

CITY OF MELTON

INVESTMENT ATTRACTION STRATEGY





City of Melton is well positioned to cater for growth into the future and offers attractive reasons to invest including affordable land, access to infrastructure and a large local labour pool.

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MAYOR'S MESSAGE

On behalf of Melton City Council, I am proud to deliver the Investment Attraction Strategy – an integrated and targeted approach to promote our City as an emerging investment destination for businesses to consider.

As one of the fastest growing municipalities, the City of Melton has a responsibility to plan wisely for the future. The Investment Attraction Strategy will ensure that, as our population grows, our investment opportunities within the City grow, too.

In addition to being an essential part of sustainable economic development within our community, attracting new investment has many benefits. This strategy will ensure we capitalise on these benefits, which include new employment opportunities, utilisation of local resources, a stronger and more resilient local economy and new export opportunities.

Offering affordable and accessible industrial land, a large local labour force and many other appealing qualities, the City of Melton is in a strong position to cater for industry growth into the future.

This strategy is a collaborative effort from Melton City Council and a range of external stakeholders. I would like to take this opportunity to thank the local businesses, education providers, service providers and regional body representatives who worked with us to deliver a winning strategy that will ensure a prosperous future for the City of Melton.

Cr Kathy Majdlik GAICD
Mayor, City of Melton



CEO'S MESSAGE

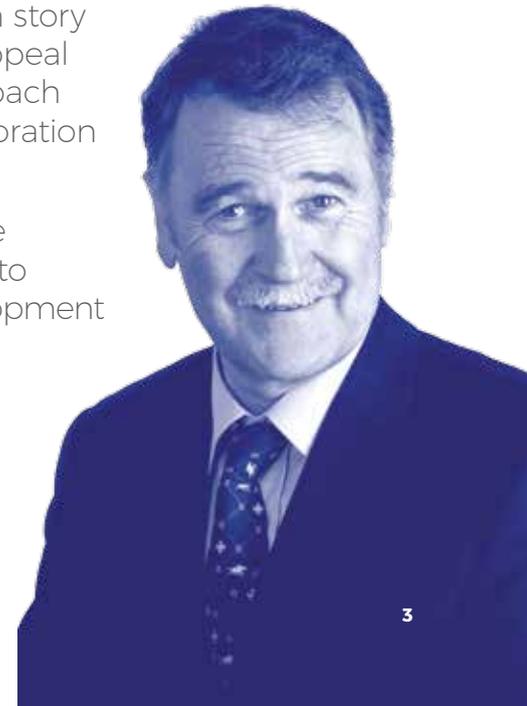
The City of Melton is an up and coming destination offering attractive reasons for businesses to invest. With a growing population, availability and affordability of industrial land and commercial office space, major infrastructure projects, large local labour force and a significant regional asset – Western Business Accelerator and Centre for Excellence, the City is well positioned to cater for investment growth into the future.

With a growing population comes rapid growth in Education and Training, Retail, Healthcare, Accommodation and Food Services and Construction industries. Despite strengths in these industries, Council has recognised future target growth industries in Logistics & Warehousing, Advanced Manufacturing and Professional Services. For the business investor, choosing where to locate, City of Melton is a top choice geared for growth and return on investment. We want to promote the opportunities and advantages unique to the City of Melton through our Venture Melton brand to drive sustainability of the local economy.

Council's role is important in building the City of Melton story in partnership with the local business community to appeal to potential investors. Council takes an integrated approach to investment attraction through facilitation and collaboration with key partners to help businesses prosper.

I personally take an interest in seeing the strategy guide considerable future growth and targeted investment into the City. I encourage you to contact our Economic Development and Advocacy Department to discuss your investment requirements, to seize opportunities to start or expand your business.

Kelvin Tori
Chief Executive Officer, City of Melton



WHAT IS INVESTMENT ATTRACTION?

Investment Attraction is the act of facilitating growth of the local economy through:

- encouraging expansion and reinvestment of existing local businesses and
- generating flow of new investment capital from new businesses

BENEFITS OF INVESTMENT ATTRACTION

Attracting investment is an essential part of sustainable economic development.

Some of the main benefits include:

- new employment opportunities
- utilisation of local resources
- stronger and resilient local economy
- new export opportunities
- potential growth of new industries
- expansion of local capability and skills

COUNCIL'S ROLE IN INVESTMENT ATTRACTION

Successful investment attraction requires input from a range of internal and external stakeholders. Melton City Council's role in the process is diverse and key to enabling all stakeholders to work together as a network to build business confidence, trust and realise investment opportunities.

