



CITY OF WHITEHORSE

Investment & Economic Development Strategy

Extension 2020–2022



Draft



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Introduction

The City of Whitehorse is located 15 kilometres east of Melbourne's Central Business District (CBD) and covers an area of 64 kilometres.

Access to the CBD from the City of Whitehorse is one of the key reasons businesses have selected the municipality as their base. They are well supported by an extensive train, tram and bus network, as well as arterial road connections, making travelling straightforward and convenient.

The municipality is strategically positioned to take the connective advantage through the Eastern Freeway and Eastlink, providing access to the CBD, Melbourne Airport, the Yarra

Valley wine and tourism region in the east and Melbourne's bayside in the south.

The City of Whitehorse prides itself on having some of eastern Melbourne's most liveable suburbs. Residents benefit from the tree lined streets and enjoy a variety of parks, gardens and bushland environments. Restaurant and café dining options are vast and inspired by a diverse range of cultures.

The municipality is also host to a range of internationally renowned education institutions and state of the art health care facilities.





Role of Local Government in Economic Development

Annually, federal and state governments develop policies and allocate resources to national, state, regional and local economic development. Local government are a key stakeholder and local leader because of its close engagement with residents and business communities.

It is therefore important that local governments carefully define the areas of strategic influence, priority focus areas, and the principles that will guide economic development in their respective jurisdictions.

The issues, opportunities and approaches taken to facilitate and promote economic development can and should differ between Councils in response to their local circumstances. It is this ability of local government to understand and respond to local conditions that give it such an important role in facilitating local and regional economic prosperity. However, it should be noted that local governments have limited jurisdiction, resources and a broad range of defined responsibilities.

Part 1A, Section 3C of the Local Government Act 1989 requires that all councils improve the quality of life of people within the local community.

Investment, jobs and the economic vitality of the municipality are all critical components in improving the quality of life for residents within the City of Whitehorse.

Legislative Framework

The Investment & Economic Development Strategy Extension 2020-2022 (I&EDSE 2020-2022) considers the primary economic objectives under the *Local Government Act 1989 Part 1A, Section 3C, Items 2 (a), (c) and (d)*.

In seeking to achieve these objectives, the role of council is further specified within the Act as providing leadership by establishing strategic objectives and monitoring their achievement.

Local Government Act 1989 Part 1A, Section 3C

- 2 (a)  to promote social, economic and environmental viability and sustainability of the municipal district.
- 2 (c)  to improve the overall quality of life of people in the local community.
- 2(d)  to promote appropriate business and employment opportunities.



Strategic Aim

The I&EDSE 2020-2022 aims to expand on the Economic Development Strategy 2014-2019 and seeks to update, simplify and better align with current and future trends.

Importantly the I&EDSE 2020-2022 seeks to affiliate with the timing of the next Whitehorse Council Vision and Plan.

The I&EDSE 2020-2022 will continue to guide Council in the following areas:

- Retain and expand local businesses.
- Attract new businesses that contribute positively to the overall enhancement of the local economy.
- Support and promote quality of life for the Whitehorse community.

The I&EDSE 2020-2022 sits under the Whitehorse Council Plan 2017-2021 Strategic Direction 5: Support a healthy local economy, and is supported by the following Council strategies, plans, and legislation:

- Whitehorse Council Plan 2017-2021
- Municipal Public Health and Wellbeing Plan 2017-2021
- Whitehorse Industrial Precinct Review 2019
- Tally Ho Major Activity Centre Urban Design Framework
- Whitehorse Industrial Strategy 2011
- Whitehorse Retail Strategy 2010
- MegaMile (West) and Blackburn Activity Centre Urban Design Framework 2010
- Nunawading / MegaMile Major Activity Centre and Mitcham Neighbourhood Activity Structure Plan 2018
- Open Space Strategy 2007
- Whitehorse Planning Scheme
- Box Hill Activity Centre Structure Plan 2007
- *Planning and Environment Act 1987*
- *Local Government Act 1989*

Mission Statement

The I&EDSE 2020-2022 incorporates a mission statement. This statement is intended to give purpose and meaning to why the Investment

and Economic Development Unit exists, and provides the foundation and guidance for strategic planning and work priorities.

The Investment & Economic Development Unit exists to direct and implement the 'Investment & Economic Development Strategy Extension 2020-2022 and beyond' focussing on improving quality of life for people living, working, studying and visiting the City of Whitehorse.



Economic Development Mandate

The four key areas of the economic development Mandate remain consistent from the Economic Development Strategy 2014-19, and will continue to guide all economic development work that Council undertakes.

The Mandate informs the manner in which the Strategic Project Areas are chosen and acted on, and are based on sound principles of sustainable economic development.

The Mandate areas include:

- Helping Businesses Grow and Prosper
- Responsible Leadership and Advocacy
- Facilitating Connections
- Promoting Sustainable Development

Strategic Project Areas

The strategic project areas are high level directions that Council commits to undertaking for the duration of the strategy period (2020 - 2022) to achieve the Mission.

The objectives associated with these project areas are detailed on page 13 - 14 of this document.

