

Newsletter May 2009



Western Region has the ear of the Federal Members of Parliament

On Wednesday 18 March LeadWest CEO, Mr. Anton Mayer, joined Western Council CEOs and Mayors on a trip to Canberra to meet with Federal Members of Parliament who represent Melbourne's West including Deputy Prime Minister Julia Gillard, Minister for Health Nicola Roxon, Minister for Employment Participation, Brendan O'Connor and Parliamentary Secretary for Disabilities, Children's Services and Bushfire Reconstruction, Bill Shorten, to promote the West and to lobby for greater support in addressing some of the infrastructure challenges facing the region.

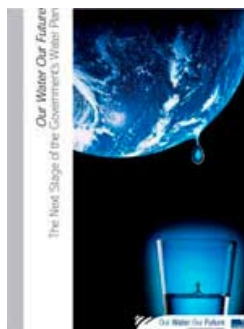
The delegation was well received and the group were able to communicate a range of issues with the MPs that were currently facing Western suburb residents and limiting the west's ability to compete at a state and national level including transport infrastructure, telecommunications, education and skills and additional economic development imperatives.

The CEO reported that the local Federal Parliamentary representatives agreed that there was a need to invest in initiatives that would enable the region to develop local job opportunities. However, presently, there were competing interests for federal dollars and given looming decisions on the Government's allocation on infrastructure spending, the meeting was timely.

Other community initiatives were discussed including public housing needs, community recreation facilities and water requirements.

LeadWest Participates in Western Suburbs Water Forum with Minister Tim Holding

LeadWest's Chairman and CEO participated in a Western Suburbs Water Forum at which Minister Tim Holding outlined the State Governments "Our Water Our Future: the Next Stage water strategy".



Key topics covered included water desalination, water pipeline projects and water saving initiatives.

A copy of the presentation is available on the LeadWest web site.

LeadWest to Support Western Region "Business Plan" Awards Organised by Victoria University

LeadWest is supporting VU in organising the Western Region Business Plan Awards designed to encourage the entrepreneurial process.

The competition, developed with teachers in the region, will provide prizes to participating students who demonstrate excellence in the development of innovative business plans. The initiative has the strong support of industry leaders in the Western region of Melbourne.

LeadWest Participates in Education Workshop at Sunshine Senior College

LeadWest's CEO supported Western Chances in an Education Workshop held at Sunshine Secondary College recently. With the involvement of Orchestra Victoria, over 80 students from the western suburbs were able to further develop skills by performing with professional musicians acting as coaches and mentors.

The program is one of six similar education workshops held across Victoria with Melbourne's western suburbs being the first such event.



Western Region Education & Skills Conference 2009

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

The issue of skills and raising education standards was seen as a key regional imperative in the LeadWest Business Plan 2008 / 2009 and is also a key underlying theme of the LeadWest Western Agenda. The Hon Julia Gillard has been approached to deliver the keynote address at the proposed Forum and the Victorian Minister for Skills, Hon. Jacinta Allan has also been approached to deliver a keynote address.

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

Raising the overall education and skills levels of the residents of Melbourne's western suburbs is vital in addressing the jobs / local employment imperatives so vital in underpinning this rapidly growing region.

LeadWest participated in DPCD convened "Employment Futures Workshop"

DPCD convened a workshop for outer metropolitan councils on the employment future of Melbourne. This workshop was intended to be the beginning of the discussion on employment and jobs development issues and will provide input into the development of an employment issues paper following the release of Melbourne @ 5 million.

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

LeadWest Directors Support Further Developments at Avalon Airport

LeadWest Directors were supportive of assisting Linfox with regards to its endeavours to develop international air services out of Avalon Airport given its potential to grow and attract jobs to the west.



In addition Directors were also supportive of further developing aeronautical industries capacity and capability at that important precinct.

\$27.7 million in Climate Ready Grants to support Jobs

Senator Kim Carr, Minister for Innovation, Industry, Science and Research, recently announced the first round of offers under the Climate Ready program totalling \$27.7 million, involving around 400 people working on 32 new green projects.



The funding has been offered to projects that include wind turbine production, native tree plantations to reduce carbon pollution, water saving solutions, and technology for saving power in standby mode. Grants for this round range from \$80,000 to \$5 million.

The strong response to the program has demonstrated the willingness of Victoria's innovative businesses to embrace the challenge of combating climate change.