Figure 1. Summary role of Council in investment attraction



STRATEGY DEVELOPMENT PROCESS

The Investment Attraction Strategy 2016–2019 was developed through a comprehensive background report combined with input from external research and a series of consultation workshops and surveys.

01

BACKGROUND REPORT

Details background information, benchmarking from case studies, summary of research data and recommendations, economic and demographic information, state and local directives and feedback from consultation workshops.

02

SKILLS GAP ANALYSIS

An external supplier was engaged by Melton City Council to undertake a variety of technical analyses regarding the local economy. Industry growth opportunities and skills gaps were identified and recommendations put forward.

03

CONSULTATION

- 📍 Internal consultation workshops
- 📍 External consultation workshops
- 📍 Online business growth surveys

04

IDENTIFIED STRATEGIC AREAS AND VISION

- 📍 Activity Centres & Precincts
- 📍 Investment Facilitation & Business Development
- 📍 Incubation of Home Based & Small Business
- 📍 Future Growth & Enabling Assets
- 📍 Investment Attraction Marketing

05

4 YEAR ACTION PLAN

There are specific actions under each of the strategic priority areas identified in the Investment Attraction Strategy.

VISION

Our vision is to leverage population industry growth whilst cultivating future industry investment through targeted skills development and promotion of the City of Melton as an emerging investment destination for businesses to consider.

WHERE

WE NOW

ARE

W?

WORKFORCE AND ECONOMY

The City of Melton is one of Australia's fastest growing municipalities with a current annual population growth of 4%. City of Melton's Gross Regional Product (GRP) is estimated at \$2.552 billion which represents 8.61% of Melbourne's Gross Regional Product (GRP) of \$29.656 billion and 0.73% of Victoria's Gross State Product (GSP) of \$350.343 billion.

- Over 6,330 businesses registered and operating in the City of Melton
- 27.8% of Melton businesses employ 1 to 4 people
- Of the 39,887 hectares designated in the Urban Growth Zones around Melbourne the highest number is allocated to the City of Melton (over 10,000Ha)
- One of the youngest municipalities with the median age of residents sitting at 32 years
- 42 babies are born each week with more than 70% of the population under 49 years of age
- High rate of people born overseas representing more than 100 nations speaking over 130 different languages

- Largest exporter of labour with only 18.4% of residents working in the municipality
- Current employment estimate for City of Melton is at 24,720 jobs
- 3.6 blue collar workers per job and 2.9 white collar workers per job which is much higher than in Melbourne
- The City of Melton has the highest worker/local job ratio across the metropolitan growth areas
- The City of Melton has a lower than state average percentage of people earning a high income (those earning \$1,500 per week or more)
- There is a large gap between the number of manufacturing workers and the number of jobs available in manufacturing sector

6,330 businesses registered in the City of Melton.

COMPETITIVE STRENGTHS

City of Melton is well positioned to cater for growth into the future and offers attractive reasons to invest. As businesses continue to experience the squeeze, they are starting to look to the outer suburbs including the City of Melton which is increasingly becoming more accessible.

WHY MELTON?

- Availability of industrial land (over 900Ha available now and almost 2,000Ha of future industrial land)
- Affordable industrial land (between 12%-45% savings with other parts of Melbourne)
- Affordable commercial office space (City of Melton \$240 per sqm compared with Sydney Metro encompassing city fringe and outer suburbs ranging from \$300 - \$450 per sqm)
- Access to transport infrastructure (Port of Melbourne and Melbourne International Airport are within 30-40 minutes of Melton)
- Local supply chains and workforce (existing strengths in manufacturing and logistics with current networks and potential local labour pool)
- Competitive advantages in primary and secondary education as well as construction services and residential building construction
- Proximity to agricultural production regions
- Significant population growth (Melton is one of the seven Metropolitan Melbourne growth areas)
- Large local labour force which is fast becoming more qualified and skilled
- Less competition than other local government regions for local skills
- Large areas of land identified for employment
- Growing town centres offering opportunities for additional services
- Significant future infrastructure investment
- Western Business Accelerator and Centre for Excellence a significant regional asset for economic development
- Connectivity for businesses through the National Broadband Network
- Effective strategic planning for land use and future industry considerations
- Western region will accommodate more than 40% of metropolitan growth over the next 40 years
- West has outperformed Melbourne as a whole in the creation of small firms

The facility and its services will be a major anchor to attracting future investment and enhancing existing business growth.





WESTERN BUSINESS ACCELERATOR AND CENTRE FOR EXCELLENCE

In September 2012, the Australian Government announced that Melton City Council had been successful in its application for \$14.62 million in funding towards the establishment of the innovative Western Business Accelerator and Centre for Excellence (Western BACE). The facility was a \$21 million investment including the \$14.62 million in federal funding and is now in operation and located in the Toolern growth area.

