



Economic Development Strategy

2016-2026

Vision for the City of Busselton

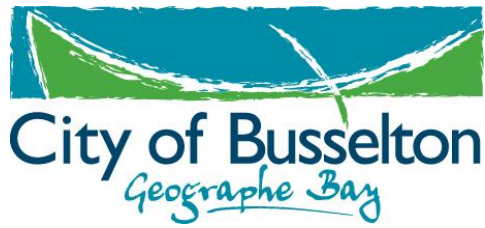
“A vibrant and cohesive community that protects its natural environment, meets the needs of its population, and ensures that future development maintains the City’s unique character, lifestyle and community values “



Adopted by Council 9 November 2016

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South West region



City of Busselton Local Government Area

Disclaimer: The information in the City of Busselton Economic Development Strategy is believed to be the most recent and accurate available at the time of preparation. No responsibility is accepted for any inadvertent errors. Independent professional advice should always be sought before acting on any of the information contained within this document.

FOREWORD



The Busselton City Council has an important role in shaping the district's future and is committed to creating a strategic agenda that promotes sustainable socio-economic growth.

The City of Busselton's recent strong population growth of nearly 4% per annum is forecast to continue and reach approximately 50,000 people by 2026. The rapid growth has brought economic benefits for the district and created challenges as the community adjusts to a new level of demand for services and infrastructure. Unlike some other regional communities where growth surges and abates, the Busselton district has successfully sustained growth even during economic downturns and has linked growth closely to derived community benefit. Our diverse economy has provided some shelter to the vagaries of international markets and demand for commodities and resources. The Busselton district has several industries which add-value to raw materials and, in the process, employ local people.

To accommodate the growing population, the local economy must continue to evolve and diversify with new services and businesses to maintain a high quality of life and low unemployment. To support forecast population growth, this document identifies strategies and initiatives which aim to attract inward investment; enhance business retention and expansion; support regional workforce development; identify and advocate for strategic economic infrastructure; and enhance the quality of place, particularly precincts with high tourist visitation.

The Strategy has been prepared by conducting a literature review of national and international research into the determinants and success factors for local economic development, desktop analysis of economic and demographic trends within the Busselton local government area and stakeholder engagement workshops with business, government and community groups. It also provides a platform for further socio-economic planning recognized as being required in the Department of Planning's *State Planning Strategy 2050*, which includes Busselton as one of nine regional centres that are the most strategically important to the State's economy.

Strategies identified in this document will be delivered in two ways. Firstly, through the City's Integrated Planning Framework, which is a 'citizen led' process resulting in a Strategic Community Plan, which is being reviewed from mid to late 2016. The framework includes long term financial, asset and workforce plans, which flow through to a Corporate Business Plan, which guides the annual budgeting cycle. Secondly, the strategy aims to influence and guide other levels of Government and non-Government organisations that have a regional economic and business development responsibility.

We look forward to working collaboratively in realizing the City's vision for socio-economic growth.

Mayor Grant Henley

1. INTRODUCTION

The International Economic Development Council (IEDC, 2016), defines local economic development as ‘a program, group of policies, or activity that seeks to improve the **economic well-being and quality of life** for a community, by creating and/or retaining jobs that facilitate growth and provide a stable tax base’.

This definition describes the interrelationship between the relative attractiveness of the local area as a place to invest as well as a place to live, and is the foundation upon which the City of Busselton Economic Development Strategy (‘the Strategy’) is built. The dynamics of this definition are illustrated in Figure 1 below.

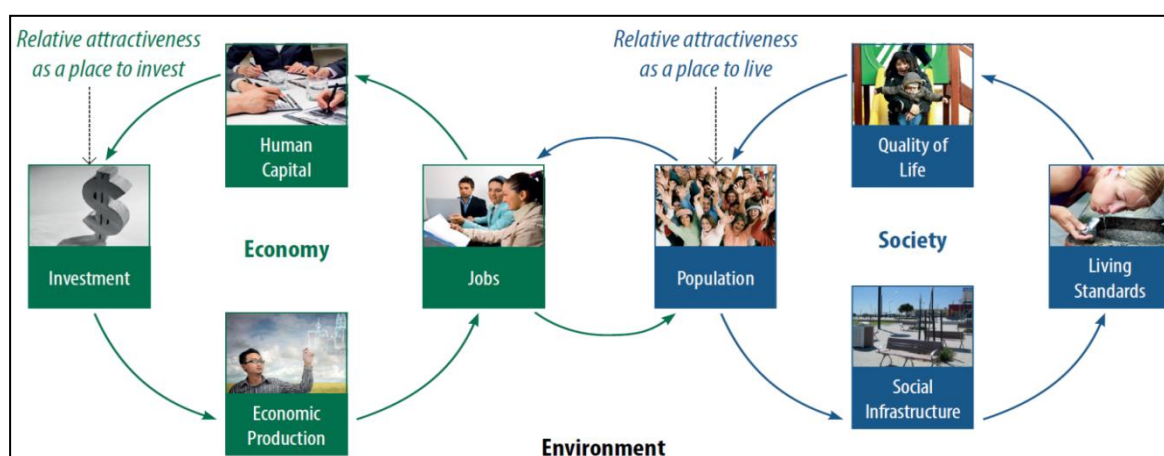


Figure 1: The dynamics of a growing regional economy and community.
 Source Regional Development Council (2015)

The Strategy introduces a brief overview of economic and demographic conditions within the Busselton district and considers future opportunities to drive socio-economic prosperity, taking into account global mega-trends in our external environment. It is a reference guide for both the City of Busselton and key stakeholders seeking to facilitate socio-economic growth and for people considering public or private investment within the district.

This Strategy has been prepared with reference to broader strategic planning at the Local (City of Busselton), Regional (South West) and State (Western Australia) levels of Government. It aims to integrate with existing strategic plans with a focus on mobilizing local stakeholders to take action supporting the delivery of objectives stated within each plan.

1.1 Integration with City of Busselton’s ‘Local’ Strategic Planning

The City of Busselton engages with its citizens to prepare a Strategic Community Plan (SCP) that is reviewed every four years. This Strategy captures input and ideas from community workshops and public submissions provided as part of a review of the SCP that commenced in mid-2016. A key goal identified in the SCP, is a desire by the community for Council to foster a strong local economy that

sustains existing and attracts new business, industry and employment opportunities. The SCP states the objectives for the City to pursue:

- A strong, innovative and diversified economy that attracts people to live, work, invest and visit;
- A City recognised for its high quality events and year round tourist offerings, and;
- A community where local business is supported

The City's overall vision is:

VISION FOR THE CITY OF BUSSELTON
“A vibrant and cohesive community that protects its natural environment, meets the needs of its population, and ensures that future development maintains the City’s unique character, lifestyle and community values“
City of Busselton Strategic Community Plan (2015)

The City's mission for local economic development is:

OUR LOCAL ECONOMIC DEVELOPMENT MISSION
“To help position the Busselton region as Western Australia’s most desirable non-metropolitan area to live, work, visit and invest“
City of Busselton Corporate Business Plan (2015)

The City has prepared a Corporate Business Plan (CBP) to activate the community objectives outlined in its SCP. Further, it prepares 4-year business unit plans across each activity unit of the organisation, including an Economic and Business Development Business Plan which is reviewed annually and forms a work plan for City staff. This overall planning framework is illustrated in Figure 2.

Importantly, other City of Busselton strategy documents influence economic development outcomes for the City and these include:

- Future Busselton 2050 - *‘Strategic Growth Scenarios (2013)*: This document was prepared to guide the new City of Busselton Local Planning Scheme 21 and involved considerable community and stakeholder consultation
- City of Busselton Social Plan (2015): This document recognises the importance of a robust economy as a foundation in local sustainability and providing the means for a vibrant living place with a diverse range of recreational, educational and cultural activities.
- Directorate Plans and Policies: Internal plans and policies (e.g. asset management and land-use planning policies) can shape the sense of ‘place’ and impact on the City’s ability to attract and retain residents, visitors and a skilled workforce.

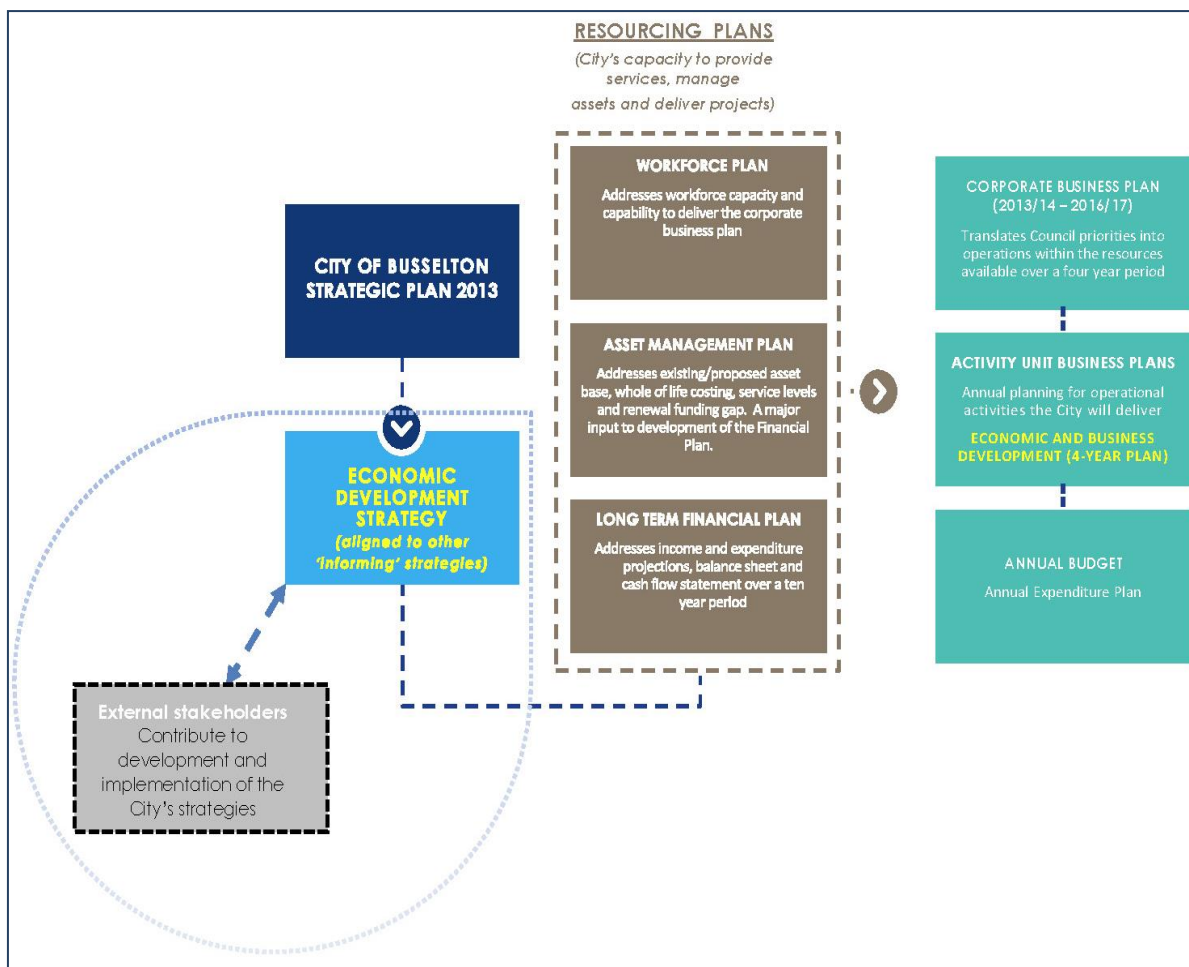


Figure 2: City of Busselton Economic Development Strategy in the context of the Integrated Planning Framework