The five strategic project areas include:

1.  Investment
2.  Priority Places
3.  People, Jobs and Industry Development
4.  Regional Development and Advocacy
5.  Research, Analysis and Advisory



The Melbourne East Region

Melbourne's East is home to the Cities of Knox, Manningham, Maroondah, Monash, Whitehorse and the Shire of Yarra Ranges.

The region consists primarily of residential zoned land, with centres of knowledge-intensive and population servicing industries. These industries, as well as the increasing level of *know-how* and *human economy*, contribute in making a high-income, high-growth regional economy.

Owing to the scale of its organisations, health and education is the most concentrated sector. These organisations include;

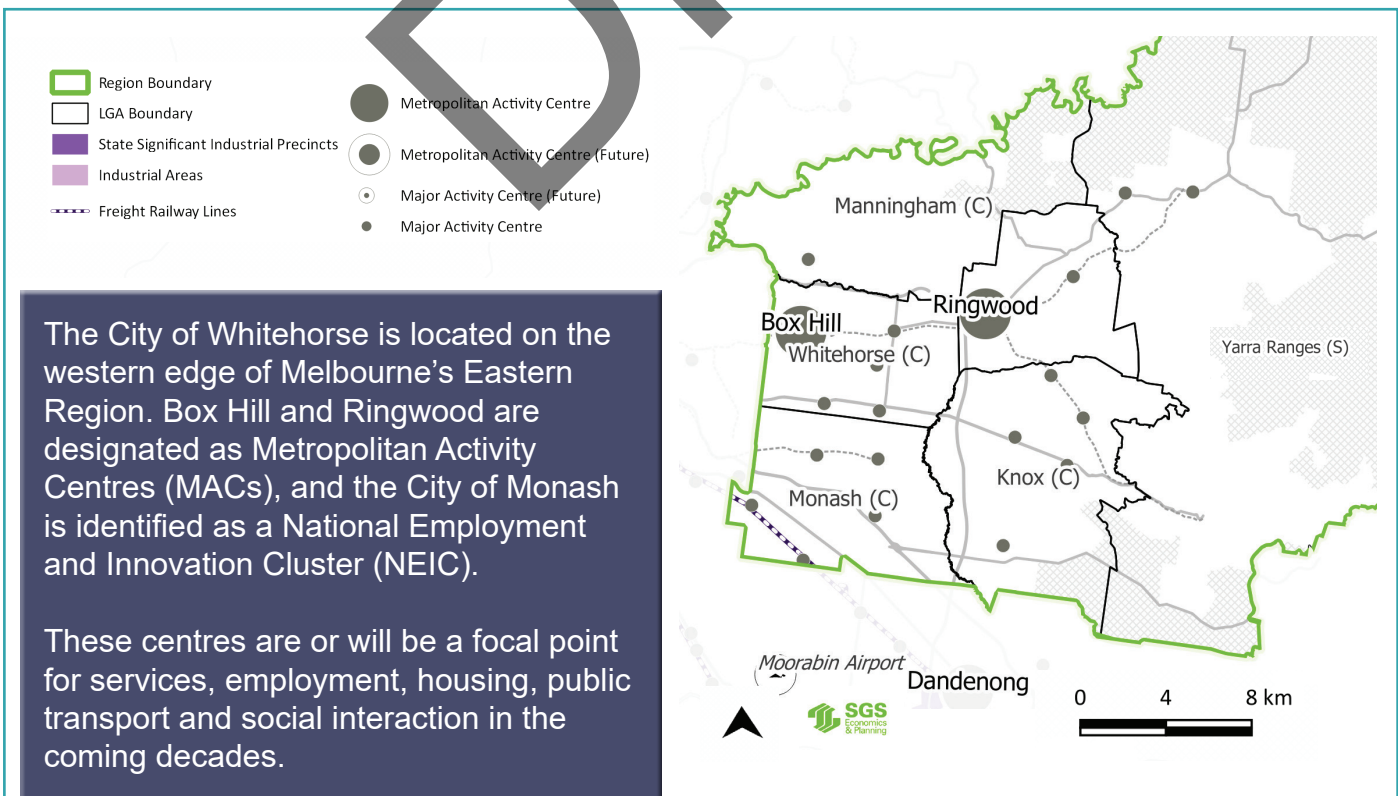
- Box Hill TAFE
- Deakin University
- Monash University

- Box Hill Hospital
- Knox Private Hospital
- Maroondah Hospital
- Monash Medical Centre
- Monash National Employment Innovation Cluster (NEIC)

Major freight and road networks include;

- Burwood Highway
- Eastern Freeway
- EastLink
- Maroondah Highway
- Monash Freeway
- Princess Highway

Key Economic Features of the Eastern Metro Region



Source: SGS Economics and Planning (2019)



The Whitehorse Economy

The health care and education industries are key industries for Whitehorse. They are more concentrated in Whitehorse than Greater Melbourne and are set for growth over the coming decades. They also act as export industries, providing products and service to people and businesses from outside of Whitehorse.