The Western BACE provides emerging businesses workspace with flexible lease arrangements, reception services, client meeting rooms, high speed optic fibre, video conferencing facilities, assistance in business activities such as business planning, access to networks and linkages with other Western BACE businesses.

The Western BACE is an exciting and important community and economic development facility for the City of Melton. The establishment of the Western BACE and initial business acceleration, training and research programs in conjunction with significant planned investment in the Toolern development will deliver critical enduring local employment benefits to both the City of Melton and Western Region of Melbourne. The facility and its services will be a major anchor to attracting future investment and enhancing existing business growth.

VENTURE MELTON INVESTMENT ATTRACTION BRAND

Venture Melton is the Council's investment attraction brand aimed at positioning the municipality as a destination to consider when doing business and investing. The purpose of the brand is to highlight the comparative advantages of doing business in the municipality and to advocate on behalf of the community to state and federal government.

Since the brand's launch in January 2015, the knowledge of the City of Melton and the brand itself have shown increasing awareness and positive engagement both within the local business community and to the wider investor network.

The Venture Melton launch included the introduction of the new Twitter and Facebook pages as well as the Business Investment Prospectus. These channels offer effective ways to communicate with existing and potential businesses on business events, workshops, training, mentoring, networking opportunities, resources and other news to facilitate business growth, investment and build a sense of community pride.



STRENGTH IN POPULATION GROWTH INDUSTRIES

Many of the industries of strength for the City of Melton are related to the local population growth. These are considered 'easy wins' as they are anticipated to grow organically and are well represented. These industries have delivered considerable economic and investment growth, and will increase over time without significant intervention from Melton City Council.

These sectors already have a strong skills base to support business and will experience growing demand at a national level as Australia's population growth trend continues being the third fastest growing among the Organisation for Economic Cooperation and Development (OECD) countries.

- 📍 Healthcare and social assistance are well-served locally with over 58% of all inputs sourced locally
- 📍 The leading industry sector for local expenditure is construction (30.5% of total local expenditure)
- 📍 The largest business sector by the number of registered companies is construction (31%).
- 📍 The major employment sectors in Melton are: Retail Trade (15.5%), Education and Training (14.6%), Construction (11.2%), Health Care and Social Assistance (9.8%) and Accommodation and Food Services (8.1%)

Figure 2. Current population growth industries



WHERE
WANT IT

DO WE
TO BE?

FUTURE GROWTH INDUSTRIES AND OPPORTUNITIES

Investment attraction efforts need to focus not only on existing growth population industries but also in industry sectors that provide considerable value. Not all industries provide the same level of local economy benefits and a key part to sustainable economic development is identifying and attracting key future growth industries.