1.2 Integration with South West 'Regional' Strategic Planning

This Strategy integrates with regional plans developed by State and Australian Government agencies. Importantly, it acknowledges the South West Regional Investment Blueprint (2015) prepared by the South West Development Commission (SWDC) and Regional Development Australia South West (RDASW). It also acknowledges the South West Regional Planning and Infrastructure Framework (SWPIF) prepared by the Department of Planning in 2014. The SWPIF identifies the need for an integrated approach between regional planning and infrastructure delivery and sets out a regional planning vision for key infrastructure projects required to support industry, residents and visitors (Planning Western Australia, 2014)

The SW Blueprint is the State Government's principal regional development planning document for the South West. It identifies objectives and strategies aimed at helping to grow jobs, services and facilities across the Region. Four key imperatives (*i.e. things that need to be done to make the greatest difference*) are summarized below.

- **Infrastructure:** A shift from a primary industry-driven economy, to a modern and diverse export-oriented business environment. Infrastructure needs are paramount to tackling the barrier of distance and supporting growth in a sustainable way. Infrastructure must address

potential constraints in transport, broadband and water. The Busselton district is a sought after area to live and work, so it is imperative the City seizes opportunities to grow its transport and telecommunications networks and has sufficient water to accommodate growth.

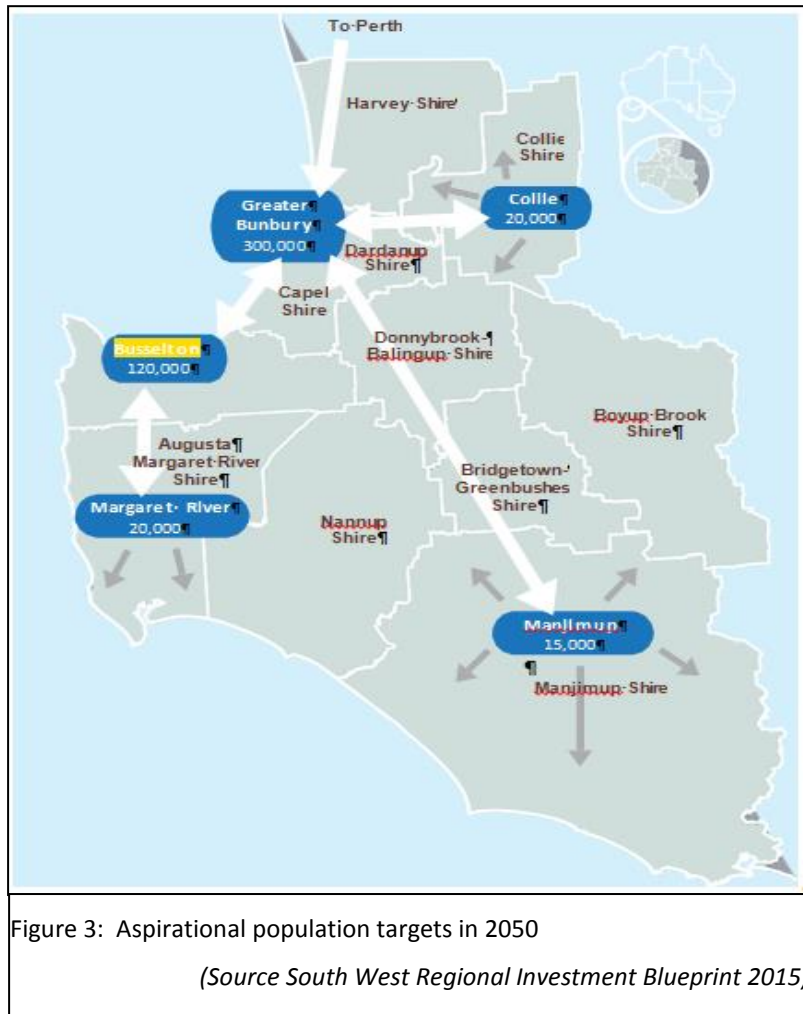
- **Industry and business:** The Blueprint promotes the concept of industry and business that can adapt to changing market conditions, respond effectively to the growth and opportunity of the Asian Century and support the development of new emerging industries. Population growth across the South West region will require an estimated 200,000 new jobs by 2050 and many of these jobs will require new skills.
- **People and place:** Looking to the future includes people and the places they live; growing the services provided; improving accessibility through public transport; ensuring affordable living; and, generating new opportunities for education and wellbeing. Places need to be vibrant, interesting and stimulating.
- **Community:** Culturally diverse communities that support and enhance leadership, inclusion, engagement, collaboration and the values the community places on the environment. These values help to build a sense of belonging, self-worth and local decision making ability.

The SW Blueprint also identifies the following strategic challenges for the South West region:

- The region's infrastructure must keep pace with the growth of the South West economy with special reference to transport gateways;
- High capacity broadband is changing the nature of industry opportunities in the region with upload capacity critical to businesses intending to locate in the region;
- Water is likely to be a constraint to growth without measures to increase water sources and better manage water use;
- Industry is subject to strong competition and competes most effectively in the premium and high value product sectors;
- Targeting the growth of Asian markets for export and capital investment in the region;
- Population growth and changing demographics are driving demand for affordable housing and housing diversity;
- The growth of fly-in and fly-out and drive-in drive-out employment is changing the nature of work and recreation in the region;
- Balancing population and industry growth with significant social and environmental values; and,
- Addressing key social indicator deficits including low per capita incomes, primary health and welfare dependency in some parts of the Region.

The Blueprint specifically acknowledges the Busselton district as a major lifestyle city based on tourism, wine and food, creative and professional industries and events (SWDC, 2015).

It sets aspirational population targets for the year 2050 (as shown in Figure 3), with the City of Busselton evolving as a major Western Australian regional city of around 120,000 people.



1.3 Integration with Western Australia’s ‘State’ Strategic Planning

The need for enhanced socio-economic planning at the local level is recognized in:

- Department of Planning’s ‘State Planning Strategy 2050’: Sets out the settlement network across Western Australia. It identifies Perth as the State capital, and a hierarchy of regional centres and sub-centres. It recognises Busselton as one of nine key regional centres as being the most strategically important to the State’s economy.
- Regional Development Council’s ‘Regional Centre’s Development Plan (RCDP) Framework (2015)’: Supports implementation of the State Planning Strategy 2050 and Regional Blueprints and establishes a suite of growth planning programs for regional centres’ such as Busselton.

- Department of Regional Development ‘s *Regional Development Strategy (2016-2025)*’: In conjunction with the South West Investment Blueprint this strategy directs the State Government’s regional development effort and investment towards building vibrant regions with strong economies. The Strategy provides a framework to prioritise and progress the opportunities with the most potential, emerging from regional Blueprints and other sources. It is the vehicle to develop a ‘whole-of-state’ approach to matters of importance across the regions.

The Regional Development Strategy (2016-2025) indicates a key focus area of the State Government will be to help establish the socio-economic foundations for development by enhancing key regional centres to capture investment. The RCDP Framework is shown in Figure 4 and supports action to strengthen the capability of strategic regional centres (including Busselton) to attract investment and grow business and jobs. It provides a platform for these centres to work collaboratively with the private sector and to address network-wide challenges and opportunities through the development of ‘growth plans’.

State	State Planning Strategy 2050
	Regional Centres Development Plan
Regions	Regional Blueprints
	Planning and Infrastructure Frameworks
Regional Centres	Regional Centres, Pilbara Cities and SuperTowns Growth Plans
Local Governments	Strategic Community Plans

Figure 4: Key strategies guiding regional development in Western Australia.

Source WA Regional Development Council (2015)

1.4 Key Determinants of Long term Regional Economic Development

The Department of Regional Australia (2013) cite five key ‘determinants’ of long-term regional economic development required to provide a strong foundation on which regional analysis, planning and initiatives should be built. These determinants are shown in Table 1. While there are other factors that influence economic development, these determinants are considered the most common across Australian regions. Targeting the key determinants in regional plans and with collective actions can help to maximise economic potential. The key determinants form the basis of priority projects identified in the SW Blueprint outlined above and likewise form the foundation for the City’s

economic development strategies.