The projects will involve around 400 jobs, many of which will be high-wage and high skilled – jobs that may not have been supported without Climate Ready. Through Climate Ready, innovative companies have an opportunity to create new industries by turning good ideas into commercial reality.

Climate Ready provides businesses with the support needed to overcome both environmental and financial obstacles.

Climate Ready is part of the Rudd Government's Clean Business Australia initiative – a \$240 million partnership, over four years, between the Government and industry to deliver energy and water-efficient projects with a focus on productivity and innovation.

Climate Ready offers dollar-for-dollar support with grants from \$50,000 to \$5 million available to develop innovative solutions to climate change challenges.

Report on Western Region Intermodal / Freight Facility

Victoria University Centre for Logistics will brief LeadWest Directors on the key findings and recommendations imbedded in its review of possible Intermodal Freight facilities for Melbourne's West.

As a precinct that has the potential to act as a catalyst for jobs development and investment, such a major facility in the west offered tangible benefits on the jobs front for residents in the west.

The concept of an integrated Intermodal Freight facility was one of the key recommendations contained in the Western Region Employment & Industrial Development (WREIDS) report undertaken by councils in 2007



Emissions Trading Scheme on hold

Climate Change Minister Penny Wong has conceded that the Rudd Government's emissions trading scheme will not become law by its June deadline, as the Coalition and the Greens set up a two-month Senate committee to canvass the scheme's flaws and alternative approaches.



Coalition emissions trading spokesman Andrew Robb and Greens senator Christine Milne agreed to a two-month Senate select committee inquiry into the ETS. Its terms of reference would include the questions posed by Wayne Swan's now-abandoned House of Representatives inquiry into whether an ETS was the best model, and it would also allow critics of the scheme from conservation groups and industry to give evidence.

The committee will report in time for the Senate's scheduled June consideration of the ETS, but as Senator Wong prepared to unveil the draft legislation, she conceded that the parliamentary debate could take longer.



She said it was vital the legislation was passed before negotiations intensified in the lead-up to crucial UN talks in Copenhagen in December.

Growing Coalition tensions increased the likelihood the legislation would be rejected by the Senate, with senior Liberals supporting the Nationals' view that even Malcolm Turnbull's proposed start date of 2012 for an emissions trading scheme was too soon, given the deteriorating state of the economy.

Nationals Senate leader Barnaby Joyce was quoted saying "if the legislation is the same as the Government's white paper, it will not have any luck with the National Party in the Senate, because it is a recipe to put people out of work in a recession,".

The Opposition Leader has outlined the framework of an alternative emissions trading policy that would claim credit for emission reductions through farming and forestry that are not counted under the current Kyoto Protocol rules, and offer increased compensation to the trade-exposed industries that have warned of job losses under an emissions trading scheme.

Mr Turnbull has maintained support for a scheme starting in 2011 or 2012, having publicly resisted attempts by his predecessor, Brendan Nelson, to abandon that commitment and promise action at an unspecified time after competing nations had committed to binding emission reduction schemes.

Senator Joyce said the Nationals would give any Liberal amendments to the ETS scheme "due consideration", but to win his party's support "the amendments would have to be so vast as to turn it into an entirely and completely different scheme".

Senior Liberals said yesterday they would urge Mr Turnbull to abandon a 2012 start date in favour of a promise to take action when the economy improved and the outcome of the Copenhagen meeting was known.

Major industry groups have supported a delay or a "soft start" to the scheme for two years until the worst of the financial crisis has passed.

LeadWest Continues to push Transport Funding for the West

The \$750 million Frankston bypass will be built as a public/private partnership, irrespective of whether the project receives funding from the Rudd Government.

Under the funding arrangement the road will be built by private consortia that will then receive "availability payments" from the Brumby Government.

The road will not be tolled and construction is expected to create 4000 jobs.

Work is expected to commence by the end of this year with the road to be completed by 2013.

It is interesting that a project that could well be said was reasonably way down the "pecking order" of projects of strategic significance to this State, should capture such obvious strong support, particularly when budgets are really tight.

LeadWest hopes that the transport infrastructure projects the western suburbs put to the State Government for their Victorian Transport Plan, are accorded the same equitable treatment and support.

LeadWest participates in Maribyrnong City Council Community Plan deliberations

LeadWest CEO participated in a community forum looking at developing the broad parameters of the community plan for the Maribyrnong Council precinct. As a community undergoing significant transformation with significant demographic and ethnicity changes the development of an inclusive community plan is seen as a priority.