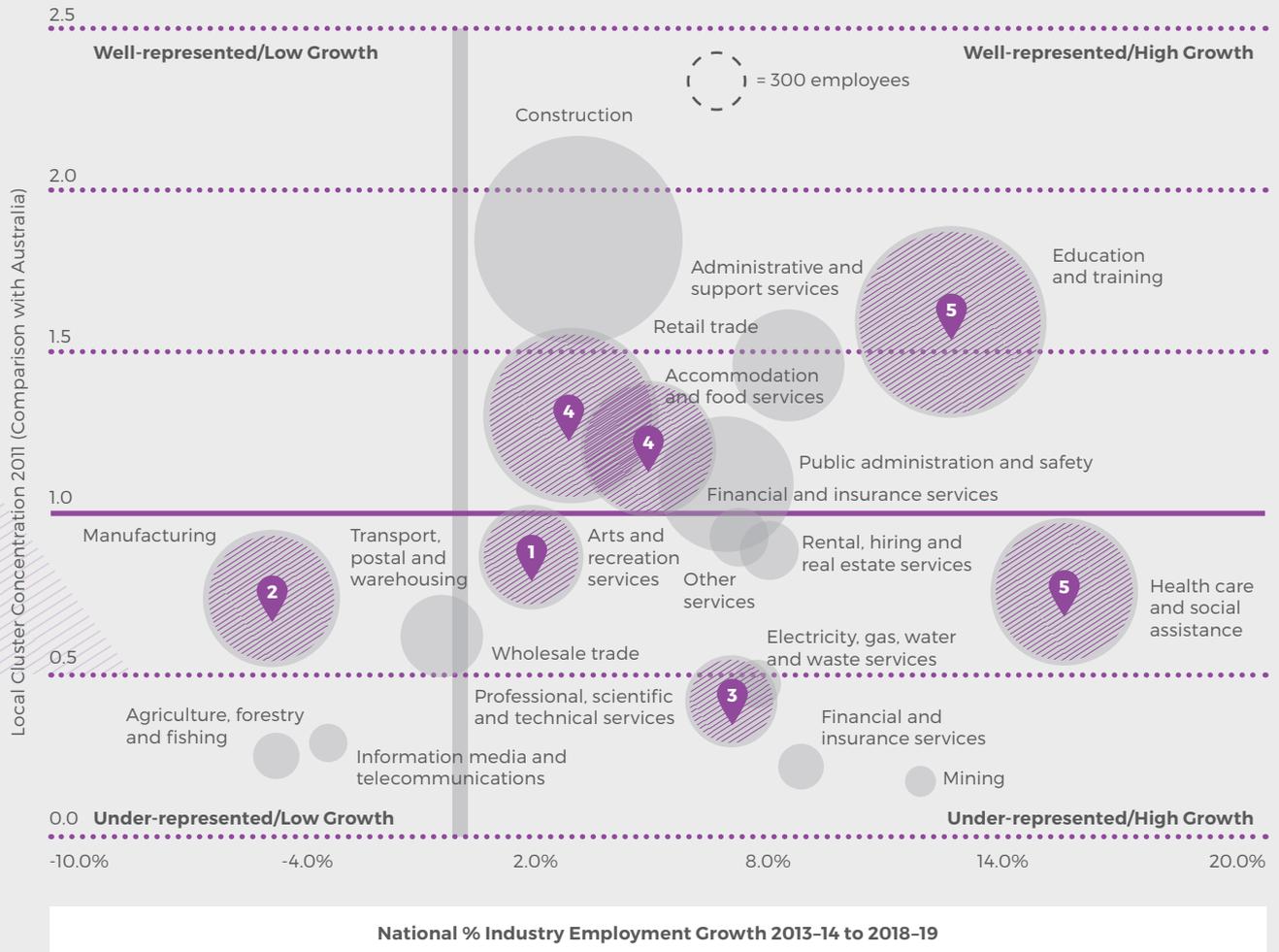
Local level investment attraction does not operate in isolation and national industry employment growth factors play a role in where to target attraction efforts. Sectors which are currently not well represented but are anticipated to grow at the national level pose opportunities for diversification of the City of Melton economy through investment attraction.

To the right is a cluster map which allows for the identification of growth opportunities in specific industry sectors, where a natural competitive advantage already exists against a backdrop of the national expectation for industry growth. Industry clusters located above the "1" on the vertical axis indicate an existing industry concentration (strength or competitive advantage) within City of Melton. The national employment growth estimate is plotted along the horizontal axis. The further to the right of this central horizontal axis, the faster the industry is expected to expand. Similarly, the farther to the left of the zero percent midline, the faster it is expected to shed jobs over the four year period. The size of the cluster (circle) in the map demonstrates the relative size of the local workforce in that industry sector.

Given City of Melton's key competitive advantages and the national industry and employment growth indicators, the below have been identified as key opportunities to target for investment attraction:

- 1 Logistics and warehousing** – Currently under represented, but anticipated to grow at the national level and presents an opportunity for growth for the City of Melton economy on an existing strength.
- 2 Advanced manufacturing** – Currently, traditional manufacturing is under represented and shows low national growth. However, City of Melton is well positioned to cater for Advanced Manufacturing due to the availability and affordability of industrial land, access to transport infrastructure, local supply chains and workforce and proximity to agricultural production regions. Innovative technologies in the industry will support ongoing growth into the future.
- 3 Professional services (legal, accounting and banking services, business services, engineering, architecture and planning)** – Currently under represented, but anticipated to grow at the national level and presents an opportunity for diversification and local skills development for the City of Melton economy.
- 4 Amenity industries (retail trade and accommodation and food services)** – Already has a strong skills base and will continue to grow as population increases at a national level.
- 5 Education and health** – Already has a strong skills base to support business and will experience growing demand at a national level.