Professional, scientific and technical services, and knowledge jobs are important industries to the Whitehorse economy. Box Hill will be the focal area for the knowledge economy to expand strongly in Whitehorse, and more broadly in Melbourne's Eastern Region. By 2041 Whitehorse will account for more than 40% of the Eastern Melbourne region's knowledge-intensive jobs. Box Hill will account for 15% on its own.

The growth in knowledge-intensive industries, alongside health care and education, will create jobs, increase the scale of trade in goods and services, and attract talent and investment into the municipality. The growth in knowledge-intensive jobs, plus health care and education, adds up to a high income, high growth economy into the future.

There is a pipeline of investment in transport infrastructure set to be rolled out in Whitehorse. These investments include the State Government infrastructure projects,

- North East Link
- Suburban Rail Loop, and
- Mont Albert and Surrey Hills level crossing removals.

This infrastructure will assist in making Whitehorse a more desirable place to live and work as well as improving the productivity of the Whitehorse economy.





Gross Regional Product

Gross Regional Product is a monetary measure of the market value of all final goods and services in a region.

In 2018/19 Whitehorse’s Gross Regional Product (GRP) was \$10.8 billion accounting for 3.05% of the value of goods and services produced in Greater Melbourne.

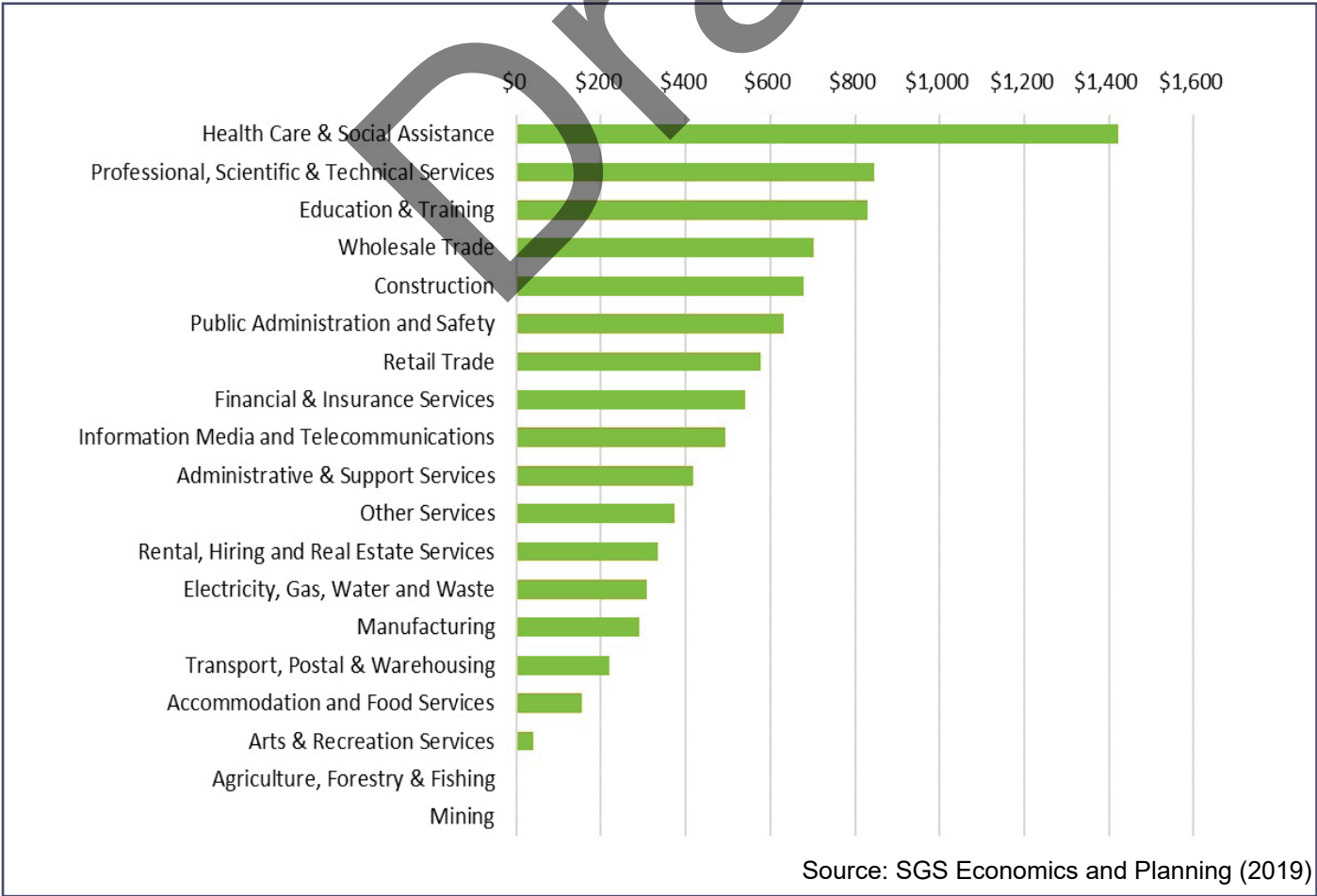
For comparison, Whitehorse’s population is around 3.6% of Greater Melbourne’s.

