



OVERVIEW

The June 2016 South West Group Bulletin is the seventh of a series of communications aimed at keeping stakeholders in the region informed on the activities and initiatives of the South West Group.

Maintaining and enhancing positive working relationships with our key stakeholders is a priority activity that will continue to feature strongly for the South West Group as it seeks to influence investment and policy decisions that benefit the region.

In this edition, the South West Group:

- outlines lobbying priorities for the upcoming Federal and State elections
- reports on the economic development tour to Melbourne in April 2016
- overviews the planned study on light rail in the region
- summarises the region's subdivision and building approvals statistics for 2015/16
- launches its new website and logo
- updates on changes in the composition of the Board

PRIORITIES FOR UPCOMING FEDERAL AND STATE ELECTIONS

The lead up to elections is an opportune time to canvas sitting Members of Parliament (MPs) and candidates planning to stand for electoral divisions (Federal and State) or geographic areas in the case of Senate (State or Territory) or the Legislative Council (State of WA).

The double-dissolution of both houses of the Australian Parliament presents new challenges as MPs will be selected

for the Houses of Representatives and Senate simultaneously following the 3 July 2016 Federal election.

The South West Group has put forward a number of priorities in the lead up to the elections, largely based on the budget priorities previously outlined in Federal and State budget submissions including:

- 1. ARMADALE ROAD BRIDGE (\$160M BY 2019)** – aimed at relieving congestion around the Cockburn Central area and providing a direct east-west route from Armadale Road to North Lake Road.
- 2. ADDITIONAL LANE KWINANA FREEWAY NORTH – RUSSELL ROAD TO ROE HIGHWAY (\$150M BY 2019)** – to improve freeway capacity and traffic flows at key bottleneck locations heading north into the city.
- 3. HEAVY RAIL LINK BETWEEN THORNLIE AND COCKBURN CENTRAL (\$340M BY 2020)** – to provide an alternative passenger rail route to the Perth CBD and Perth Stadium, whilst providing greater contingency and capacity in the rail network servicing the south metropolitan and Peel regions.
- 4. SOUTH WEST METRO REGION TRANSIT NETWORK LIGHT RAIL** – support the South West Group in identifying priority light rail sections connecting activity centres and intensifying development along activity corridors in the region.

The above priorities will require shared funding commitments from both the Federal and State Governments.

Project sheets on these priorities were prepared and distributed to Federal Government MPs and candidates in the lead up to the 2 July 2016 election, with a request to meet with members of the South West Group Board to discuss support for these regional priorities.

The Board recognises that the result of Federal and State elections will have major implications for the South West Metropolitan Region on a number of unresolved issues including:

- Perth Freight Link
- Sale of Fremantle Port
- Commitments toward the timing of the outer harbour at Kwinana

ECONOMIC DEVELOPMENT TOUR OF MELBOURNE – 4 TO 6 APRIL 2016

The South West Group Board, together with a number of member Council Directors and senior staff, recently undertook the economic development tour of Melbourne to examine ports, intermodal terminals, toll roads and intelligent transport systems (ITS).

The purpose of the tour was to gain first-hand knowledge of how these important infrastructure assets are managed through the private sector, their contribution to the regional economy and their effectiveness in addressing issues such as traffic congestion and their integration with local roads.

Presentations during the Melbourne tour included:

● *Port and Intermodals*

- CEO (Port of Melbourne)
- Director Ports and Projects (Department of Economic Development, Jobs Transport and Resources)
- Director Port Transaction Unit (Department of Treasury and Finance)

● *Toll Roads*

- Acting Project Director CTW Project (VicRoads)
- Acting Director Commercial Roads (VicRoads)

● *Intelligent Transport Systems*

- Acting Director Road Operations (VicRoads)
- Manager ITS (VicRoads)

Tours included the Port of Melbourne, Fishermans Bend Urban Redevelopment Area, Eastlink Traffic Management Centre and VicRoads Traffic Management Centre.

A copy of the economic development tour report, including key findings and lessons learnt, can be found at the South West Group website link below

<http://www.southwestgroup.com.au/south-west-group/publications/economic-development-tour-reports/>

IDENTIFYING PRIORITY SECTIONS IN A FUTURE LIGHT RAIL NETWORK

The South West Group is in the process of assessing consultant proposals to investigate and identify priority public transport networks in the South West Metropolitan Region.

The project was identified in the South West Group Strategic Plan 2015 to 2025 and builds on the work completed to date on defining mass transit corridors (light rail and bus rapid transit) throughout the South West Metropolitan Region.