No.	TABLE 1: KEY DETERMINANTS OF LONG-TERM REGIONAL ECONOMIC DEVELOPMENT
KD 1	<p>Human capital, particularly education and skills</p> <p><i>Human capital</i> is the stock of knowledge, expertise and abilities of a population.</p>
KD 2	<p>Sustainable communities (economically, environmentally and socially) and population growth</p> <p><i>Sustainable communities</i> refers to the ability of a region to endure in the long-term. It has economic, environmental and social dimensions.</p> <p><i>Population growth</i> refers to change in the size of a population over time, caused by migration and natural change through births and deaths.</p>
KD 3	<p>Access to international, national and regional markets</p> <p><i>Access to international, national and regional markets</i> is the ability to trade goods and services in a given market.</p>
KD 4	<p>Comparative advantage and business competitiveness</p> <p>A region has a <i>comparative advantage</i> when it can produce a product, good or service at a lower opportunity cost than other regions.</p> <p><i>Business competitiveness</i> is the ability of a business to sell and supply goods and services compared to a competitor. A business has a competitive advantage when its products or services cannot be easily duplicated by competitors.</p>
KD 5	<p>Effective cross-sectoral and intergovernmental partnerships (including through place-based approaches) and integrated regional planning</p> <p><i>Effective cross-sectoral and intergovernmental partnerships</i> are areas of formal and informal cooperation between stakeholders, which can help deliver on shared priorities.</p> <p><i>Integrated regional planning</i> aligns the objectives of government, businesses and the community to coordinate development efforts at different levels.</p>
<i>Source: Department of Regional Australia (2013)</i>	

This Strategy and future Growth Planning acknowledges these determinants and aims to deliver ‘purposeful intervention’ to overcome weaknesses and capitalise on strengths in a collaborative effort to improve socio-economic conditions.

1.5 Role of the City of Busselton in Local Economic Development

Local Government directly influences the way in which a local and regional economy develops and consequently plays an important leadership role. For example, the City of Busselton supports local economic development in several ways:

- It leads and funds development infrastructure and major projects that facilitate business and

community activity and sustain environmental quality (e.g. roads, paths, drains, waste management and creation and maintenance of parks, gardens and associated facilities enjoyed by both tourists and residents);

- It plans, resources and manages important community services to support economic activity and promote the health and well-being of the local population. These services grow social cohesion, motivation and the development of local identity (e.g. Geographic Leisure Centre, Artgeo, libraries, playing fields, community resource centres, cultural services, youth services and rural-based facilities such as halls and emergency service support etc.);



The provision of sporting, cultural, recreational and community services is an important function of local government, which impacts on the district's relative attractiveness as a place to live and a place to invest

- The City facilitates business and tourism growth by:
 - leading rejuvenation of public land (including the creation of commercial investment opportunities);
 - supporting tourism development (e.g. directional signage, financial support to visitor centres at Busselton and Dunsborough, growing a regional events calendar, developing a cruise ship program);
 - strategic land use planning to ensure supply of appropriately zoned land to attract business and other economic opportunities;
 - investment in key infrastructure to enable businesses to operate effectively;
 - advocating public investment in areas beyond its control (e.g. higher and vocational education; transport and communications; and, health and aged care infrastructure);
 - providing information on economic and demographic conditions to support business

and investment decisions;

- managing commercial services including the regional airport and the Kookaburra Caravan Park; and,
 - Driving a significant annual events program and supporting destination marketing through a Marketing and Events Reference Group (MERG) that promotes collaboration amongst regional tourism and business groups
- It is an effective partner in the early stages of project development through its role in assessing development approvals (e.g. planning, building and health) and preparing long range planning documents such as Future Busselton 2050 (Land Insights 2013);
 - It is a large employer in its own right, with approximately 300 FTE's and also has a significant annual budget, with a large proportion spent on local goods and services having an economic multiplier effect on employment within the district supported by a 'Buy Local Policy';
 - It is often the first point of contact for local businesses and the community in relation to day-to-day concerns that affect the immediate environment for business production and quality of life (e.g. local land use conflicts and their resolution, lobbying other spheres of government for attention to problems outside the Council's responsibility, providing information on changes to regulations etc);
 - It establishes and fosters networks that facilitate a collaborative approach to programs and project development, and;
 - Its adoption of new and best practices, decisions and resource allocations are exemplars to influence the behavior of individuals and firms in making their own decisions about local investment and expansion.



The Council's role in local economic development includes a diverse portfolio of projects ranging from supporting higher education facilities to a significant event calendar of cultural, sporting and community events

The City's approach to economic development is based on a set of nationally accepted guiding principles prepared by the South Australian Centre for Economic Studies (2013) and shown in Appendix 1. These principles seek to provide an improved understanding of the meaning of local

economic development and demonstrate how Councils can effectively act to influence local prosperity.

2. ECONOMIC AND DEMOGRAPHIC SNAPSHOT

2.1 Overview

The City of Busselton is the second largest city in the South West region. Its two main urban settlements are Busselton/Vasse (21,500 people) and Dunsborough (4,500 people), with smaller resident populations in the remaining rural hinterland and smaller urban settlements (4,392). In effect, it operates as a city of networked towns and villages each with interconnected micro-economies.

Originally established as an agricultural and forestry settlement, the competitive advantage of the climate and natural environment has led to the development of an extensive tourism industry. The Busselton district is a popular 'sea change' location as well as a favorite holiday destination for many Western Australians, which has generated significant demand for new housing development. The Busselton district has become one of the fastest growing populations in the southern half of Western Australia.

The establishment of direct commuter flights from the Busselton-Margaret River Regional Airport to resource development projects in the North West of WA has driven some of the population growth, bringing new economic benefits for the district. This rate of change has created some challenges for the community as it has adjusted to a new level of demand for community services and infrastructure.

Historically, timber production and agriculture have been the predominant land uses within the district, which has some of the most productive agricultural land in the State. The agriculture sector is diverse and includes a variety of cropping, viticulture and wine, fruit, flower and vegetable production, olives and olive oil, pasture production and livestock (beef and dairy cattle, sheep and deer), timber and artisan cheese production. The rural areas support the tourism sector through spectacular natural attractions, supported by holiday accommodation (e.g. chalets; bed and breakfast suites; and, caravan parks/camping grounds), wineries and cellar door sales; microbreweries; restaurants; galleries; and, artisan produce outlets.

The district also has mineral and basic raw material resources. The supply of basic raw materials (principally sand and gravel) is a key contributor to the economic development of the district along with mineral sands deposits and conventional gas in the Whicher range. Unconventional gas is evident in the Dunsborough basin as well as coal and thorium deposits in the western part of the district.

2.2 Population and Income

Growth in population drives the economy due to increase demand for goods and services. The estimated resident population of the City of Busselton at June 2014 was 35,562 persons, an increase of 1,276 persons, or 3.7% from the level recorded in 2013. The annual growth in population in the

City of Busselton was higher than the averages for the South West region (2.6%) and Western Australia (2.2%).

Over the past five years, the City of Busselton experienced an increase in population of 5,966 persons, representing average annual growth of 3.7%. This growth rate was again well above the averages for the Capes sub-region (3.5%), South West (2.7%) and Western Australia (2.8%) over the same period.

Over the period to 2026, the population of the City of Busselton is expected to increase by 8,388 persons – or an average annual rate of 1.8% – to a level of approximately 43,950

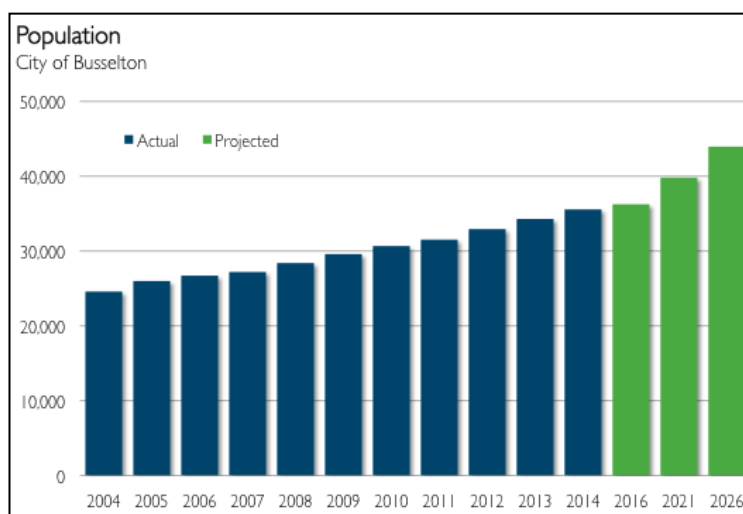


Figure 5: City of Busselton Population Growth
Source: ABS 3218.0, Planning Western Australia

persons. The forecast annual growth in population for the City of Busselton is higher than the averages for the South West region (1.4%) and slightly lower than Western Australia (2.0%).

In 2014, the City of Busselton comprised 20.4% of the population of the South West region, an increase of 1.0 percentage point from the share of 19.4% in 2009. By 2026, the City of Busselton is forecast to comprise 21.3% of the total population of the South West region.

The City of Busselton has a slightly lower per capita income (\$28,071) in 2010/11 than the averages for the South West (\$29,244) and Western Australia (\$32,872). This could be due to a number of reasons such as a high proportion of fixed income households (retired and pensioners) characteristic of a centre with a high proportion of retirees.

2.3 Employment

The number of employed persons in the City of Busselton was estimated at 18,323 in the September Quarter 2015, which represented a significant annual increase of 706 persons, or 4.0% from the level recorded in the September Quarter 2014. The unemployment rate in the City of Busselton increased annually by 1.0 percentage point to 4.5% in the September Quarter 2015. The City of Busselton's unemployment rate in the September Quarter 2014 was lower than the averages for the South West (4.8%), Western Australia (5.7%) and Australia (6.2%).

The total working population of the City of Busselton (i.e. the number of persons whose place of work is within the City of Busselton), as at the 2011 Census, was approximately 10,859 persons. This represented an increase of 1,270 persons, or an average annual growth rate of 2.5%, from the level recorded at the 2006 Census. In 2011, the largest industry employer based on the working population in the City of Busselton was the Retail Trade with 1,665 persons, or 15.3% of the total workforce. The Accommodation & Food Services (12.3%), Health Care & Social Assistance (10.3%), Construction (10.0%) and Education & Training (8.3%) sectors were also significant employers.

