:

- *Basic Ferrous Metal Product Manufacturing;*
- *Basic Ferrous Metal Manufacturing, and;*
- *Cement, Lime, Plaster and Concrete Manufacturing.*

Key export support industries employing significant numbers of strategic workers include:

- *Architectural, Engineering and Technical Services, and;*
- *Management and Related Consulting Services.*

The City recognises it can play a collaboration and advocacy role to support these industries of which are particularly important to the local economy due to:

- Unlike population driven employment there is no saturation point for strategic employment;
- The strategic economy has the potential to result in greater flow-on benefits to the local economy, and;
- Strategic economic activity tends to result in high wage-productivity for employees and significant business opportunities for small to medium businesses.

The digital and knowledge based economy

Closely aligned to economic development is the need for the City to consider the development of a Digital Strategy (Corporate Business Plan 2012/13-2016/17). Emerging technologies associated with high speed broadband are seeing local governments across Australia develop digital strategies to improve, for example, the efficiency of internal administrative functions and to assist industry and businesses to leverage off this improved infrastructure so as to compete on a metropolitan, national, and global playing field.

Given services and jobs are being delivered electronically, knowledge intensive jobs in particular have the ability to move offshore and therefore be subject to global competition.

Currently there is a disproportionate

level of high-quality knowledge-intensive jobs outside the Perth Central Area. The City of Cockburn Local and Commercial Activity Centres Strategy identifies approximately 13,900 to 27,400 additional jobs within the South-west Sub Region need to be Knowledge Intensive Export Oriented (KIEO) in nature by 2031. Further stating that the right mix of employment will contribute strongly to the maturity of Cockburn's Activity Centres and further highlighting Cockburn Central Regional Centre in particular as having the potential to offer knowledge intensive consumer services such as education, healthcare, and strategic services to a regional, state, national, or international economy.

High speed internet delivered through the NBN network is now available to several suburbs within the City of Cockburn (Port Coogee, Hammond Park, Aubin Grove, Cockburn Central and parts of Latitude 32). The most recent reports from the State Government and NBN Co suggest a delay in the roll out of high speed internet for brownfield sites, however the roll out is continuing as planned for greenfield sites. Nevertheless it is anticipated high speed broadband will be available in the near future to all households in Cockburn.

Given the emergence of new technology and the vital role established surrounding planning for 'high-quality knowledge-intensive jobs', the City needs to identify the level of investment and the roles it wishes to undertake to leverage off the new emerging opportunities.

The Corporate Business Plan identifies the need to develop a Digital Strategy. Typically the role of a Digital Strategy identifies strengths and challenges regarding economic diversity, digital confidence, infrastructure and services,

innovative digital businesses, assets and key employment sectors. Commonly, examples of Council digital strategies include key actions such as:

- Leadership actions – promotion and branding of the region;
- Engage, leverage and partner with innovation initiatives including those of the State Government, the Federal Government and global technology companies;
- Creation of digital hubs;
- Create digital resources and services that benefit key employment sectors;
- The creation of a digital officer role;
- Creation of digital policies and frameworks;
- Education and training in the community;
- Leadership programs including working with schools as it is the next generation that will see the reality and benefits of the current plans;
- Plan and deliver capacity building programs;
- Identify and promote local Digital Business Champions;
- Online directory of businesses;
- Build capacity for home businesses;
- Build capacity for key sectors;
- Investigate the creation of a virtual and physical space that provides opportunities for start-ups;
- Develop a roadmap of support mechanisms from student projects to high growth companies, and;
- Promotion of the City as an attractive place to do business.