LeadWest Constitution Changes on Track

Over LeadWest's first year of operation, it had become obvious that some parts of its Constitution would need to be refined or expanded on to allow the smooth operation of the organisation.

LeadWest Directors completed a review of the Constitution and put recommendations to its Council and non Council Members. The members expressed their full support for the Constitutional changes and these were presented to the LeadWest AGM held on the 29th April 2009. The proposal to accept the changes was carried unanimously.

Melton Business Awards to Acknowledge Excellence

LeadWest partnered with Melton Shire by participating as a judge in the recent Melton Shire Business Awards. The Awards designed to recognise business excellence and encourage and support business development in the rapidly growing Melton Shire have been well received and attracted a large number of quality applicants across a wide range of categories.



Our congratulations go to the Witchmount Winery as winner of the Best Tourism & Hospitality Business and the Best Manufacturing Business awards. This year's Mayoral Achievement Award went to Melton Health and Mr. Peter Sell from Western Land Services took out the Apprentice of the Year award. Congratulations also to all other winners and participants in this year's awards.

LeadWest to Sponsor "Energise Enterprise 2009" Initiative to Grow Western Suburbs Businesses

LeadWest has partnered with western suburb Councils in supporting the



holding of "Energise Enterprise 2009". After a similar highly successful event in 2008, the impetus was evident to grow this important business development event to underpin the development and growth of local jobs in local communities. The event has already attracted over 150 key western suburbs businesses and stakeholders, with approx 200 estimated to be involved by the events staging in mid August 2009. The venue of the 2009 event will be Moonee Valley Racing Club.

LeadWest to Support Export Initiatives for Western Businesses

Brimbank Council is sponsoring a major export seminar put together by Melbourne's West Export Network to support western businesses to manage and grow their export business in an uncertain global environment.



Companies will be able to pick up skills and key contacts in order to better engage with overseas markets.

A broad range of speakers drawn from facilitating agencies will provide practical tips on how to export.

LeadWest Briefing of Western Melbourne MP's

LeadWest Chairman, Hon Ralph Willis & LeadWest CEO Anton Mayer briefed Western Melbourne State Government MP's on the latest undertakings of LeadWest and its members and outline operational priorities for 2009/10.

The MP briefing, held in early May, will assist western suburbs MPs to advocate and promote our regions key imperatives.

LeadWest Directors Strategy Day for 22nd April

LeadWest Board members participated in a half day workshop on the 22nd of April to review LeadWest's operations and develop, in partnership with key stakeholders, its operational priorities for 2009-2010.

In light of the rapidly changing business climate as a result of the global financial crisis, a review of priorities was canvassed to reflect the growing concerns around jobs and the general state of the western region economic landscape.



LeadWest to Convene "Federal & State Government Budget briefing" on 15th May in Moonee Valley

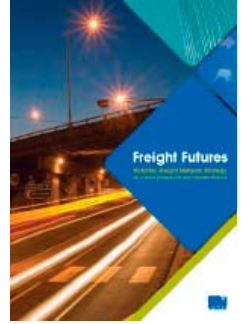
LeadWest has secured both the Hon Bill Shorten, Federal Parliamentary Secretary for both Disabilities & Children's Services and Victorian Bushfire Reconstruction and the Hon Martin Pakula, Victorian Minister for Industry & Trade and Minister for Industrial Relations to provide a briefing on the implications of their respective budgets for the communities of Melbourne's west.

This significant event will be held at Moonee Valley Council Offices on the Friday 15th May



LeadWest Participates in Western Suburbs Freight Forum, 27th March 2009

A forum looking at the impacts of "Victoria's Freight Futures" on the western suburbs was held in Altona on the 27th March. It looked at harvesting key stakeholder comments on this critical issue facing Melbourne's western suburbs.



The Western Transport Alliance secured speakers drawn from the State Government, Port operators and transport & logistics companies to address these critical issues to western suburbs stakeholders and provide an update on key infrastructure developments both already planned and proposed.

Cars Beating Public Transport to Tax Breaks

Both Connex and the State Government have told a Senate inquiry into Federal funding of the nation's public transport, that using a train, tram or a bus should attract the same tax concessions as driving a car.

Public transport fares attract no tax concession and Connex contends that Tax concessions to private motorists should either be removed or similar concessions be afforded to public transport users.