This research is based on a land use and planning led approach, rather than the traditional public transport patronage demand models used by government agencies as the key decision making tool for public transport infrastructure investment and services provision.

The research aims to identify and prioritise light rail sections in the region that can be developed in the short term through shared funding models involving value capture, uplifts in zoning, increased densities and private sector investment.

The light rail sections will connect activity centres along activity corridors and be supported with planning scheme amendments that encourage higher residential density and commercial infill developments.

The South West Group will then be in a position to develop business cases and undertake cost benefit analysis for priority light rail network sections, in partnership with the member Councils, other key stakeholders and the private sector.



Light rail connects activity centres between the Adelaide CBD and Glenelg in South Australia, attracting investment in higher density development along corridors and at nodes.

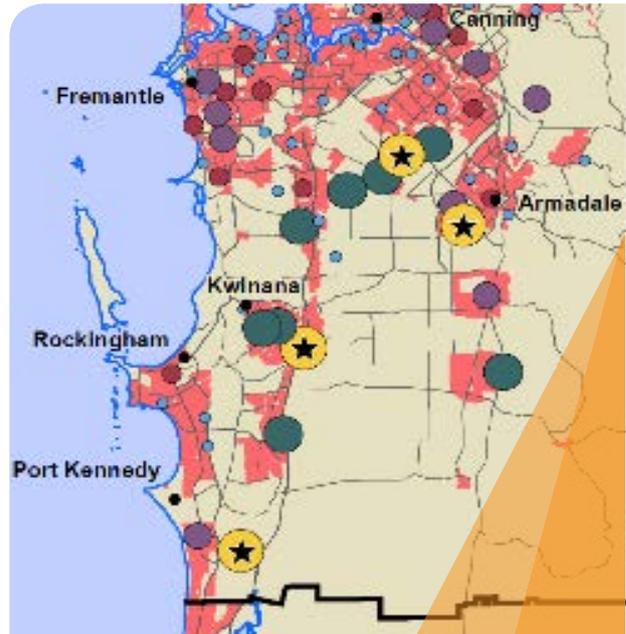
SUBDIVISIONS AND BUILDING APPROVALS FOR 2015-16

The first half of 2015-16 followed the strong trend established in 2014-15 period which achieved a record 4,917 subdivision approvals in the region. Up to December 2015, there were a total of 2,274 subdivision approvals suggesting a projected end of financial result between 4,500 and 4,600 approvals.

This would be almost double the subdivisions recorded in the 2008-09 to 2011-12 period and significantly more than the 2012-13 and 2013-14 financial years.

The region was responsible for over 28% of subdivisions in the Perth Metropolitan Area for the first half of 2015-16, which is a strong result.

The figure below shows the key locations of subdivision approvals in the south metropolitan area for the December 2015 quarter, with approvals along the Kwinana Freeway around Wellard and Baldivis featuring prominently in the South West Metropolitan Region.



SUBDIVISION LOT APPROVALS 2008/09 TO DECEMBER QTR

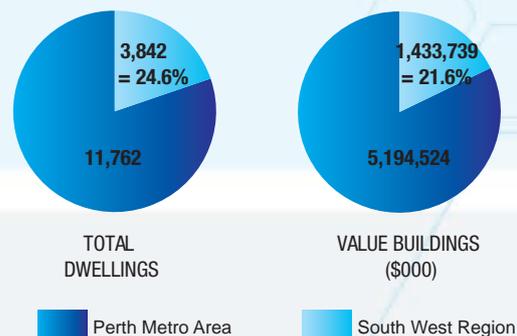
ITEM	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	SEP QTR 15	DEC QTR 15
Cockburn	611	637	715	744	865	956	1,556	356	295
East Fremantle	16	4	4	5	7	2	14	6	0
Fremantle	173	146	128	120	105	130	169	23	57
Kwinana	192	403	359	278	572	835	1,414	224	281
Melville	202	187	251	224	186	226	239	56	81
Rockingham	817	795	1,110	1,060	1,439	1,371	1,525	595	300
Total Region	2,011	2,172	2,567	2,431	3,174	3,522	4,917	1 260	1 014
Total Perth Metro Area	7 815	7 816	10 193	9 259	12 949	14 929	17,616	4 569	3 777
Percentage Region to Perth Metro	25.7%	27.8%	25.2%	27.7%	24.5%	23.6%	27.9%	27.6%	28.6%

Increased subdivisional lot activity usually creates a flow on effect resulting in an increased number of building licence approvals issues by the member Councils.