Figure 3. Summary cluster map of industry employment growth projections

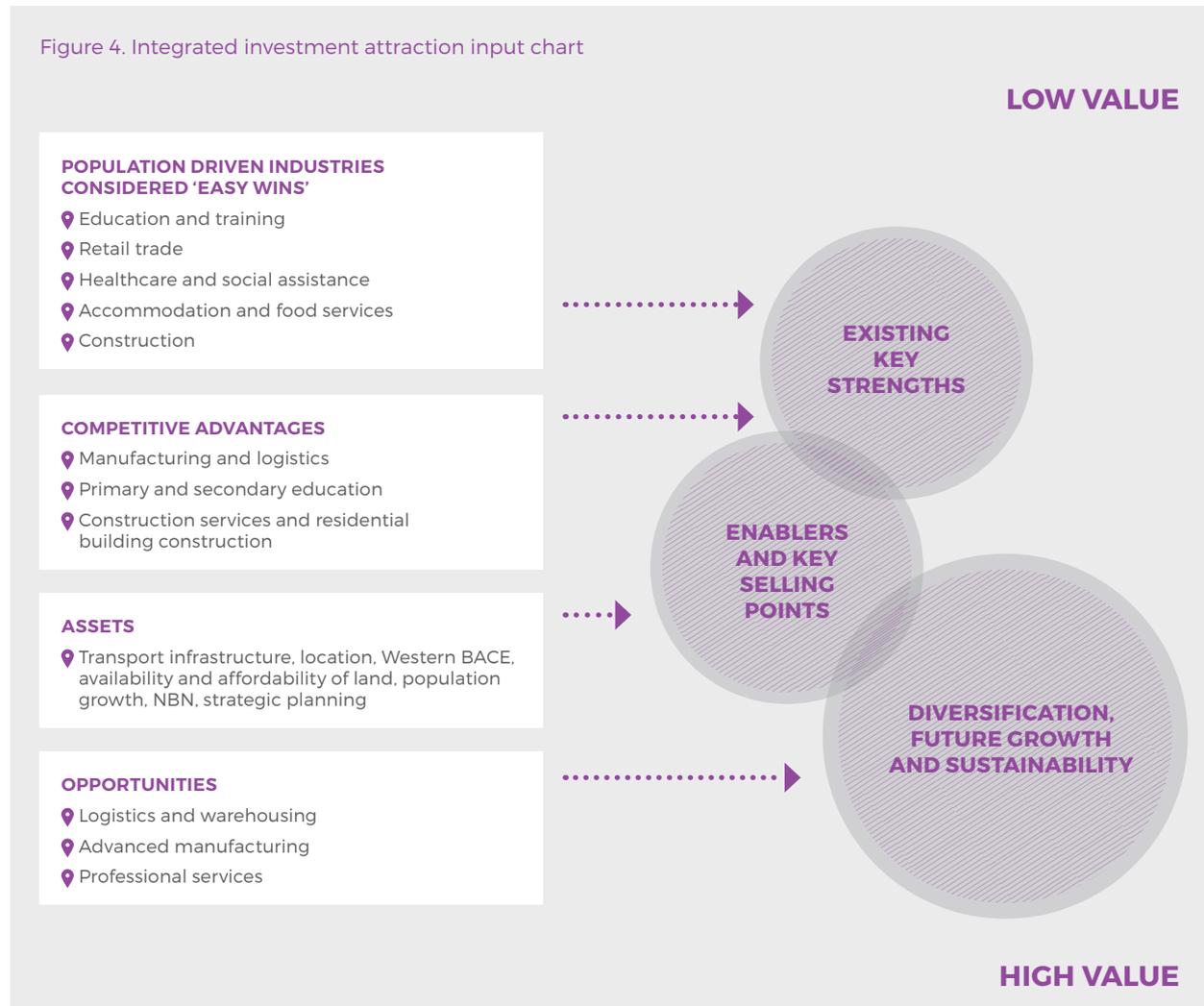


Note: Industry employment growth projections are at the national level. Source: ABS (2012), IBIS World (Various)

AN INTEGRATED APPROACH TO INVESTMENT ATTRACTION

Successful investment attraction requires input from a range of stakeholders and identification of industry attraction opportunities whilst leveraging competitive advantages and key assets.