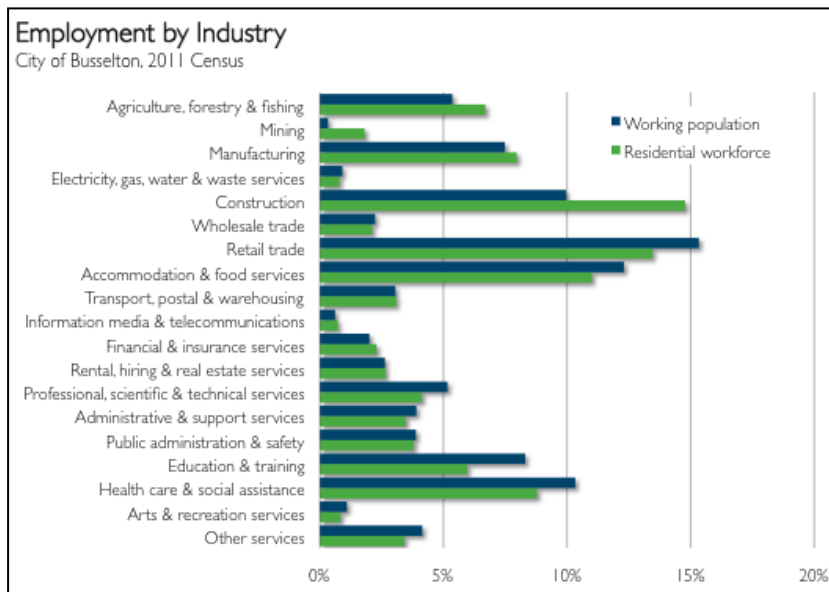


Figure 6: Employment by Industry Sectors within the City of Busselton
Source: ABS



Construction and Retail Trade are two of the largest industry sector employers in the Busselton local government area

2.4 Business Activity

The estimated Gross Regional Product (GRP) for the City of Busselton was \$2.1 billion in 2014/15. The City of Busselton experienced real annual economic growth of 1.7% in 2014/15, which was lower than the averages for both the South West (3.2%) and Western Australia (3.5%). Over the past five years, the City of Busselton recorded average annual economic growth of 4.0%. The City of Busselton contributed 15.2% and 0.9%, respectively, to the gross regional / state products of the South West (\$13.9 billion) and Western Australia (\$248.6 billion) in 2014/15.

With regard to industry, the largest contribution was made by the Construction industry, with approximately 16.6% of the total GRP for the City of Busselton, followed by Agriculture, Forestry & Fishing (10.2%), Administrative & Support Services (7.0%), Education & Training (6.3%) and Manufacturing (5.7%).

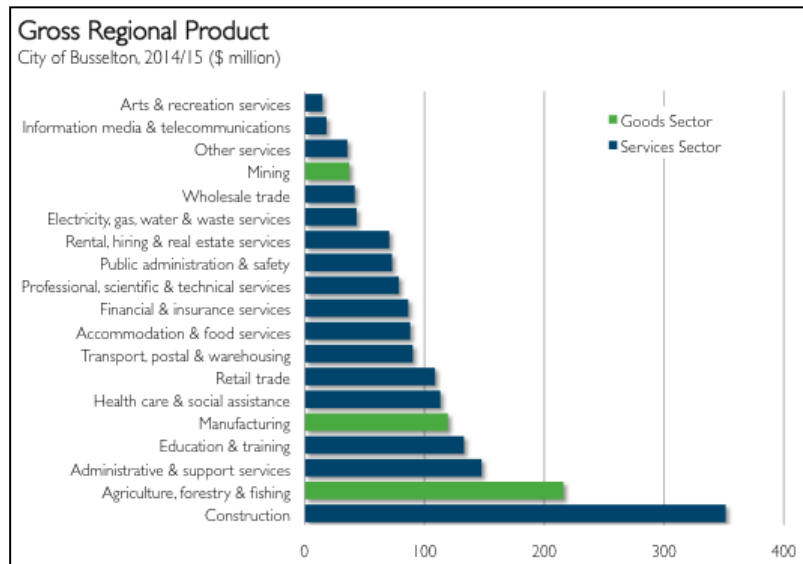


Figure 7: Gross Regional Product of the City of Busselton
Source: ABS and Lawrence Consulting

The most recent ABS Australian Business Register indicated there were an estimated 3,581 local businesses in the City of Busselton in June 2014 (defined as actively trading whose registered place of business is within the City), which represented an annual increase of 1.1% from the level recorded in June 2013 (3,543).

Construction is the largest industry in terms of business numbers in the City of Busselton, accounting for 24.7% of the total number of businesses, followed by the Agriculture, Forestry & Fishing (12.3%), Rental, Hiring & Real Estate Services (10.7%) and Professional, Scientific & Technical Services (8.4%) sectors.

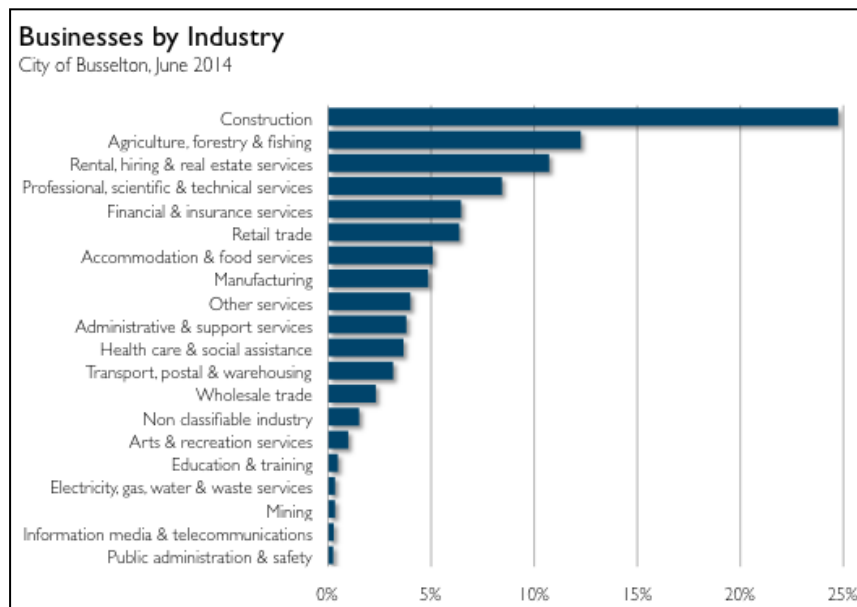


Figure 8: Number of Businesses by Industry Sector
Source: ABS

2.5 Housing and Building Investment

The total value of residential building approvals in the City of Busselton was \$235.7 million over the year to the September Quarter 2015, which represented an annual increase of 1.5% from the level recorded in the year to the September Quarter 2014 (\$232.2 million). The value of non-residential building approvals in the City of Busselton was \$38.3 million over the year to the September Quarter 2015, representing a significant annual increase of 45.0% from the value of approvals for the year to the September Quarter 2014 (\$26.4 million).



New housing estates are supporting population growth and providing high levels of employment in the construction industry sector

2.6 Property Market and Land

The median house price for the Busselton Urban Area was \$465,000 in 2014, which was lower than the average for the Perth Metropolitan area (\$550,000). Median house prices increased strongly by 9.4% in the Busselton Urban Area over the year to 2014. This was higher than the growth in prices recorded in the Perth Metropolitan area (up 4.8%) over the same period. Within the City of Busselton, the suburb of Dunsborough recorded the highest median house prices in 2014 (\$625,000), followed by Broadwater (\$482,500) and Busselton (\$472,000).

A full report on economic and demographic conditions within the City of Busselton is updated and published annually and is available at:

<http://www.busselton.wa.gov.au/Developing-Busselton/Economic-Development>

3. CAPITALISING ON COMPETITIVE ADVANTAGE

The Busselton district has been experiencing rapid population growth over the past decade, which is forecast to continue into the foreseeable future, based on the lifestyle advantages the Region has to offer and its relatively close proximity to Perth. Housing has been generally more affordable than the metropolitan area, although property prices have recovered and increased since the Global Financial Crisis in 2008/9. However, affordability remains an issue in an area that has lower median incomes compared to WA as a whole. The growth in population has translated to a significant construction industry which represents 19% of the total GRP for the City of Busselton. The GRP and employment data also demonstrates the relative importance of industries such as Tourism (which manifests in industry sectors including Accommodation and Food Services, Retail Trade, Rental, Hiring etc); and Agriculture (based on employment and income in dairy, beef, viticulture and horticulture). Other large employment sectors indicate the importance of Busselton as an administrative and service hub for the Region, with relatively higher numbers of employment in Health Care & Social Assistance and Education & Training.



Busselton and Dunsborough provide safe, protected swimming areas



Port Geographe marina provides a safe mooring for boating enthusiasts

The City of Busselton's main competitive advantage is access to a beautiful natural environment, with high biodiversity, an enviable climate, its relative close proximity to Perth and its tourism appeal being part of the internationally renowned Margaret River Region. The region has a range of established tourism infrastructure, such as accommodation, attractions and amenities which is attractive for visitors from Perth (86% of visitors to the district are intrastate visitors). The Busselton Jetty and Cape Naturaliste Lighthouse are two of many heritage experiences of interest to visitors. Additionally, there are a significant number of European and Aboriginal heritage sites and experiences. Recent redevelopment of the foreshores at Busselton, Dunsborough and Yallingup also offer new recreational experiences for families and older people, which are the core tourism demographics for the City of Busselton. High quality land and water are also available in the rural areas which enable the development of a wide variety of agricultural and horticultural ventures, particularly the viticulture and food industries. There is also sufficient land available for commercial and light industrial development surrounding the existing urban areas of Busselton and Dunsborough. A summary of the City of Busselton's strengths, weaknesses, opportunities and threats relating to economic growth potential is provided below:

STRENGTHS	WEAKNESSES
Good working relationships with local business and industry associations (MRBTA, DYCCI, BCCI)	Smaller population/demographic (relative to the regional capital) creates funding challenges for the full range of government services to be located within the district
Strong collaborative relationships with surrounding councils especially Augusta Margaret River and State and Federal Government agencies with a regional development objective	Lack of higher education facilities and large public schools requiring further public investment
Relatively safe environment to live, work and visit	Poor mobile telephone coverage in some areas of the district
Generally good road networks connecting Busselton to Perth and Bunbury and other South West towns	Poor customer service in some areas of business
Well established and cohesive wine industry with reputable international branding	Lack of discount department retail stores precipitating retail expenditure outside of Busselton
Strong regional tourism brand known internationally 'Margaret River Region'	Seasonality of tourist visitation in the winter months outside school and public holidays
Well established events calendar supporting tourism development especially in off-peak seasons	Accessibility by air for interstate and international visitors (although this will change from 2018/19)
Good amenity with quality sport, recreation and public places	Limited facilities for large conferences and performing arts
New public hospital and ancillary health services	Limited short-stay tourist accommodation close to the Busselton CBD
Beautiful natural environment and a global biodiversity hotspot	Ageing vocational education facilities
Quality soil and agricultural lands	High house prices and rents relative to incomes
Economic base is not reliant on a single industry, rather it includes sectors such as tourism, construction, diverse agricultural activities, retail trade, mining and professional services	Limited career advancement opportunities within the region (actual or perceived)
Strong human capacity including volunteering and community cohesion	Relatively high number of businesses and employment in construction and tourism industries which are vulnerable to economic downturns
A growing population bringing new skills and greater diversity in the labour force	Relatively low educational attainment
Mediterranean style climate attractive to 'sea changers', immigrants and recruitment of skilled workers	Lack of vibrancy and entertainment for young people
Adoption of extended trading hours within the district to service the growing population and international and interstate tourists	Lack of 5 star short-stay tourism accommodation close to the CBD
Relatively low unemployment	Limited employment opportunities for youth