The largest industries in Whitehorse, in terms of the gross value of goods and services produced, are:

- Health Care and Social Assistance
- Professional Scientific and Technical
- Education and Training.



Contribution of Industry Sectors to Whitehorse GRP 2018/19 (\$millions)

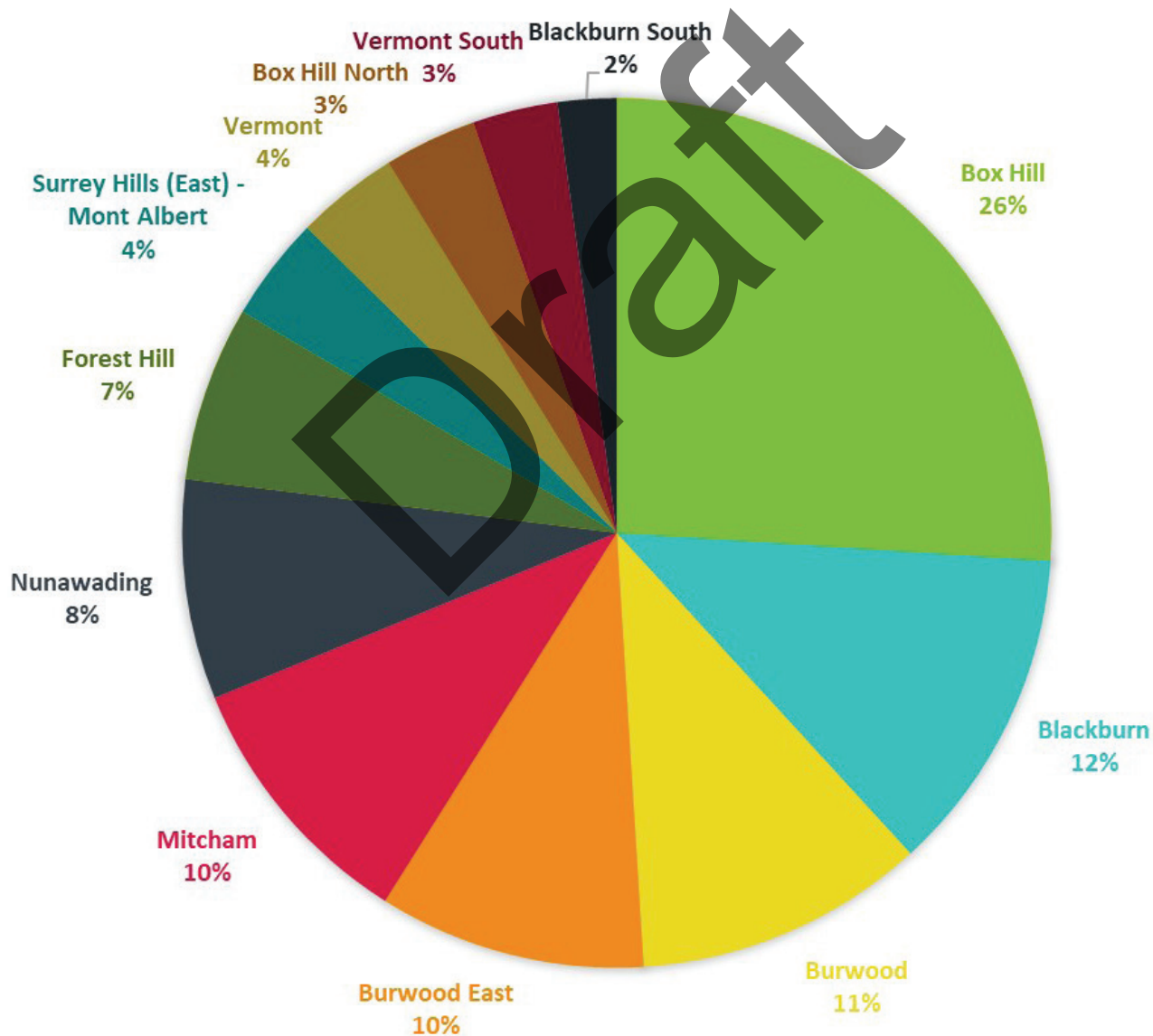




The production of goods and services is not evenly distributed across the LGA.

As shown in the graph below, a quarter of the goods and services are produced in Box Hill alone.