Figure 4. Integrated investment attraction input chart



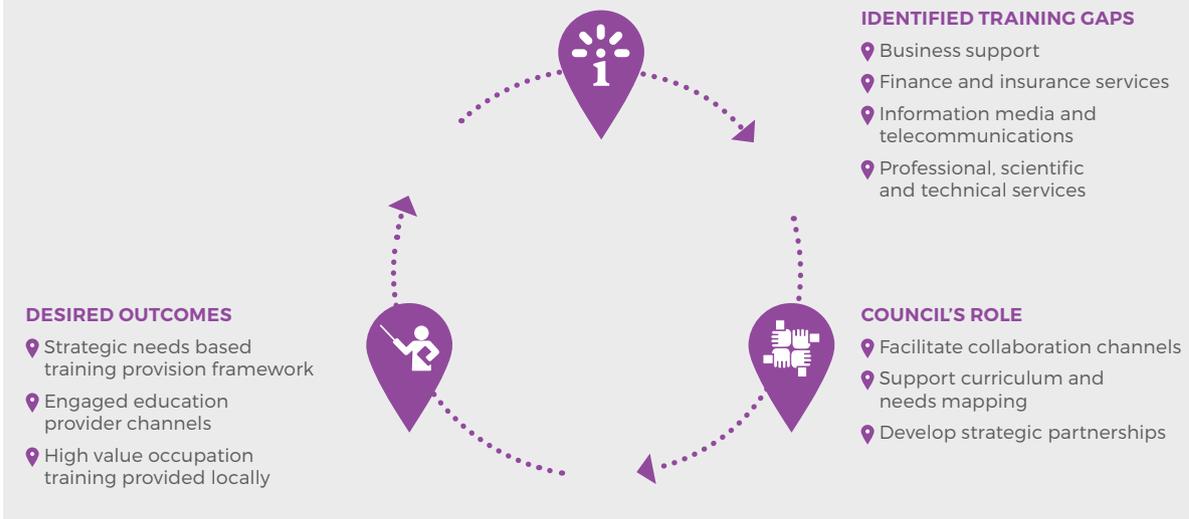
SKILLS GAP ANALYSIS AND OPPORTUNITIES FOR DEVELOPMENT

Current employment specialisations within the City of Melton are in population driven industries with key employment growth areas in construction, manufacturing, retail trade, healthcare and social assistance and education and training which contribute to over 66% of wages paid to employees in the City of Melton.

The analysis shows there is strong scope for future skills development in the under-represented employment growth areas. These development opportunities also show a strong correlation with key future industry attraction opportunities. Higher local skill sets will tend to pay higher wages and have positive benefits for the wealth of residents and the local economy.

The majority of future occupations are trained outside the municipality with an estimated 5.5% of the top 29 future occupations demand likely to be met by local training provision. These occupations tend to be lower income earning sectors than those in which locals are trained elsewhere. There is a great opportunity to increase future training provisions in high value occupations. The challenge to attract education and training providers will be to have students that are willing to undertake the training within the municipality in the identified target areas.