OPPORTUNITIES	THREATS
Industry development resulting from regional airport expansion (e.g. freight and logistics, aviation support enterprises)	Economic downturns/fluctuations resulting from resources industry downturn
Attractive place to work and live within relatively close proximity to Perth, compared to other regional centres	Strong reliance on the tourism industry which affects multiple sectors in an economic downturn
State and Federal funding sources available for regional development (e.g. State 'Royalties for Regions' Fund; and National 'Building Better Regions' Fund)	Ageing population resulting in an increased dependency ratio for the district
Well placed transport links and infrastructure for tourism and industry growth	Lack of reinvestment in ageing tourism accommodation, to meet the expectations of potential new interstate and international markets
Natural environment and resources within the City (beaches, reserves, parks) that will attract people to live and visit	Regional public investment becomes more greatly focused on Bunbury as the 'SW regional capital'
Support to the resources sector as a lifestyle location for developments within the region and on a DIDO, FIFO basis	Urban sprawl reducing the quality of life anticipated by newcomers and impacting the natural environment
Recognition of Busselton as a key regional centre the <i>State Planning Strategy</i> and Regional Development Council's ' <i>Regional Centres Development Program</i> '	Lack of continued public investment in education at all levels, particularly schools in high growth communities
Expanded retail services to reduce consumer expenditure in cities outside the Busselton district	Increasing international integration of industries leads to higher local economic volatility and more exposure to global risks
Premium quality food growing and beverage manufacturing in the region that has potential to further export outside the district (including overseas as a result of the airport upgrade)	Relatively high proportion of population are within ten years of retirement may lead to skills shortages in the future
Value adding to the Region's primary industries including agribusiness, dairy, viticulture, aquaculture and horticulture	Housing affordability
Development of the Busselton Margaret River Regional Airport for tourism growth, export industries, aviation industry support services and freight/logistics	Climate change and decreased water availability may constrain agricultural industries and associated export opportunities
Renewable energy cognizant with a highly valued natural environment	A high Australian dollar value can lead to a reduction in domestic and international visitors impacting the tourism industry
Proximity to Port of Bunbury for commodity exports, particularly through future expansion into sea container facilities	
Potential for exploitation of conventional gas fields in close proximity to Busselton	
NBN and new technologies to support jobs in small business and niche opportunities such as creative industries	

OPPORTUNITIES	THREATS
Business tourism (meetings, conferences, events etc) to reduce seasonality of visitation	
Leverage visitation off the Margaret River Region brand while maintaining unique sub-branding for individual towns and villages (Busselton, Dunsborough, Yallingup)	
Direct foreign investment in emerging industries including tourism facilities and clean/green produce for export to Asian growth economies	
Health and Retirement services (such as aged-care, retirement villages, allied health and high care medical services)	
Grow the creative industries including segments such as music and performing arts; film and TV production; advertising/marketing; software; web and multimedia development; writing/publishing; architecture; design and visual arts	
Provision of international education services (and associated student housing) based on the growing middle classes in China and Asia	
Centres of excellence for research (e.g. health, natural resource management, tourism)	
An enviable lifestyle conducive to attracting highly skilled workers as the digital economy evolves	
Business opportunities for Noongar people resulting from the SW Native Title Settlement	
Expansion of the cruise ship industry	

Employment and income generated from the resources sector in Western Australia has been slowing since 2015. Although mining and resource development continues to play an important role in the State's economic prosperity, it is changing in ways that will reshape Western Australia's industrial landscape. Western Australia experienced a surge in mining-related construction over the past decade, which has driven much of the State's recent growth and impacted the Busselton district, which has developed and maintained a relatively large regional fly-in fly-out (FIFO) workforce, principally providing a labour source for mining operations based in the Northwest. Many economists predict mining will no longer be the main driver of growth and that Australia needs to sharpen its focus on developing and expanding other non-mining sectors.

The expected global growth of a range of industry sectors to the year 2033, suggests the fastest-growing areas (or 'next waves') are gas, tourism and agribusiness – each of which is expected to grow more than 10% faster than Global GDP. According to Deloitte Access Economics (2014), these sectors collectively have the potential to be as big as mining, driven by demand from Asia. It is anticipated that Asian growth will benefit these sectors as follows:

- **Agribusiness:** as people buy Australia's fresh produce, including proteins
- **Gas:** as countries seek to improve air quality and reduce greenhouse emissions
- **Tourism:** as people seek space, nature, holidays and luxury experiences
- **International education:** as students seek to study in an English-speaking country
- **Wealth management:** as organisations and individuals tap into Australia's expertise.

The report also identifies future waves of stronger growth in health services which will be required to support Australia's ageing population.

Figure 9 illustrates the potential next waves of opportunity, where there is a competitive advantage for Australia in a global context. There are opportunities for the Busselton district and the wider South West region to exploit these global growth sectors, due to the nature of our existing economy, future prospects related to the availability of natural resources and the attractive lifestyle benefits associated with clean and pristine environment. For example, the nearby Whicher Range is a conventional gas field providing an opportunity for production to service the south of Western Australia, providing income and employment benefits to the district and adding diversification to the Region's economic base. Similarly, the agricultural industry based on fresh, premium horticulture, dairy, beef and viticulture may provide future expanded export opportunities to Asia which may be accelerated through the availability of competitive transport infrastructure such as the expanded Busselton-Margaret River Regional Airport, scheduled for completion in 2018. Direct access to international freight markets, particularly Asia may be viable if international air services are achieved.

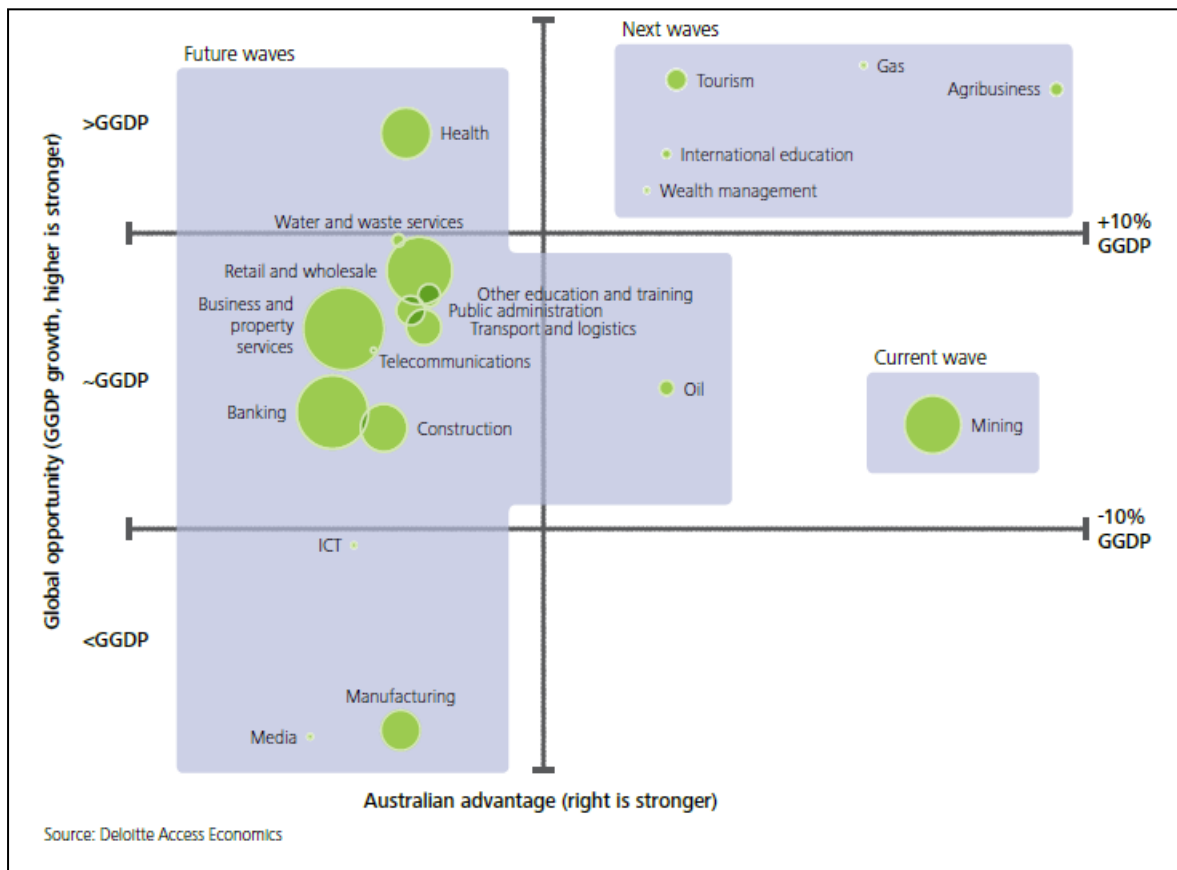


Figure 9: Australia's current, next and future waves of growth (2013-2033)

Source: Deloitte Access Economics (2014)

The Margaret River Region is also well endowed with space, nature, holidays and luxury experiences to accelerate tourism growth, which will also likely benefit from the regional airport upgrade improving accessibility with direct flights from interstate. This opportunity may also reduce seasonal tourism visitation patterns, which provides challenges in the labour market (seasonality is a barrier to attracting and retaining skilled workers such as chefs and hotel managers). Developing a strong year-round calendar of events aims to draw tourists from Perth, interstate, and international locations and is a deliberate strategy to reduce seasonal visitation. Increased liberalization of retail trading hours in 2015 has also been used as a policy tool by the City to embrace the needs of tourists.