Emerging sector - tourism

The City of Cockburn Corporate Business Plan identifies the aspiration to prepare a Tourism Strategy. Tourism is a sector that can have a significant flow on effect for many businesses and residents. Projects that may be the focus of a tourism strategy include:

- The enhancement of coastal activities and functions along Cockburn's coastline, including Cockburn Coast and the potential for an ocean pool;
- Port Coogee, Perth's newest marina environment and its planned mixed use ocean based marina precinct;
- Cycle tourism - the enhancement of high quality cycle routes to attract the large cycle community in Perth to frequent the South West on weekends;
- Bibra Lake and wetlands related tourism/education;
- Adventure world;
- The future direction of Caravan Parks;
- Attracting short term stay developments, and/or;
- Events and attractions relating to the boat building industry and marine related activities.



Above: The Cockburn coastline presents several recreation and tourism related opportunities for the Economic Development Strategy to identify and plan for.

Activity centres

Activity centres contribute to the provision of jobs in Cockburn and provide shopping, commercial and community services. They are meeting places for the community and can commonly impact on the identity of surrounding communities, in addition to first impressions of an area for visitors to the region. As a result, a key focus of economic development in Cockburn should include planning to ensure the continued maturing of Cockburn's activity centres.



Above: Phoenix shopping centre, centrally located within Cockburn and recognised as an important District centre in the Activity Centre Framework.

The provision of the right mix of employment will contribute strongly to the maturity of our centres into the future. Cockburn Central Regional Centre, the only secondary centre within the City of Cockburn, is forecast to experience particularly strong demand for commercial floorspace to 2031. This strong demand reflects the projected high population growth for the area, the centre's existing infrastructure, and the types of uses proposed in the Structure Plan for the centre. Cockburn Central has the potential to offer knowledge intensive consumer services such as education, healthcare, and strategic services to a regional, state, national or international economy.

Support needs to be provided to business owners/stakeholders of our centres, to prepare medium to long term strategies to ensure Activity Centres mature in a way that will; ensure their sustainability, support local population, reduce escape spending into surrounding areas, and ensure we have public spaces that people want to visit.

The amenity within our centres is as much of a concern as is their function and services provided. This remains a significant issue for the future planning of our Centres.

Discussion point 1 - Where are we now?

The draft Economic Development Directions Strategy provides an analysis of:

- The sub region's economic trends and challenges;
- Industry structure and the region's 6 key sectors;
- Current status and considerations relating to our Activity Centres, and;
- Current business perspectives feedback.

The following SWOT consolidates the information presented within these sections of the draft Directions Strategy. The analysis applies the principles of SWOT (strengths, weaknesses, opportunities, and threats) to assess the position of the Cockburn sub-region.

The actions to be undertaken that can be deduced from these four elements are;

- Build on strengths;
- Eliminate weaknesses;
- Exploit opportunities; and
- Mitigate the effect of threats (Dealtry 1992: 2).

Questions

- Given the analysis provided, in addition to your knowledge, experiences and aspirations for Cockburn, do you agree with the SWOT analysis identified on the following pages?
- Are there any strengths, weaknesses, opportunities or threats that should be added, removed, or changed?
- What ideas do you have that can contribute to jobs and services in Cockburn?
- What support and services would you like to see the City provide to ensure the community and business best utilise emerging high speed internet services?

Strengths

- Sustained population growth and a growing labour pool.
- Housing development.
- Geographic position given the proximity to the Perth City Centre and the central position within the South West Group of Councils.
- Natural coast line.
- Integrated industries and supply chains.
- Large employment lands with opportunities for expansion.
- Jandakot airport.
- Internal positive attitude towards business development.
- Diverse economic base and a strong strategic employment sector.
- Strong manufacturing industry.
- Planning strategies in place.
- Central to a strong employment catchment.
- Established boat building cluster at AMC.
- Strong community planning services.
- Emerging Cockburn Central Regional Centre and Cockburn Central West.
- Waste and recycling system.
- Planning approvals and strategic planning.
- Clear vision.
- Access to health services.
- Consistent lower unemployment compared to the wider region.
- Cockburn is centrally located within the South West sub region of which is unique when considering the regions employment self-sufficiency (63%) and employment self-containment (42%), in addition to a high number of strategic workers reside within Cockburn.