Building licence approvals to the end of March 2016 shows that over 2,711 new houses and 1,112 "new other residential" developments (apartments, townhouses, grouped dwellings), resulting in 3,842 new dwelling approvals issued in the region.

The total value of 2015-16 building approvals in the region was over \$1.4 billion to the end of March 2016, which represents over 20% of the value of building approvals issued in the Perth Metropolitan Area.

TOTAL BUILDING LICENCE APPROVALS SOUTH WEST VS PERTH METRO AREA FOR MARCH 2016



BUILDING LICENCE APPROVALS TO MARCH 2016

LGA	New Houses	New Other Residential	Total Dwellings	Value Residential \$000	Value Non-Residential \$000	Value Buildings \$000
Cockburn	839	460	1,305	355,915	181,466	537,381
East Fremantle	11	0	11	15,452	1,268	16,720
Fremantle	76	295	374	118,690	16,043	134,733
Kwinana	725	141	866	191,461	32,342	223,803
Melville	203	35	241	143,275	70,516	213,791
Rockingham	857	181	1,045	245,268	62,043	307,311
Total Region	2,711	1,112	3,842	1,070,061	363,678	1,433,739
% Perth Metro	25.8%	22.8%	24.6%	24.0%	16.8%	21.6%
Perth Metro Area	10,490	5,037	15,604	4,464,438	2,163,825	6,628,263

The subdivisional lot and building licence approvals for the South West Metropolitan region are key drivers in the regional economy. Based on the most recent figures (2014-15), the construction industry sector was responsible for:

- Employing over 22,000 people, and the third highest employment sector behind manufacturing and health care/social assistance
- Value adding \$3.5 Billion, being the highest productivity sector in the region
- Over \$13.2 Billion in total output, a measure of total sales, being the second highest output sector in the region behind manufacturing
- Having the largest number of businesses, with 5,744 registered businesses, representing almost 20% of all registered businesses in the region.

Further information can be found on the South West Group economic profile portal at:

<http://economy.id.com.au/south-west-group>

The South West Group has also established a regional forecasting portal which provides projections on population, housing and demographics at:

<http://forecast.id.com.au/south-west-group>



NEW WEBSITE AND LOGO

<http://www.southwestgroup.com.au/>



“ HAVE YOU NOTICED SOMETHING DIFFERENT IN THIS LATEST EDITION OF THE BULLETIN? ”

The South West Group has updated its logo to be more modern and contemporary. This work was undertaken in conjunction with the development of a new website, which is expected to be launched in the coming months.

New website hosting and updated functionality has also been put in place to ensure that information is relevant and up to date for the benefit of the Board and Committees, member Councils and our regional stakeholders.

MESSAGE FROM THE CHAIR

NEW BOARD MEMBERS FOR THE SOUTH WEST GROUP

2016 proves to be a busy year for the South West Group with the Federal election called for 2 July 2016 and State election on 11 March 2017. Lobbying and advocacy for regional priorities and the facilitation of increased investment in the region are key South West Group activities.

According to the South West Group Chair for 2016, Mayor Brad Pettitt from the City of Fremantle, "The preparation of advocacy materials and meetings with MPs to discuss regional priorities will be important in seeking to influence policy and investment decisions in favour of the South West Metropolitan Region".

"Competition for attention of Federal and State MPs in the lead up to elections is fierce and we need to be well prepared in communicating our messages and responding to issues raised at the political level" according to the Chair.

The South West Group Board will also be engaging the candidates from electorates in the region, to ensure they understand the regional issues and priority projects required to improve access, mobility, investment, productivity and sustainability outcomes.

2016 has also seen some changes in membership at the Board level, with two new CEOs in Gary Tuffin (Town of East Fremantle) and Phil St John (City of Fremantle) recently appointed.

The Chair welcomed Gary and Phil to the Board and also thanked the outgoing CEO from the City of Fremantle (Graeme Mackenzie) and Acting CEO Gary Clark for their involvement with the South West Group.

Graeme and Gary have both Chaired the CEOs Forum at various times and provided solid contributions over the years, particularly Graeme who was the City of Fremantle's CEO for over eleven and a half years. The Board appreciates their efforts.

MAYOR BRAD PETTITT CHAIR SOUTH WEST GROUP 2016



Contribute

If you would like to contribute to the Quarterly Bulletin, please contact the South West Group for further details on: director@southwestgroup.com.au



Feedback

The South West Group exists to inform you on issues you want to hear, please email any feedback to the South West Group on: director@southwestgroup.com.au



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