Other projects that will support tourism growth and the concept of 'quality of place', include a planned performing arts and convention centre in the Busselton CBD and four/five star short-stay tourist accommodation as part of the Busselton foreshore redevelopment



Cruise ship visits are a new leisure tourism opportunity that have provided an economic injection and expose interstate and international visitors to the Region's vast natural attractions. A new 450 seat performing arts and convention centre is also been planned to grow business tourism in the shoulder and low seasons and to support the cultural and creative arts industry sector.

With a new influx of visitors from interstate and overseas expected in the coming years, improvements in customer service across a range of businesses will likely support repeat visitation and positive word of mouth. Likewise, leadership training and business skills development will help support small business retention and expansion to effectively service emerging tourism markets.

The expansion of the Busselton-Margaret River Regional Airport is a core goal for development of the City and wider Region. Future regional growth will be significantly enhanced by the expansion of both passenger and air freight services within the South West. It is likely that increasing population density in the southern half of Western Australia will generate commercially viable levels of demand for direct interstate and international passenger flights. This will reduce need to further expand the Perth domestic airport, and provide a closer alternative than Learmonth, Kalgoorlie or Adelaide in case of emergency need. It also opens up opportunities for air-freight of regional produce including high quality premium produce such as seafood, cut flowers, dairy products, avocados, citrus fruits, vegetables, wine, truffles, livestock, and packaged products.

Air freight has the potential to be a catalytic investment which lowers the cost of doing business in the Region, opens new markets and attracts new firms to capitalise on the air cargo services

available. It provides access to new and growing markets and enables small businesses to compete in larger markets. It also creates employment diversity (e.g. integrated carriers, air freight forwarders, air freight truckers, ground handlers and their customers etc) and creates demand for education and training services to be provided. Low formal skill requirements in associated areas (e.g. drivers and labourers) enables long-term unemployed and under-employed workers access to sustainable employment opportunities. Meanwhile, occupations with a higher skill requirement will help to attract and retain skilled professionals within the Busselton district. (RPS 2015)



Busselton-Margaret River Regional Airport is strategic regional infrastructure that will be capable of accommodating interstate and international flights, following a \$70m expansion program scheduled for completion in 2018.

The services sector including education, health and professional services (including wealth management) may also present opportunities as the local population grows and the number of retirees to the district grows.

Mining is still expected to be a major contributor to Western Australia's prosperity over the next two decades and beyond, thus maintaining employment opportunities in Busselton predominantly on a fly-in fly-out basis for operations in the North West. Mineral sands projects located in the south-west (including at Wonnerup in Busselton) are anticipated to continue for at least the next two decades continuing to provide locally based employment and income opportunities.

Australia has Free Trade Agreements (FTA's) with China, Japan, Korea, New Zealand, Singapore, USA, Thailand, Chile and Malaysia. It is also engaged in negotiations for a further six FTA's, which will substantially reduce tariffs and improve access to new markets. In addition to these current and emerging FTA's, there are a number of global trends which are supporting agricultural production and export. These include a near tripling of the middle class by 2050, a need to raise food production by 60% by 2050 and climate change which is impacting on yields and water availability around the globe.

The lifestyle attraction of the Busselton district is also conducive to attracting a skilled workforce for new and emerging industries that may develop in the future, including expansion of professional services, health, aged care and government administration to support the forecast growth in population.

4. KEY FOCUS AREAS AND STRATEGIES

Six Key Focus Areas have been identified that reflect the values of the community and priorities of Government and are founded upon the following:

- Recognition of the determinants of regional economic development as endorsed by the Council of Australian Governments (COAG, 2013): Refer Table 1 above;
- Alignment with the City's Strategic Community Plan (2013), which reflects the community's priorities and acknowledges a 'Robust Local Economy' as a priority;
- Projects and initiatives identified in the 2015 South West Regional Investment Blueprint (SWDC) and the 2014 South West Planning and Infrastructure Framework (Department of Planning);
- Consultation with business, industry and government organisations gained from a series of workshops held in Busselton and Dunsborough; and,
- The Regional Development Council's Regional Centres Development Plan (RCDP) Framework, which identifies Busselton as one of nine regional centres of strategic importance to Western Australia's economic growth and worthy of detailed socio-economic planning and assistance to direct future public and private investment.

4.1 Investment Attraction and Marketing

Business attraction (or recruitment) is a means of contributing to the economic vitality of a local area. It is a process of understanding the local economy and identifying gaps for local provision of goods and services by businesses and institutions. It results in a marketing plan aimed at attracting companies and/or institutions that will diversify and build the local economy to match the community's assets and development goals.

The Busselton district has been successful in attracting public and private investment due to its population growth related to its proximity to Perth and its scenic location and amenity of lifestyle, which supports growth in industry sectors such as tourism, construction, professional services and retail trade. It also has a large agricultural industry based on dairy, beef, viticulture and horticulture. A narrow economic base can leave a community prone to market downturns in different sectors, and is prominent with mineral resources, primary production and to some extent tourism.

In the current economic climate, the Busselton district must be marketed as a place offering a broader range of growth opportunities so that the towns and rural areas can become places for reliable long-term return, attracting investment in local enterprises across a spectrum of new and emerging industries.

For the Busselton district to diversify its economy beyond its existing base, a continual stream of new investment opportunities is required. A systematic and well-resourced economic development marketing program based on a strong unified brand along with site selection tools can assist investment attraction. The availability and promotion of appropriately zoned land, information on labour availability, transportation and supporting infrastructure are necessary requirements to successfully attract new business and investment.



Investment attraction and marketing is a key economic development strategy to brand the Busselton district as a place open for business and to showcase specific value-adding development opportunities in both our urban and rural agricultural areas

Outcomes

- Increased public and private investment contributing to a dynamic and diverse local economy;
- National and international recognition of Busselton as the business and tourism hub of the Margaret River Region; and,
- Harnessing local capital as a platform to leverage new business enterprises

Strategies

- Promote the Busselton district as a 'place of choice' to invest and do business;
- Develop an Investment Attraction and Marketing strategy including a suite of supporting materials and online tools for branding and promoting specific opportunities;
- Facilitate new commercial and industrial developments on appropriately zoned land consistent with the Busselton Local Planning Strategy;
- Investigate new ways to mobilise capital to foster and grow local enterprise;
- Broker discussions across private and public sector about forging effective partnerships to grow the Busselton economy; and,
- Identify specific opportunities that will strengthen existing industry sectors and broaden the economic base

4.2 Business Retention and Expansion

Business retention and expansion (BR&E) aims to support businesses that are already operating in the Busselton district, with the aim of growing the local economy from within. Its premise is that local entrepreneurs create the companies that bring new wealth and economic growth to a region in the form of jobs, increased revenues, and a vibrant local business sector.

The City will actively pursue ways of supporting local businesses by ensuring its own physical and social infrastructure is maintained to deliver a high quality of service. The City will also advocate to

State and Federal Governments to ensure support services are suitable and relevant to the local business environment. Initiatives that promote local supply of goods and services will also be pursued.

Generally, industries grow more rapidly where there are linked clusters in the region. Clusters are concentrations of firms that are related through various business activities. The more common reasons for cluster development include an abundance of natural resources, specialized physical infrastructure, access to financial support, a skilled labour force, specialized local demand, or a prior existence of suppliers. Clusters can be linked in two different ways:

- Vertically: in the case of buyers and suppliers; and,
- Horizontally: in the case of businesses that compete in similar markets or share resources such as common technology, raw materials, or a workforce.

Strategies to promote business retention and expansion (including clustering) will require further sectorial economic analysis, profiling and importantly, engagement with business leaders within each sector. More broadly, seeking a better understanding of the challenges and opportunities facing existing businesses will require an enriched and collaborative engagement approach at both the industry and enterprise levels.



Businesses with a workforce less than 20 represent over 97% of the total number of businesses in the City of Busselton and are responsible for most of the employment. Retention and expansion programs are an imperative to successful local economic development

Outcomes:

- A broader range of goods and services produced and retailed locally;
- Greater employment opportunities within the City of Busselton district;
- 'Business friendly' local government policies and programs and a reduction in red tape;
- Strong key economic sectors through enhanced clustering;
- Strong and more profitable enterprises that are innovative, collaborative and engaged in the digital economy;
- Increased public and private investment within the district resulting in stable, year round jobs; and,
- Enriched engagement with industry sectors that have strong growth potential

Strategies

- Advocate for digital infrastructure hubs, updated physical infrastructure and appropriately zoned land to attract and retain business;
- Facilitate improved access to business development skills and knowledge;
- Work with economic and business development stakeholder organisation to identify local products and services to foster industry clusters;
- Reduce economic leakages from the Busselton district by encouraging local purchasing;
- Facilitate local enterprise networks that support a culture of innovation and ideas exchange;
- Partner with relevant stakeholder organisations to encourage business start-ups;
- Facilitate regular communication between organisations that have an economic/enterprise development function and local industry; and,
- Foster a business culture that supports weekend trading to support tourism growth and 'open for business' branding

4.3 Regional Workforce Development

The ability of a community to supply an appropriately skilled labour force can determine the success of existing businesses and influence the attractiveness of the Busselton district for new business and industry investment.

Demand for labour fluctuates dependent on local and state economic conditions and on major projects that may stimulate demand for short periods. Since 2014, unemployment in the Busselton district has been maintained between 3 and 4% and at the March quarter 2016 was 4.3%, relatively lower than the averages for the South West (4.6%), and Western Australia (5.9%).

An important consideration for attracting and retaining a skilled labour force in the Busselton district is the concept of 'compensating differentials' in labour economics. This concept refers to the notion that individuals often act to maximize their utility in making employment decisions, by taking into account not only wages and employment prospects, but also the many other amenities associated with a region that affect well-being (Department of Training and Workforce Development; 2013). The City of Busselton has a key role in creating and maintaining an attractive physical and cultural amenity to help attract and retain the district's labour force. Lifestyle appeal presents an opportunity for the Busselton district to leverage its popularity as a tourism destination and build its profile as a place to live and work. Employment based branding strategies aligned with strong tourism brands can help attract a skilled labour force and are a component of investment attraction and marketing programs introduced earlier.