Weaknesses

- Infrastructure constraints.
- Roads and traffic congestion.
- Low number of persons with an education qualification.
- Lack of affordable housing.
- No central civic centre and “central meeting place” of Cockburn.
- Loss of agricultural land and rural lands including market gardens.
- Dependence on private vehicles.
- Current performance and presentation of Activity Centres.
- Limited regional collaboration with surrounding Councils.
- Presentation of older suburbs.
- Pockets of disadvantaged (high unemployment).
- Tourism benefits unknown.
- The City structure does not include a clear function or path for economic development functions.
- Older suburbs with high unemployment.
- No formalised City economic development unit or ‘advocate’.

Opportunities

- A Civic centre for Cockburn.
- Identification of a Tourism and Events role.
- A Digital strategy for Cockburn.
- Identify strategies to attract and retain businesses that provide for high-quality knowledge-intensive jobs.
- Investigate local research and learning collaborative opportunities
- Increased local and regional lobbying, advocating the needs of local businesses
- Support local industry and cluster groups.
- Identify a strategy to support the regions 6 key sectors.
- The City to agree on an approach of which may include undertaking a mentoring and coordination role to assist business owners and local residents prepare medium to long term plans for activity centre that work upon the information prepared within LCACS. This may include developing a network of business chambers to prepare business plans to identify short-medium-long term aspirations. This will include identifying a clear vision for our centres and identifying specific measurable performance goals and milestones.
- Promote strong engagement and communication channels with businesses of major employment lands.
- Undertake a regional leadership role on infrastructure issues.
- City wide streetscape beautification strategy.
- Exploit airport.
- Foster and support innovative practices.
- Establish links between local industry and educational institutions.
- Foreshore investment/expansion of activities.
- Ensure that infrastructure requirements for the airport zone are given priority by government agencies and utilities
- The City to prepare a full costing of the infrastructure needed to meet future development and regional employment targets.
- The City to partner with other South West Councils on representations to government.

Threats

- Increased competition from online services and shopping.
- External markets.
- Emerging Council amalgamations.
- Land use related conflicts between heavy industries, residential land uses and land of environmental significance.
- Rising housing costs – lack of affordable housing.
- Environmental degradation due to increases in population.
- Ageing population.
- Economic downturn in mining sector.
- There appears to be gaps in skills and training.

“The results of the SWOT analysis review will assist the City in identifying where it should focus its efforts. However, given it is highly likely the region is going to meet the employment self-sufficiency targets outlined in Directions 2031, a key focus needs to be on improving the quality of jobs available in the City and the employment self-containment of the sub region”.