LeadWest holds Inaugural AGM on the 29th April at Moonee Valley Council



LeadWest held its Inaugural AGM at the Moonee Valley Civic Centre on Wednesday 29th April.

Having now completed its first year of operation since its launch in April 2008, LeadWest has built a strong position in the region as an active advocate for western suburbs imperatives and successfully positioned itself at the centre of the key issues facing western region communities.

Guest speaker at the AGM was Mr Brian Haratsis the CEO of MacroPlan who addressed members on regional imperatives.



The more kilometres Australian motorists clock up in their company cars, the more they are rewarded by the fringe benefits tax system. Less generous tax concessions apply to public transport use.

The Brumby Government's Department of Transport also made a presentation to the inquiry and stated that public transport should attract tax concessions, although they felt tax incentives for drivers should stay.

Fringe benefit tax currently treats motor vehicle use and public transport differently and ideally a more equitable treatment of public transport is warranted.



LeadWest firmly supports this approach and also contends that it is vital that the Rudd Government begin funding big public transport projects to deal with the huge influx of passengers on to trains, trams and buses, particularly into Melbourne's rapidly growing western suburbs.

The western suburbs are experiencing a huge growth in public transport patronage. Last year, 480 million trips were made on the Melbourne's public transport network – 48 million more than in 2007. This has left the train and tram system, in particular, struggling to cope with this unprecedented growth.

The notion that more services could be run, using the existing train system, is inadequate and whilst small efficiencies were possible, the quantum lift in efficiency necessary would require a major investment in additional capacity in the public transport system.

Regrettably, Australia is one of the few developed countries in which the Federal Government does not fund public transport but does fund roads. The Hawke Government was the last to directly fund public transport. Prime Minister Kevin Rudd last year announced his intention to fund urban public transport.



High Productivity Vehicles

Minister Pallas, in his opening address at the MAV High Productivity Vehicles (HPV) Forum, confirmed there are no Government plans to introduce B-triples to the general Victorian road network.

He also advised there will be legislative amendments introduced to provide councils with the right to control access of non-approved freight vehicles to local roads; and to ensure consultation occurs with councils prior to specifying transport priorities on local roads.

There was general support for HPVs by councils at the Forum, subject to a number of checks and balances including plans to seek increased funding for councils for 'first and last mile' issues, which the MAV will progress with the Victorian Freight & Logistics Council.



HPV is one factor in a broader strategic direction of seeking a more optimal and integrated road and rail freight system, based on the development of intermodal hubs around Melbourne and Victoria. The Commonwealth is also drafting guidelines for a consistent national approach to assess freight carrier applications to access the local road network.

LeadWest participates in Vision for Werribee Plains Round 2 Applications

LeadWest CEO joined other committee members to review many high quality submissions seeking financial support via grants to underpin projects to long term sustainable developments in Melbourne's west.

State Government Priorities for 2009

Premier Brumby recently delivered his Statement of Intentions outlining the Government's priorities for 2009.

Top of the State's agenda is jobs creation and building of new infrastructure to stimulate the economy.

Other key initiatives to address current financial, social and environmental challenges include further streamlining of business regulation; a new green economy and jobs action plan; development of a Victorian Integrated Housing strategy; a new Blueprint for Regional Growth; reforms to address alcohol and community safety; a Future Energy Statement; and a new White Paper on land and biodiversity.

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



Community Infrastructure

The Commonwealth Government has announced an additional \$500 million over two years to fund projects submitted for the competitive strategic component of the Regional and Local Community Infrastructure program.



Only applications made to the first \$50 million tranche of funding will be eligible for the new funding commitment.

In addition, the mini-budget allocated an additional \$90 million over two years for the Black Spot program.

Other measures announced in the \$42 billion stimulus package aimed at maintaining employment were payments of \$950 to individuals and families, \$14.7 billion for school infrastructure and maintenance, \$6.6 billion for community housing, \$3.9 billion to improve the energy efficiency of Australian homes, and a \$2.7 billion reduction in taxes for small businesses. The package has been passed in the House of Representatives and is being considered by the Senate.

LeadWest Strategic Alliance with HealthWest to be Forged

LeadWest and the HealthWest network will formalise a strategic partnership in 2009 in order to progress some of the key health sector imperatives facing the residents of Melbourne's western suburbs.