Share of Whitehorse's Gross Value of Goods and Services Produced in 2018/19 (by SA2)



Source: SGS Economics and Planning (2019)



Effective Job Density

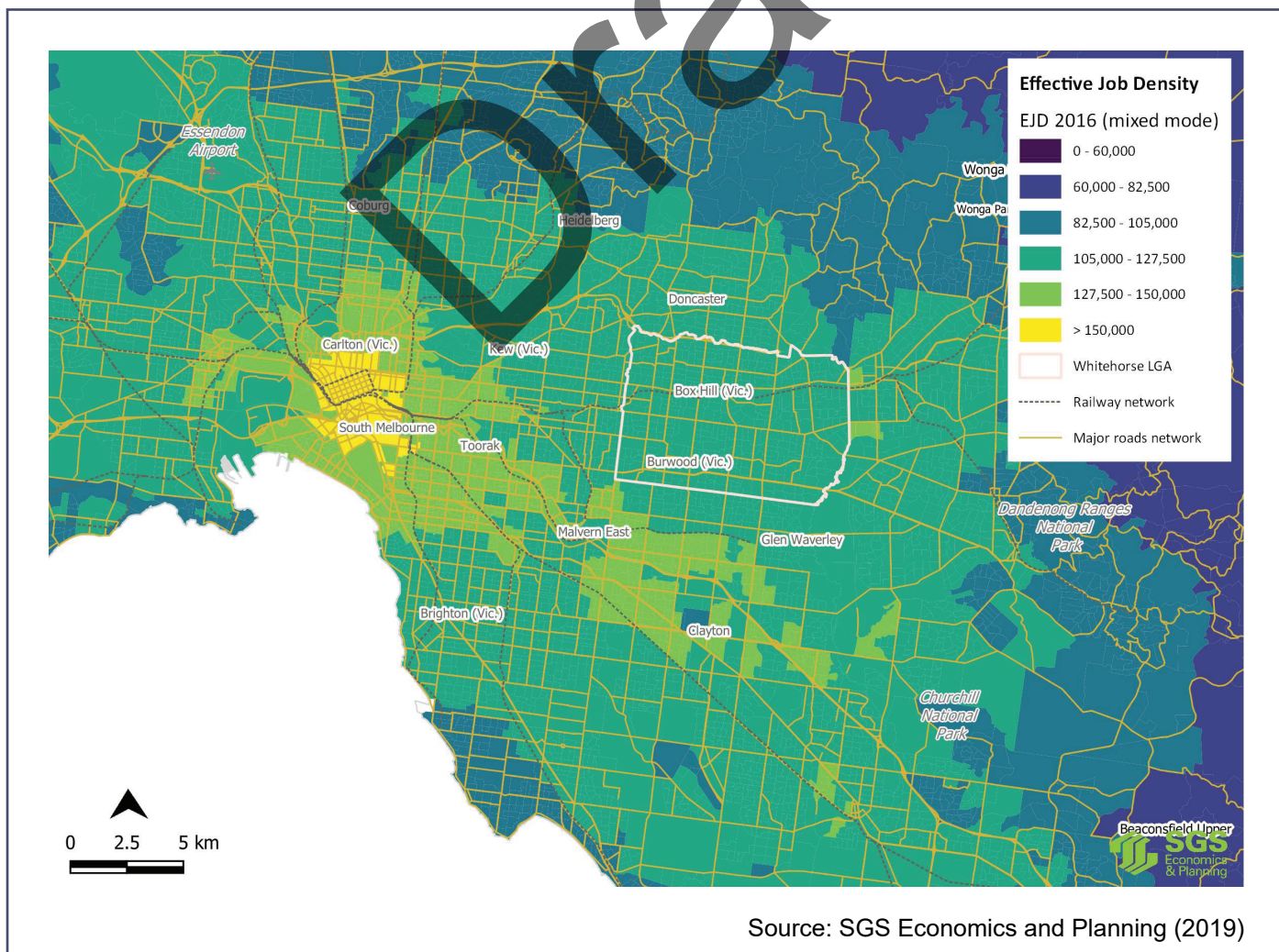
In Whitehorse, Effective Job Density (EJD) is high but lower than the inner suburbs of Melbourne and suburbs to the south. Access to highways, train and rail lines and population centres are broadly spread across Whitehorse.

From a business perspective, higher levels of connectivity mean that businesses enjoy advantages through better access to skills, suppliers and complementary enterprises. It is this access that drives new knowledge and innovation in modern economies.

Businesses located in Whitehorse may have a slight disadvantage compared to other areas of Melbourne. Results are more favorable when looking at car transport only and this suggests Whitehorse's lower ranking is impacted by a lower supply of public transport connectivity to population centres.

Effective Job Density is a measure that indicates the accessibility of workers for businesses in a given area and is based on how long it takes workers to get to jobs. This is strongly linked to the provision of public transport and road networks.

Effective Job Density 2016 - Road Network and Public Transport





Industry Grouping By Share

The map below shows employment in Whitehorse in 2016, separated into four broad industry groupings.

Population Serving

Industries that supply goods and services to the local population, eg. retail trade and construction. These industries are most prevalent in areas that are predominantly residential.

Health and Education

Made up of hospitals and other health services, and education, from childcare through to University. These industries are most prominent in Box Hill, Burwood and Blackburn South.