Figure 5. The way forward in addressing the skills gap

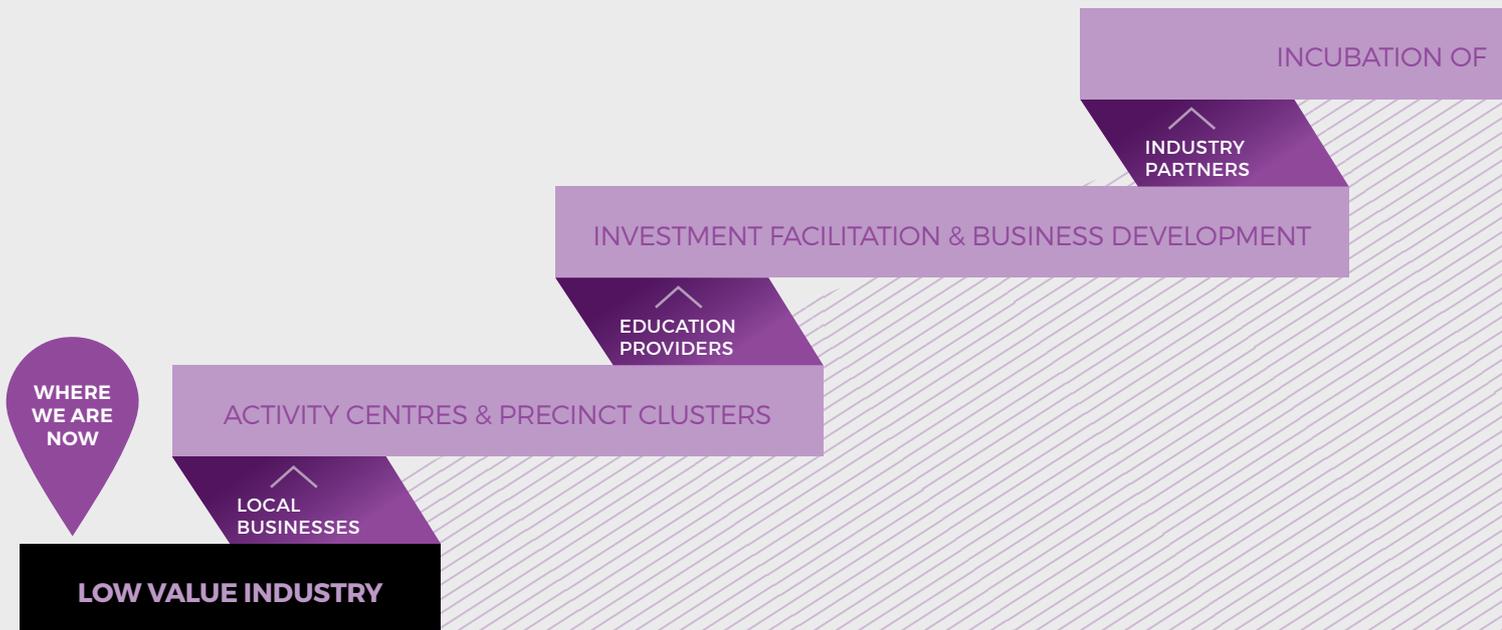


ALLIANCES AND PARTNERSHIPS TO CREATE OUR VISION

Investment attraction is a long term process and it is Council's role to facilitate the creation of the right type of environment for investors and other key stakeholders. We now understand where we are currently, where we want to be 'our vision' and how we will get there through our key strategic themes and objectives.

It is the combination of these building blocks that will help influence investor decisions to locate in the City of Melton into the future. Building the 'right' offering for investors is about working together, building confidence and leveraging our building blocks to lay the foundation for the future.

Figure 6. Investment attraction journey





HIGH VALUE INDUSTRY

COUNCIL & STATE GOVERNMENT

INVESTMENT ATTRACTION MARKETING

SERVICE PROVIDERS

FUTURE GROWTH & ENABLING ASSETS

REGIONAL REPRESENTATIVES

HOME BASED & SMALL BUSINESS

OUR VISION

KEY STR THEMES OBJECT

STRATEGIC SAND TIVES

THEME 1: ACTIVITY CENTRES & PRECINCTS

- 1.1 Leverage existing precinct capability and facilitate the development of appropriate employment precincts within the municipality to encourage sustainable investment
- 1.2 Demonstrate a combined approach to engagement to enhance successful precinct and activity centre development
- 1.3 Engage with businesses in activity centres to build community pride and develop positive perceptions of Council infrastructure projects

SAIZERIYA AUSTRALIA PTY LTD

Saizeriya operates approximately 1,100 Italian restaurants in Japan as well as restaurants in China, Taiwan, Singapore & Hong Kong. The company was established by Yasuhiko Shogaki in May 1973. In 2000, Saizeriya Australia Pty Ltd was established in Melton's industrial precinct to take advantage of the high quality meat and dairy available in Australia. Melton was also chosen due to its proximity to road, air and rail transport as well as a growing workforce in line with the area's high population growth.

The Melton plant, which commenced operating in 2003, has a highly trained

workforce where food quality is high on the agenda. In addition there have been innovative developments within the manufacturing process to increase efficiencies as well as keep costs low which is an ongoing process to keep ahead of export costs. Saizeriya Australia also has unique equipment which makes use of microwave technology to manufacture high quality chilled meals.

Saizeriya Australia is a prime example of a growing business taking advantage of the large parcels of industrial land available and building on existing precinct capabilities.



THEME 2: INVESTMENT FACILITATION & BUSINESS DEVELOPMENT

- 2.1 Develop and facilitate new investment opportunities across the City to support local economy growth and employment outcomes
- 2.2 Explore and develop information resources which support attraction of potential investors in understanding the local economy
- 2.3 Facilitate local, regional and state level relationships with government, industry and intermediaries to maximise opportunities for economic development and investment

SNAP MEDIA

Snap Media was established in 2010 from owner, Martin's kitchen table. Over the past five years they have grown into a talented team of graphic designers and signage experts, based in a fully equipped signage facility in the Ballarat Road Industrial Precinct. In early 2014, Snap Media moved into a space double the size of their previous premises.

Their business' growth was highlighted by them winning the Best Professional Services Business at the 2014 Powercor Australia City of Melton Business Excellence Awards.

A key area contributing to the growth of Snap Media is the Real Estate industry due to the population growth in Melbourne's West. They service approximately 30 agencies across Melbourne and have the capacity to increase this with their streamlined online portal for customers.

Snap Media is a prime example of an expanding business taking advantage of the local economy growth taking place in the City of Melton.



THEME 3: INCUBATION OF HOME BASED & SMALL BUSINESS

- 3.1 Devise a range of business development strategies, programs and resources for home based and small business that complement the Western BACE offering and support local business growth
- 3.2 Support and promote local business networking and consultation opportunities that add value and contribute to innovation and entrepreneurship
- 3.3 Develop, activate and promote a range of flexible spaces including the Western BACE facility for home based and small business to encourage further reinvestment

THE ORGANIC PLACE

Brooke, a mum of 3, wanted to start a business that would suit her lifestyle needs and give her the flexibility to spend time with her children. Brooke realised the growing consumer demand for home delivered organic produce but lack of suppliers that serviced the greater western area. This gap in the market was a great opportunity to bring The Organic Place idea to life and since then having started with just 5 clients she is now servicing 30 a week and the numbers continue to grow. In fact, she has now outgrown her home office and entered the Western BACE which has helped facilitate further expansion.