LeadWest and HealthWest are to sign an MOU and develop a co-ordinated approach in addressing the significant health challenges facing the residents of Melbourne's western suburbs.

With drastic shortages of GP's, high level of diabetes and under funding of western region human services compared to other metropolitan regions are seen as key issues.

Under funding of western region human services compared to other metropolitan regions is seen as a critical issue. The further development of the Western Health Sunshine Hospital is urgently required in order to provide for the acute health needs of the residents in Melbourne's western suburbs.



Telstra Unveils Super-fast Cable Broadband - Melbourne first to be upgraded

Telstra recently announced that its hybrid fibre coaxial cable broadband network in Melbourne will be upgraded to 100Mbps - more than triple the current peak speed - by Christmas.



Using new technology already successfully deployed in several cable networks overseas, Telstra will immediately begin work to turbo-charge its five-city cable network.

Melbourne is stage one of Telstra's deployment of next generation super-fast broadband technologies into its cable network, which already passes 2.5 million homes in Melbourne, Sydney, Brisbane, Adelaide and Perth.

Cable, along with Telstra's other fixed-line infrastructure, will be a key driver of next generation broadband in Australia, as it is around the world. This cable upgrade will position Telstra to deliver on its vision of a world-class fixed-line infrastructure that complements its world-leading Next G" mobile broadband network in delivering services that meet its customers' needs.

Work will start immediately with the installation of DOCSIS 3.0 software and related infrastructure in the Melbourne cable network. Telstra will invest about \$300 million in the cable upgrade this calendar year.

Telstra claims that this upgrade will increase the peak download speeds in Melbourne homes to 100Mbps, with further upgrades potentially to speeds of up to 200Mbps.

Telstra estimates that nearly one million Melbourne homes stand to benefit from the experience of super-fast broadband once the upgrade to provide speeds of up to 100Mbps is completed.

This cable upgrade continues Telstra's strategy of bringing high-speed broadband to Australians, as the company has done with the Next G" network. Next G" covers 99 per cent of the population and is engineered to peak network download speeds of 21Mbps].

Melbourne will be the first city to benefit from the cable network's super-fast broadband speeds with a broad cross section of Melbourne's western suburbs going to experience improved connectivity speeds. This broadband upgrade will bring the next generation of the internet to Melbournians, enabling new work-from-home, learning, security, entertainment, health care and energy-saving choices at home. Telstra claims that this will help spawn an innovative, video-based, applications and content services sector in Australia.



Public, Private Partnerships - Infrastructure Investment

In light of the global financial crisis a government lifeline for Victoria's proposed desalination plant appears increasingly likely as financiers confirm that money for major projects is drying up because of the credit squeeze.

It appears the bidders vying for the \$3 billion plant are facing a shortage of up to \$2 billion and the State or Federal Governments may well have to step in to deliver the project.

The desalination plant, earmarked for Williamsons Beach near Wonthaggi, is meant to be a public-private partnership (PPP) with funding from private operators.

PPP's of large scale eg \$3 billion to \$4 billion plus are going to be extremely difficult to stitch up with the private sector struggling to get the debt finance.

Increasingly the experience from both locally and abroad is that projects were being deferred, scaled back or shored up by governments across the country due to a lack of finance. "

Two consortiums, Bass Water (led by French company Veolia) and Aquasure (led by another French company, Degremont), are seeking the desalination contract. A decision on the winner is scheduled this year. Final bids are due this month.

Among the options apparently being considered by the State Government is a special credit vehicle to help cover shortfalls for projects, including the desalination plant.

Either the state is going to have to fund the project itself or fund it alongside the consortium which will be refinanced in two or three years when credit markets improve.



LeadWest Directors Tour Port of Melbourne

LeadWest Directors and key council stakeholders attended a tour of Melbourne's main port hosted by Stephen Bradford, CEO of the Port of Melbourne Corporation. Attendees were briefed on the Port of Melbourne's strategic priorities and toured the port precinct.



As Australia's busiest container port, the POM is a major engine of economic growth in Victoria and a major employer. Many of the key enterprises located in Melbourne's western suburbs have a strong relationship with and interdependence upon the POM.

Growth in trade volumes has necessitated the need to deepen the shipping channel in order to accommodate larger container ships. This dredging process, whilst initially being of concern to stakeholders, has been carried out within strict environmental guidelines. The tour offered attendees an insight into the workings of the channel deepening project and the impact the project will have on the industries located within the Port of Melbourne.