Industrial

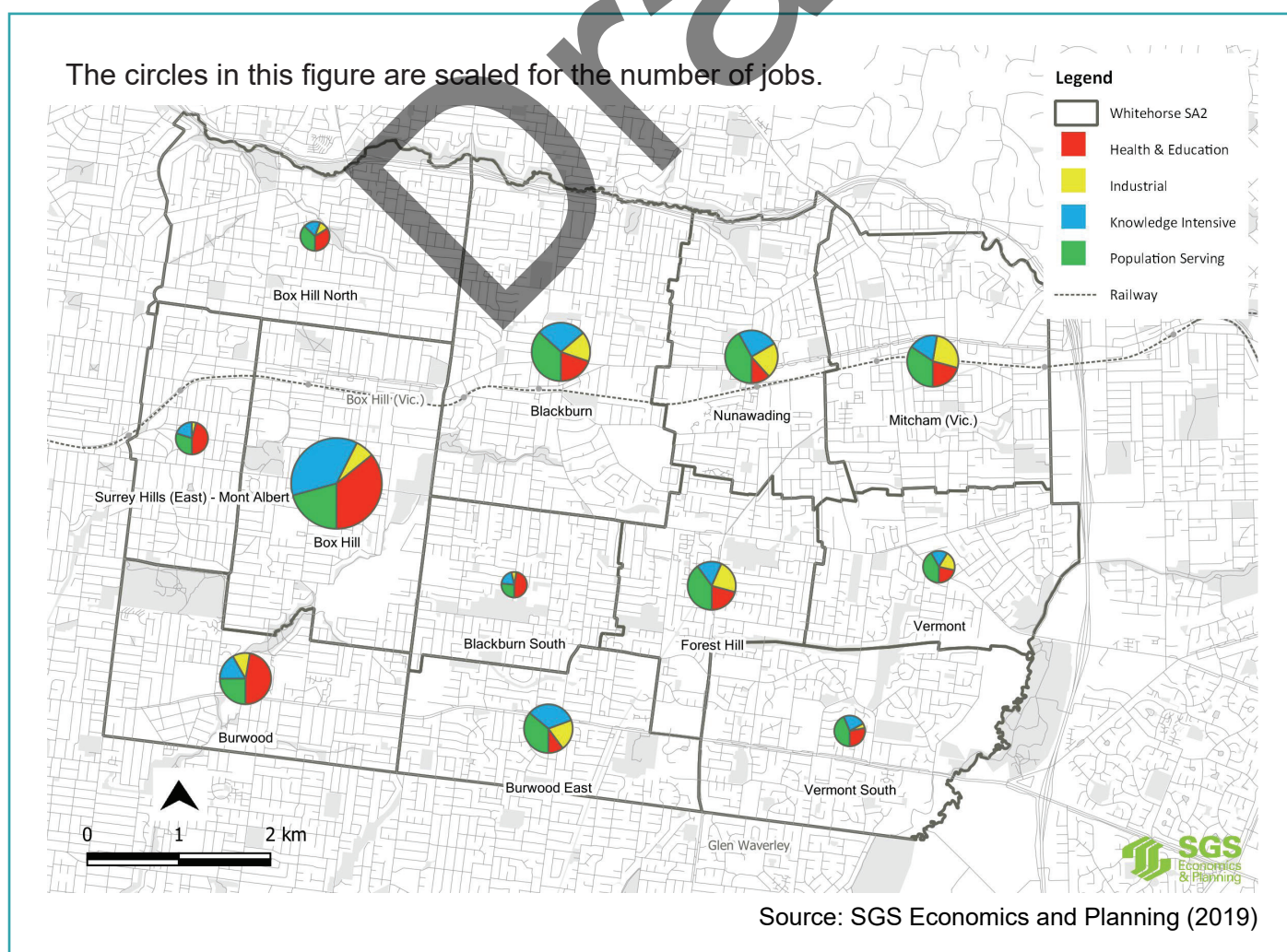
Including manufacturing, agriculture, utilities and transport industries. Mitcham and Nunawading have the highest number of industrial jobs in Whitehorse.

Knowledge-Intensive

These industries include the financial and insurance services industry and the professional, scientific and technical services industry. 40% of these jobs are located in Box Hill.

Box Hill has the highest number of jobs with 22,501, followed by Blackburn with 9,388.

Map of Industry Grouping Share (by SA2)





Employment

The graph below shows employment in these four industry groups in 2011 and 2016, and also projections for 2021, 2026 and 2031. The projections show the following.

Population Serving

The population and housing boom have driven rising demand for population serving activity. This is forecast to continue into the future.

Health and education

This is forecast to be the largest industry group by 2031. Employment in this industry group has grown strongly since 2011 with this growth forecast to continue.