The Organic Place's success can be attributed to meeting the needs of a growing population where families are becoming more health conscious. Brooke is very active with local networking groups, attending events, building relationships with the many schools in the municipality and growing her online reputation and reach.

The Organic Place is a prime example of a business that has leveraged local programs and been experiencing success as part of the Accelerator Program through the Western BACE with one on one support.



THEME 4: FUTURE GROWTH & ENABLING ASSETS

- 4.1 Support investment projects and engage with the local business community to influence growth opportunities
- 4.2 Facilitate processes and cross council alliances for attracting future innovative and emerging industries to support the growth and resilience of the local economy
- 4.3 Strengthen relationships with Western BACE, state government and regional bodies to identify opportunities for innovation, leadership and best practice to contribute to sustainable future growth
- 4.4 Engage and facilitate collaboration between local educational providers to deliver employment and skills programs that contribute positively to industry growth

SGA ENGINEERING

SGA Engineering started operations in 1999 with just Ted, Darek and one apprentice. Fast forward 16 years and the company has grown to employ 45 local staff. From SGA Engineering's humble beginnings, the company is now an industry leader in the structural steel and construction industry.

The company's success is due to the adoption of innovative technologies in the field which contributed to them being awarded the 2013 Manufacturing Business of the Year at the City of Melton Business Awards. Access to affordable land and facilities within the City of

Melton has also been a big factor. The business has been able to expand operations from a 400m² workshop to a 500m² workshop which meets their needs. The proximity of their location to the airport, CBD and overall road network and infrastructure makes for easy servicing of customers around the state. With access to a diverse and skilled labour force, SGA Engineering has been able to meet their staffing needs as they continue to grow.

SGA Engineering is a prime example of what can be achieved within the municipality.



THEME 5: INVESTMENT ATTRACTION MARKETING

- 5.1 Develop the City of Melton narrative as a hook to attract specific high value industries to cater for future growth and economic sustainability
- 5.2 Target prospective investors in primary focus industries for attraction both locally and internationally through marketing activation initiatives that build investment value
- 5.3 Foster local business community pride and continue to develop the 'City of Melton story' to build the profile of the municipality as a place to invest for targeted growth industries
- 5.4 Collaborate across all levels of government, Western BACE and external agencies for greater investment outcomes and development opportunities ensuring alignment with other regional and state investment attraction initiatives

LITTLE GREEN WORKSHOPS

Gavin and Kim Webber started Little Green Workshops in 2012 in Melton West. They deliver a variety of simple living workshops to teach others skills in sustainable living. These skills include home cheese making, handmade soap and soy candle making which is where they saw a gap in the local market. There was growth for sustainable skills workshops interstate and little choice in Victoria.

Melton was a great place to start their business with access to local community centre facilities to deliver workshops and

help keep start-up costs down. In 2014, the business expanded into ecommerce selling a wider range of products as a result of customer feedback. The location of the business is close to key facilities, Australia Post and local courier services that are essential to growing the ecommerce arm of the business.

Little Green Workshops is a great example of a local business taking advantage of the online space to engage and drive sales for further growth.





Affordable and available industrial land (between 12%–45% savings with other parts of Melbourne).

EVALUATION AND MONITORING

The outcomes of the Strategy will be measured in a number of ways. The Strategy will guide future investment attraction activities at the Melton City Council. The action plan outlines the key priorities and actions that will be delivered.

Some measurement indicators include:

- 📍 Level and scope of new investment enquiries
- 📍 Business investor feedback captured through engagement
- 📍 Success in retaining and assisting expansion of existing businesses captured through engagement
- 📍 Growth identified by Australian Business Register data and number of new business packs distributed
- 📍 Local industry and workforce outcomes identified by Census data

An annual review will be conducted to ensure ongoing relevance and reflection of the City of Melton business investment climate.



Council's Economic Development & Advocacy Department offer a suite of services to support local business and attract future investment.

Melton City Council provides a broad range of business services to new, existing and potential businesses to the City of Melton, facilitating business success from inception through to sustainable growth and competitiveness.

The City of Melton Investment Attraction Strategy 2016–2019 is a medium term vision which aims to facilitate continued investment and business growth in the City of Melton, skills development and position the municipality as an emerging investment destination for businesses to consider. To find out more about the Strategy or to obtain a copy in an alternative language contact Council on (03) 9747 7200.

This document is also available in alternate formats upon request. To obtain a copy in an alternative format contact Council on (03) 9747 7200.

For more information contact Melton City Council's Economic Development & Advocacy Department.

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