Discussion point 2 - Achieving the vision and priorities

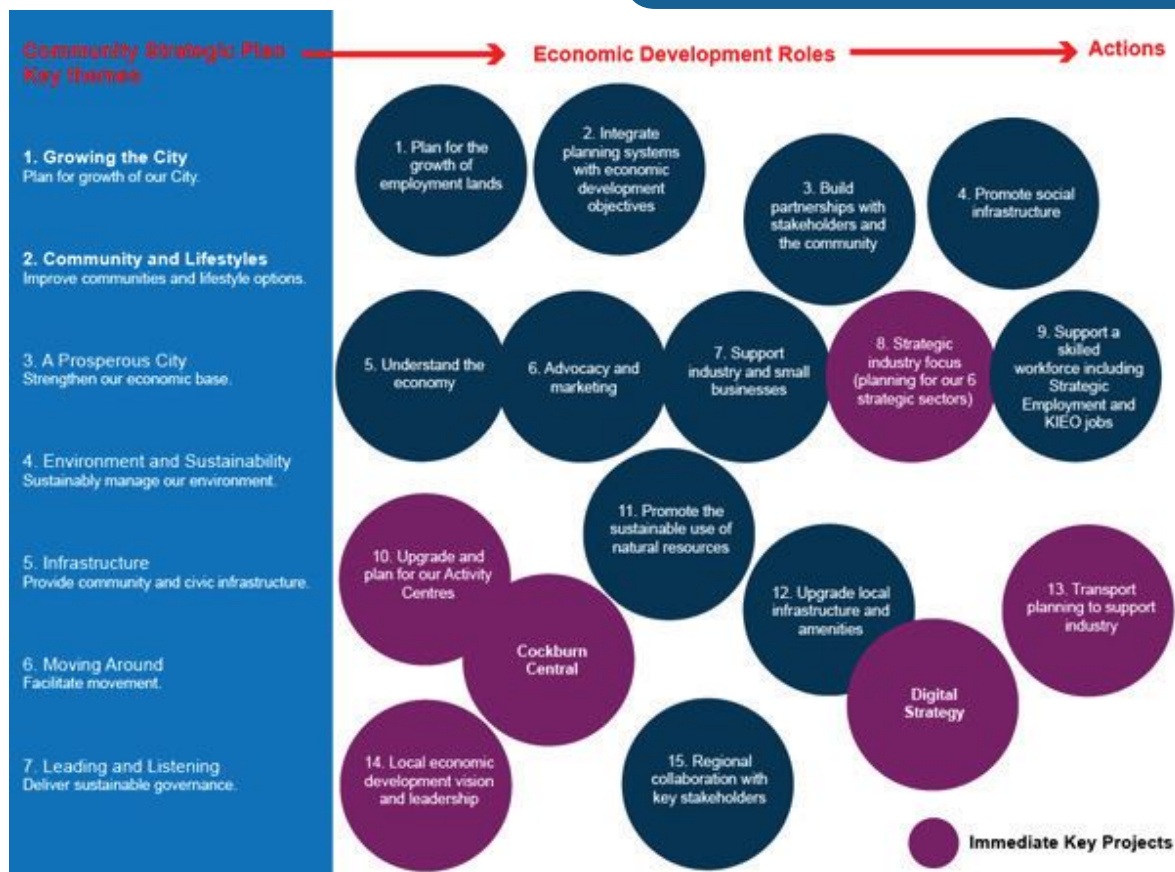
To ensure the economic development strategy contributes to and aligns with the vision for Cockburn, it is suggested an economic development framework be ultimately guided by the already established themes in the Community Strategic Plan. As a result of these themes, clear economic development roles can be established to then guide specific actions to ultimately form the Economic Development Strategy.

The figure below illustrates a draft framework of which identifies the Community Strategic Plan key themes and recommends 15 overarching economic development roles. The roles set the framework for clear actions to be identified.

Given the SWOT analysis findings, clear themes can be established to guide specific actions.

Questions

- What do you think of these overarching themes?
- What role should the City undertake to support and promote the local economy?
- What actions should the City undertake to best support businesses and employment in the sub region?
- What themes and actions should be given priority and why?



Delivering the Strategy

Local Government Reform Considerations

The emerging Council amalgamations will have an obvious influence on the scope and formulation of the final strategy. Nonetheless the approach undertaken identifies a clear framework and approach that can be adapted to incorporate a wider area. In fact this process presents a good opportunity to integrate the needs and aspirations of more than one Local Government Area (LGA), work off established frameworks, and seek to identify an approach that draws together the various needs of several communities.

Delivery and implementation

Once the City has formulated the responses to this discussion paper and the outcomes of local government reform are known, the City will embark on Stage 2 of which will likely include:

- Undertaking further analysis and consultation as required;
- The establishment of an internal economic development role at the City, and;
- The formulation of a draft Economic Development Strategy with specific actions of which will undergo further consultation.

Future consultation with stakeholders

When the City engages with stakeholders during the next stage of consultation – how would you like to be involved? The City encourages all submissions to state their interest in future consultation.

Further information

For further information, please refer to the City of Cockburn's online information tools:

Profile and economy.id – <http://www.id.com.au/profile/cockburn>

economy.id for the South West Group of Councils – <http://www.id.com.au/economy/south-west-group>

The City's Economic Development project page - www.cockburn.wa.gov.au/EDDS