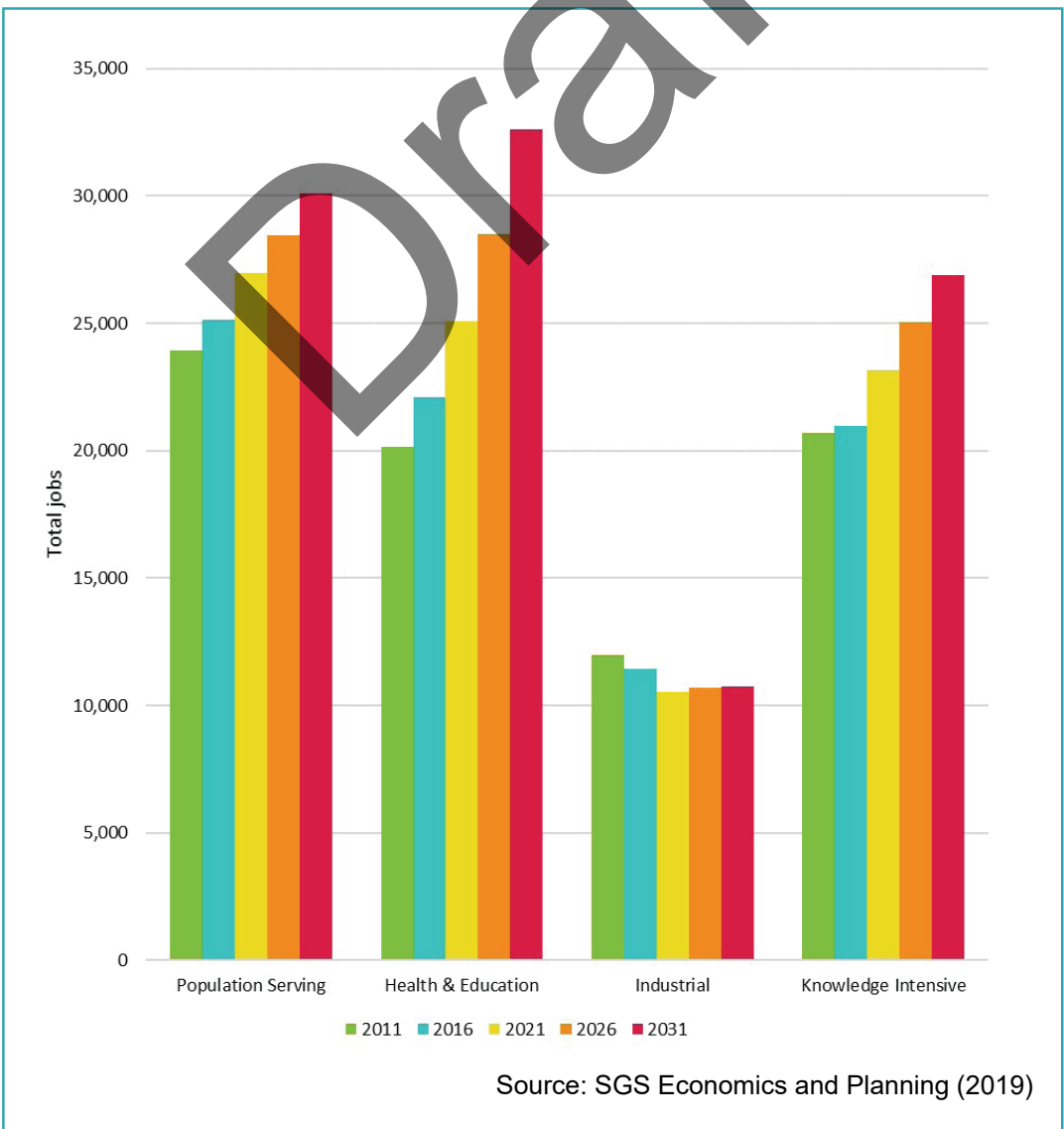
Industrial

This industry group saw a decline between 2011 and 2016. Employment is projected to remain relatively static from 2021 onwards. A loss of jobs in these sectors reflects broader macroeconomic changes towards automation and contraction of these sectors in inner cities.

Knowledge Intensive

The number of jobs in knowledge intensive industries are also forecast to grow, but not at the same rate as health and education.

Employment by Broader Industry sector in the Whitehorse Local Government Area (2011-31)





Whitehorse's Comparative Advantage

Location Quotient (LQ) analysis captures the comparative strengths of a local area's economy and can reveal what makes an area 'unique' based on physical, technological and intellectual characteristics.

When the LQ value is higher than one, it is an indication that a local economy is relatively specialised and has a competitive advantage in that industry over other regions (in this case the rest of Greater Melbourne).

An LQ of greater than 1.2 is generally regarded as an industry sector with a significant specialisation and possibly a key economic strength; higher numbers mean greater specialisations.

Whitehorse has five industry sectors (out of 19) with a LQ score above 1.2:

- Health Care and Social Assistance (1.59)
- Education and Training (1.50)
- Other Services (including repair and personal services, i.e. mechanics or hairdressers) (1.50).
- Public Administration and Safety (including knowledge-intensive government services and offices) (1.22)
- Information, Media and Telecommunications (1.22). This industry is knowledge intensive.

The LQ score of Health Care and Social Assistance, Information, Media and Telecommunications and Other Services have been increasing since 2011. An increase suggests that these industry sectors are growing in Whitehorse faster than Greater Melbourne.





Strategic Project Area Objectives

The objectives for each of the five Strategic Project Areas are listed below.

These key objectives, which all work towards achieving the I&EDSE 2020-2022 Mission have been developed in line with the four economic

development Mandate themes, and an analysis of the local economy.

An Action Plan will accompany this Strategy Extension and will outline how the objectives will be achieved.