An important component of the local workforce is the advent of fly-in, fly-out (FIFO), providing a supply of labour for north-west resource development projects. This has seen increased opportunities for FIFO employment using the Busselton-Margaret River Regional Airport for direct flights to mine-sites and coach services for road transport to Perth airport.

Another important workforce development issue is career development in the hospitality industry. As a popular tourism destination the Busselton district has a high demand for labour particularly in

peak visitation periods. A further challenge is the perception of the sector as predominantly a short term, stop-gap form of employment before moving onto long term careers. This is an important challenge to overcome given the economic contribution of the hospitality and tourism sector to the region.

Human capacity (particularly education and training) is a key determinant of regional economic development. Accordingly, the City will continue to advocate for improved vocational and higher education facilities and foster capacity building initiatives. Based on its comparative advantages as a coastal lifestyle city, there may be opportunities to establish Busselton as a centre for research and training and to explore new platforms for learning. Enhancing the capability of the local workforce will help grow existing businesses and provide a labour force attractive to new businesses.



Seasonal tourist visitation creates challenges for recruitment of full time staff those seeking a career in hospitality and tourism enterprises

Outcomes

- A skilled, mobile and diverse workforce living in the City of Busselton district;
- Training and retraining opportunities to take advantage of new technology and new markets;
- Dual sector (vocational and higher education) facilities and services focused on a hybrid of digital and tutorial delivery;
- Life-long learning opportunities for a variety of ages and lifestyles;
- Strong leadership at both the industry and enterprise level of business; and,
- Improve perceptions of the hospitality sector as a career path

Strategies

- Facilitate the provision of a full range of education and training opportunities adopting models of innovation;
- Develop detailed industry sector profiles (including detailed labour force and occupation data) to assist targeted attraction of new industry;
- Promote the development of major strategic infrastructure such as air/transport and road-links between urban centres;
- Encourage investment in the future of the Busselton district by linking local businesses with local training providers;

- Support retention of a skilled workforce by ensuring a full range of training, professional development and mentoring services, including a regular customer service program;
- Develop marketing and human resources strategies to counter the perception of the hospitality sector as a short term/stop gap employment option;
- Advocate for capital investment into a new Busselton campus of South Regional TAFE, in line with industry growth and population projections;
- Develop specific employment based branding materials focused on the Busselton district as a place to live and work (including seasonal opportunities in tourism and agriculture and associated labour programs); and,
- Formulate a strategy to attract international students to the Busselton district to study and train using existing and new facilities and services



The Council of Australian Governments (COAG) recognises human capital (particularly education and skills of the regional workforce) as one of five key determinants of long term regional economic development

4.4 Industry Development

The Busselton district possesses a relatively broad economic base for its primary production, agriculture, horticulture, and leisure- tourism industries. The economy is therefore more resilient to downturns than narrow-base economies. Its relaxed lifestyle and beautiful natural setting continues to attract a varied workforce, of people, which can support industry growth with its mix of skills and experiences. Although intangible, these natural attractions logically provide a regional advantage upon which to attract future investors and other economic contributors to be based in the Busselton district. The City of Busselton is not able to influence outcomes in isolation, however it can partner and support desirable growth through the cultivation of information, land use planning and modern infrastructure, which improves the connectivity of the Region to world markets.



Value adding to existing industries, particularly local food and wine for export is an economic development opportunity. Light industrial land is zoned and available at Vasse, Busseton and Dunsborough to facilitate these opportunities

Outcomes

- A strong, sustainable and diverse industry base across multiple sectors;
- Training, research and product development partnerships;
- Greater demand for local products, services and employees;
- Niche-areas of industrial expertise; and,
- Business and community engagement in the digital economy

Strategies

- Develop and maintain relationships with key local industry groups to better understand issues and opportunities to support industry growth and support advocacy efforts;
- Explore potential for further strategic partnerships and formalisation of collaboration/networks, particularly in the tourism, aquaculture, mineral/petroleum resources, agriculture, construction, creative and retail industries;
- Facilitate engagement with Federal and State government representatives to advocate key industry sector opportunities and challenges;
- Review land use and the timing for land release and servicing strategies to support potential and emerging industries;
- Promote opportunities arising from the digital economy, particularly from delivery of the National Broadband Network (NBN); and,
- Develop key industry sector profiles and associated development strategies in partnership with relevant industry associations (*see also KFA 1: Investment Attraction and Marketing*)

4.5 Strategic Infrastructure

High quality economic infrastructure is a key enabler for industry growth, productivity and the attraction of investment. Access to appropriate infrastructure is also fundamental to ensuring the whole community can contribute to, and share in, the Region's wealth and quality of life.

The City has identified several key economic infrastructure projects with the potential to catalyze and attract further private investment and grow regional employment within the Busselton district. They are:

- Busselton Margaret River Regional Airport;
- Performing Arts and Convention Centre; and,
- Busselton Foreshore redevelopment



Three major strategic infrastructure projects lead by the City of Busselton are the Busselton Margaret River Regional Airport, Performing Arts & Convention Centre and the Busselton foreshore redevelopment, each of which require public funding which in turn will stimulate private investment creating new jobs in the Region

Other examples of strategic infrastructure projects that will support local and regional economic development (but are not the direct responsibility of the local government) include long range planning of a rail corridor and network through the region and to Perth; main road improvements, and enhancement of tourism assets such as Cape Naturaliste Lighthouse and regional caves.

Combined, these strategic infrastructure projects require significant public investment; however result in the creation of regional economic and employment benefits and improved quality of life, which further assists with the attraction and retention of residents.

Outcomes

- Enhanced strategic infrastructure that supports business and industry development and quality of life;
- Updated infrastructure using renewable technologies to lower operating costs;
- Mobility and good connection of urban communities with each other and places of employment and industry;
- Community networks facilitated by digital technology and social networking

Strategies

- Work with stakeholders to identify future strategic economic infrastructure needs of industry, business and the community;
- Advocate public and private investment in infrastructure (including public/private partnerships) to seize opportunities for development of Busselton's key industry sectors;
- Capitalise on regional advantages by advocating funding for establishment of health, education and entertainment infrastructure that encourages retention and attraction of residents;
- Review land use and building controls and timing for land release and servicing strategies;



Strategic infrastructure for the Busselton district includes a new \$120m Health Campus opened in 2015 and the roll –out of the National Broadband Network (NBN) which can support innovation in existing business and industry and attract new enterprises to City of Busselton communities

4.6 Place Making and Activation

Vibrant activity centres are vital for sustainable urban living and are crucial in providing a memorable experience to visitors. Exciting, activated places have the following characteristics, they:

- foster a sense of community and develop a unique, individual character, image and style;
- evolve and grow with their community and reflect its character, heritage, and future aspirations;
- nurture small business and local employment;
- facilitate and encourage walking, cycling and public transport usage; and,

- Creating positive places and communities is often the result of effective partnerships with the public and private sectors and involves multiple stakeholders. The City will foster discussion to find productive ways to work with business, community and government stakeholders, to improve the quality of urban spaces and natural areas with an objective of making towns, villages and places (e.g. laneways, tourist precincts) livable with a motivated and enabled community. This builds the social capital and conditions necessary to attract investment, which in turn generates development and employment.



The City has made streetscape upgrades to townsites in Busselton and Dunsborough and has lifted the aesthetic appeal of the foreshore precincts which appeal to holiday-makers (attractive place to visit) and residents (attractive place to live)

Outcomes

- Interconnected townsites including Yallingup, Vasse, Dunsborough, Busselton and Geographe; each with a positive identity and vitality;
- Greater sense of community, where people invest time and resources for common benefit;
- Towns with active public spaces (parks, laneways, streets, tourist precincts) which inspire creativity and uniqueness; and,
- ‘Memorable places’ which promote return tourist visitation and inspire residents

Strategies

- Engage with stakeholders to inspire activities and events which recognise the qualities and uniqueness of towns and specific places;
- Partner with business owners and managers to focus positive activity onto streets and public spaces;
- Investigate alternative governance models for town centres and other retail shopping precincts;
- Encourage events and cultural activities that help activate/enliven local towns and tourist precincts;
- Encourage property owners to improve their facades and partner the City to activate laneways adjoining their properties;

- Review existing governance of public space and abutting business to identify creative opportunities;
- Prepare and implement physical and cultural improvements to key tourist and business precincts; and,
- Develop town centre place strategies for each of the current towns which address business and resident needs

The six key focus areas outlined above provide the framework for Council’s future economic development activities. They articulate the core areas of focus for Council and stakeholder organisations to facilitate local economic development, by providing direction to promote investment and employment growth, while ensuring the district remains an appealing ‘place’ in which to work, live and invest.



There are opportunities for improved activation of Busselton and Dunsborough town centres, along with improved ‘place management’ arrangements through programs and partnerships with property and business owners

5. STRATEGY GOVERNANCE AND IMPLEMENTATION

The City of Busselton will approach the implementation of this Strategy by adopting a collaborative governance philosophy. A City of Busselton Economic Development Taskforce (EDT), will be established to encourage collaborative effort and to monitor and report progress to Council and stakeholder organisations. The EDT will also provide advice to Council on any other economic development matters as may be requested by Council from time to time. Although not a formal Committee of Council (as defined in s5.8 of the Local Government Act 1995), the EDT will be guided by a Charter outlined in Appendix 2.

Encouraging collaboration will require mobilization of key stakeholder organisations and individual leaders that are able to provide advice and/or influence decision making within Government, industry and the wider business community. An implementation plan outlining practical initiatives has been prepared and will be used to guide the EDT and key stakeholder organisations, which include, but are not limited to the following:

Key Stakeholders	
Australian Trade Commission (Federal)	Dunsborough and Districts Progress Association Inc
Australia's South West Regional Tourism Organisation	Dunsborough Yallingup Chamber of Commerce and Industry Inc
AusIndustry (Federal)	Landcorp
Business South West	Main Roads WA
Busselton Chamber of Commerce and Industry Inc	Margaret River Busselton Tourism Association Inc
Busselton Jetty Environment and Conservation Association Inc	Margaret River Chamber of Commerce and Industry Inc
Capes Region Higher Education Taskforce	Margaret River Wine Industry Association Inc
Community/Business Leaders	Master Builders Association South West
Central Queensland University	Member for Forrest: Federal Parliament
Dairy Australia (Western Dairy)	Members for the South West: State Parliament
Department of Agriculture and Food WA	Member for Vasse: State Parliament
Department of Commerce	Perth Convention Bureau
Department of Culture and the Arts	Private land developers
Department of Education	Regional Development Australia South West
Department of Infrastructure and Regional Development (Federal)	Shire of Augusta Margaret River
Department of Lands	Small Business Development Corporation
Department of Parks and Wildlife	South West Aboriginal Land and Sea Council
Department of Planning	South West Development Commission
Department of Regional Development	Real Estate Institute of WA (South West Branch)
Department of Sport and Recreation	South Regional TAFE
Department of State Development	Southern Ports Authority
Department of Training and Workforce Development	Tourism Western Australia
Department of Transport	Utilities (Electricity, Water, Gas, Telco's)

Strategies and actions identified by the EDT will either be led by the City of Busselton or by other organisations where the Council does not have direct control or responsibility for service provision, but can 'influence' and advocate for change. Initiatives which are identified as 'City-led', will feed into the City's Corporate Business Plan (reviewed annually) and resourced through the City's Integrated Planning Framework (i.e. Asset Management Plan, Long Term Financial Plan and Workforce Plan).