1. Investment

- a. Monitor and support innovation and emerging sectors.
- b. Promote Whitehorse's growing knowledge economy focusing on the leading sectors.
- c. Continue to advocate for appropriate infrastructure provisions across the municipality.
- d. Maintain and grow existing partnerships and relationships across all levels of government.
- e. Advocate for investments in quality transport infrastructure that will support innovative, knowledge based business and commercial activity.

2. Priority Places

- a. Foster the shared vision for Box Hill Metropolitan Activity Centre (MAC).
- b. Identify and address barriers to growth and development of Box Hill MAC through policy and action.
- c. Advocate for Whitehorse as a destination choice to visit, live, study and work.
- d. Collaborate with major stakeholders and businesses throughout Whitehorse to facilitate sustainable investment and economic viability within the municipality.



3. **People, Jobs and Industry Development**

- a. Provide relevant and effective support to local businesses and business associations (i.e. Whitehorse Business Group).
- b. Promote and support ongoing prosperity of retail activity centres, industrial precincts, and business parks.
- c. Provision of up to date information on business services, funding and grants to local businesses.
- d. Facilitate opportunities for businesses to connect.
- e. Advocate for appropriate land uses and quality open spaces to attract skilled residents and employers to the municipality.

4. **Regional Development and Advocacy**

- a. Monitor and support Whitehorse industry sectors, and identify potential impacts from infrastructure projects.
- b. Leverage opportunities and advocate for positive outcomes relating to major projects that will have an impact on existing Whitehorse industries (i.e. Suburban Rail Loop).
- c. Provide relevant and effective support to regional business, and economic development associations.

5. **Research, Analysis and Advisory**

- a. Research and identify emerging and future trends (i.e. social, economic, environmental and technological).
- b. Analysis of global and national trends to assist in stimulating the local economy.
- c. Provide advisory services to relevant stakeholders, based on current economic research and analysis.



ACKNOWLEDGEMENT OF COUNTRY

In the spirit of reconciliation, Whitehorse City Council acknowledges the Wurundjeri people as the traditional custodians of the land. We pay our respects to their Elders past and present.

CONTACTING COUNCIL

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Fax:	9262 6490
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TIS:	131 450 (Telephone Interpreter Service. Call and ask to be connected to Whitehorse City Council)
Email:	customer.service@whitehorse.vic.gov.au
Website:	www.whitehorse.vic.gov.au
Service Centres:	Whitehorse Civic Centre 379-397 Whitehorse Road, Nunawading 3131 Box Hill Town Hall Service Centre Box Hill Town Hall 1022 Whitehorse Road, Box Hill 3128 Forest Hill Service Centre Shop 275 Forest Hill Chase Shopping Centre Canterbury Road, Forest Hill 3131

Data from SGS charts for Whitehorse City Council

FROM FIGURE 3: SHARE OF WHITEHORSE'S GROSS VALUE OF GOODS AND SERVICES PRODUCED, BY SA2 IN 2018/19 (RANKED BY SHARE)

SA2	2018/19	Share
Box Hill	\$2,814	26%
Blackburn	\$1,315	12%
Burwood	\$1,170	11%
Burwood East	\$1,074	10%
Mitcham	\$1,065	10%
Nunawading	\$885	8%
Forest Hill	\$703	7%
Surrey Hills (East) - Mont Albert	\$421	4%
Vermont	\$412	4%
Box Hill North	\$373	3%
Vermont South	\$342	3%
Blackburn South	\$237	2%

Source: SGS Economics and Planning, Economic Performance of Australia's Cities and Regions (2019)

FROM FIGURE 5: MAP OF INDUSTRY GROUPING SHARE BY SA2, SIZE OF INDUSTRY GROUP 2018/19 (\$ MILLIONS)

SA2	Health & Education	Industrial	Knowledge Intensive	Population Serving
Blackburn	1,856	1,548	2,537	3,447
Blackburn South	858	113	364	478
Box Hill	8,068	1,519	8,252	4,661
Box Hill North	807	244	442	877
Burwood	3,413	790	1,220	1,794
Burwood East	665	1,343	2,187	2,365
Forest Hill	1,344	1,457	1,073	2,578
Mitcham (Vic.)	1,505	1,923	1,324	2,488
Nunawading	896	1,662	1,884	3,224
Surrey Hills (East) - Mont Albert	1,332	129	580	870
Vermont	612	563	476	1,188
Vermont South	744	131	616	1,156

Source: SGS Economics and Planning, Economic Performance of Australia's Cities and Regions (2019)

FROM FIGURE 6: EMPLOYMENT BY BROADER INDUSTRY SECTOR IN THE WHITEHORSE LGA (2011-31)

Industry sector grouping	2011	2016	2021	2026	2031
Population Serving	23,943	25,126	26,972	28,466	30,087
Health & Education	20,168	22,101	25,063	28,507	32,611
Industrial	11,981	11,422	10,536	10,709	10,748
Knowledge Intensive	20,679	20,957	23,167	25,060	26,898
Total	76,771	79,606	85,737	92,743	100,344

Source: SGS Economics and Planning, Small Area Model (2019)

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