The City of Busselton collaborates with the Shire of Augusta Margaret River through the Capes Region Organisation of Councils (Caperoc), and where appropriate, will undertake joint economic development strategy initiatives that produce economies of scope and scale in project cost and delivery.

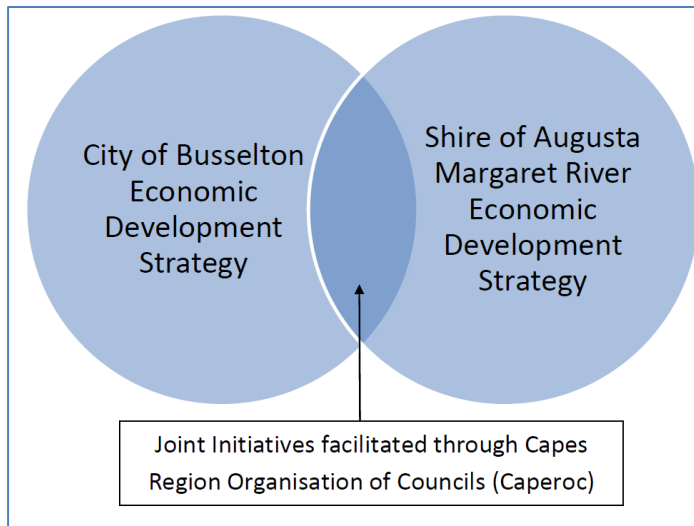


Figure 10: The Capes Region Organisation of Councils will facilitate regional economic development projects

Economic performance of the Busselton region will be measured using ten Economic Performance Indicators (EPIs), which will be benchmarked against a base year/period and updated annually with reporting using 'star-rating' graphics and showing upward or downward movements. The ten EPI's are shown in Figure 11.

Economic Performance Indicators	Base line Period
EPI 1: Population growth	2015
EPI 2: Economic growth	2013/14
EPI 3: GRP per capita	2013/14
EPI 4: Employment growth	Yr to Jun Qtr 2015
EPI 5: Unemployment rate	Jun Qtr 2015
EPI 6: Productivity level	2013/14
EPI 7: Index of Economic Diversity	2011
EPI 8: Growth in dwelling approvals	Yr to Jun Qtr 2015
EPI 9: Average business turnover	2013/14
EPI 10: Per capita income	2010/11

Figure 11: Economic Performance Indicators for the City of Busselton Local Government Area will be measured annually

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Appendix 1

GUIDING PRINCIPLES FOR DEFINING LOCAL GOVERNMENT'S ROLE IN FACILITATING ECONOMIC DEVELOPMENT

Source: South Australian Centre for Economic Studies (2013)

GUIDING PRINCIPLES (GP) FOR DEFINING LOCAL GOVERNMENT'S ROLE IN FACILITATING ECONOMIC DEVELOPMENT	
1	Economic development refers to the process by which economies evolve and change over time. In favorable circumstances, it occurs naturally through businesses exploring and exploiting profitable opportunities to expand their production and sale of goods and services
2	Promoting and strengthening economic development has become an objective of all spheres of governments pursued through strategies aimed at increasing the future economic performance of an economy in order to provide greater employment opportunities, incomes and well-being
3	Governments themselves do not drive economic development - business investment, innovation and entrepreneurship drive it – but governments can be effective enablers and facilitators
4	Place-based approaches to economic development is now internationally regarded as best-practice: It involves promoting the economic development of regions and localities through a bottom-up approach in which partnerships between community leaders, business leaders and governments collaboratively develop visions, strategies, plans and initiatives
5	The place-based approach particularly emphasizes that enhanced economic development and growth is possible in all localities if they take the lead in mobilizing and strengthening their local assets (physical, human, financial, social, economic and natural): Human capital has been identified as the single most important factor in enhancing economic development and growth
6	Contrary to the views of some, local governments can effectively promote local economic development, and it is important that they do so because economic development is integral to the achievement of their core objective: the promotion and enhancement of community development
7	Local Governments invariably do play a role in local economic development simply by undertaking their core functions, which include the provision of local land and infrastructure which enable business establishment and operation, and through the strategic use of their role in land use planning they can influence the business investment attractiveness of a local area
8	Local Governments can make their localities more attractive to invest in, as well to live and work in, by doing better and more effectively all the things that are among their core functions; they can facilitate investment in “enabling” hard and soft infrastructure; and they can use a variety of incentives to encourage additional business investment in their localities by existing or new businesses
9	There are some limitations on the capacity of local governments to promote economic development that they have to work around including by advocacy with other spheres of government: these include the fact that they do not have direct control over some public sector services that are important to local economic development and that they have inadequate resources to be able to themselves invest in the provision of enabling infrastructure
10	Critical to the effective promotion of local economic development by councils are the lessons to be learned from evaluations of strategies undertaken elsewhere. These especially include that achieving the potential benefits of implementing economic development strategies takes substantial periods of time; strategies and initiatives have to be applied in a consistent, coordinated, sustained way, adjusted from time-to-time to ensure that they continue having a significant influence
11	Achieving as much integration of local initiatives as possible with regional-scale strategies adds to effectiveness of local strategies and to the economic strength and resilience of the regions
12	Ultimately, local economies collectively are the backbone of strong regional economies which, in turn, are the foundations on which state economic development and growth is built

Appendix 2

CHARTER FOR THE BUSSELTON ECONOMIC DEVELOPMENT TASKFORCE

1. INTRODUCTION

Although not a formal Committee of Council (as defined in s5.8 of the Local Government Act 1995), the City of Busselton Economic Development Taskforce (EDT) will provide leadership, recommendations and updates to Council on implementation of the City's Economic Development Strategy (2016-2026).

2. AUTHORITY

The EDT is a reference group with no formal decision-making powers or authority vested to it by Council. It will be chaired by the Mayor (or his/her delegate), who will work with members to implement and advocate projects, policies and programs identified within the City's Economic Development Strategy (2016-2026).

The EDT may only act within the Charter and procedural arrangements endorsed by the City of Busselton. It has no authority to:

- Expend moneys on behalf of the City;
- Commit the City to any arrangement;
- Consider any matter outside its specific reference; and
- Direct City Officers in the performance of their duties.

The City of Busselton will ultimately determine actions, having regard to the advice and recommendations of the EDT. The EDT is not intended as a definitive tool of consultation for economic development initiatives and the City of Busselton may consult with other stakeholders outside of the Taskforce.

3. RESPONSIBILITIES AND FUNCTIONS

It provides advice, recommendations and updates to Council on the implementation and review of the Economic Development Strategy (2016-2026), with a strong focus on Investment Attraction and Marketing; Business Retention and Expansion; Regional Workforce Development; Industry Development; Strategic Infrastructure and Place Making and Activation.

4. MEMBERSHIP

The EDT will consist of the following:

- City of Busselton Mayor, or his/her delegate (Chair);
- Two (2) City of Busselton Councillors;
- Three (3) key industry sector members (incl. agriculture, property development);
- One (1) representative of the Margaret River Busselton Tourism Association;
- One (1) Community leader appointed by Council;
- Two (2) City of Busselton staff members;
- One (1) representative of the South West Development Commission (State Government);
- One (1) representative of Regional Development Australia South West (Federal Government);
- One (1) representative of the Busselton Chamber of Commerce and Industry Inc (BCCI); and,
- One (1) representative of the Dunsborough-Yallingup Chamber of Commerce and Industry Inc (DYCCI).

The EDT may request the attendance of any other person or representative for advisory purposes only. It may also establish informal sub-committees or working groups comprising its members or other persons to assist in fulfilling its responsibilities and functions.

5. OBLIGATIONS OF MEMBERS

Members of the EDT, in performing their duties, shall:

- Act in accordance with Council's Values and Code of Conduct;
- Act honestly and in good faith;
- Actively participate in meetings;
- Perform their duties in a manner that public trust in the integrity, objectivity, and impartiality of Council is conserved and enhanced;
- Exercise the care, diligence and skill that would be expected of a reasonable person in comparable circumstances;
- Seek to understand and refer to the guiding principles defining local government's role in economic development as referenced in Appendix 1 of the City of Busselton Economic Development Strategy (2016-2026) and participate in capacity/knowledge building professional development opportunities as and when they are offered by the City and/or regional development organisations.

6. MEETINGS AND MINUTES

It is anticipated that the EDT will meet quarterly or as required.

Meetings of the EDT shall be called by the Chair, with notice of the meeting being forwarded to members with Agenda papers distributed with at least seven (7) days' notice.

The quorum for meetings shall be 50% of the members. The Chairperson will have a casting vote, as well as an original vote.

EDT meeting minutes are to be approved for distribution by the Chair and confirmed at the next Ordinary Meeting of the EDT. The Minutes will be distributed to EDT members and available on Council's website for general access as part of the Council minutes Information Bulletin.

The City of Busselton will provide the following administrative support to the EDT:

- Agendas, minutes and associated reports will be forwarded to members prior to the meeting;
- Attending meetings and taking minutes of proceedings;
- Any item from a meeting requiring action by Council officers will, in the first instance, be communicated to the relevant officer/s for consideration and/or action. Actions will be communicated at the next meeting.

7. EVALUATION AND REVIEW

A review of the EDT and its membership will be undertaken every two years to ensure the purpose, membership and operation is current and to make appropriate changes if required.