

MINUTES

CERTIFICATION OF CONFIRMATION OF COUNCIL MEETING MINUTES

21 October 2010

I, Cr Graham Pittaway, hereby certify that the following minutes [pages 1 to 185] of the Meeting of Council held on 21 October 2010 were confirmed at a meeting of the Council held on 2 December 2010.

A handwritten signature in black ink, appearing to read 'G. Pittaway', is written over a horizontal line.

Signature

Cr Graham Pittaway

Person presiding at the Council Meeting held on 2 December 2010

ORDINARY MEETING OF COUNCIL

MINUTES

21 October 2010

(REF: COMMITTEES-11443)

An Ordinary Meeting of Council was held at the EMRC Administration Office, 1st Floor, 226 Great Eastern Highway, BELMONT WA 6104 on **Thursday, 21 October 2010**. The meeting commenced at **6.00pm**.

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1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Chairman opened the meeting at 6.00pm and welcomed EMRC's new Manager Human Resources, Mr Jason Mance, to the meeting.

2 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

Councillor Attendance

Cr Graham Pittaway (Chairman)	EMRC Member	City of Bayswater
Cr John Gangell	EMRC Member	Town of Bassendean
Cr Gerry Pule	EMRC Member	Town of Bassendean
Cr Alan Radford	EMRC Member	City of Bayswater
Cr Glenys Godfrey	EMRC Member	City of Belmont
Cr Janet Powell	EMRC Member	City of Belmont
Cr Don McKechnie	EMRC Member	Shire of Kalamunda
Cr Frank Lindsey	EMRC Member	Shire of Kalamunda
Cr Tony Cuccaro (Deputy Chairman)	EMRC Member	Shire of Mundaring
Cr Alan Pilgrim	EMRC Member	Shire of Mundaring
Cr David Färdig	EMRC Member	City of Swan
Cr Charlie Zannino	EMRC Member	City of Swan

EMRC Officers

Mr Peter Schneider	Chief Executive Officer
Mr Brian Jones	Director Waste Services
Ms Rhonda Hardy	Director Regional Services
Ms Theresa Eckstein	Executive Assistant to Chief Executive Officer
Ms Mary-Ann Winnett	Personal Assistant to Director Corporate Services (Minutes)

EMRC Observers

Mr Steve Fitzpatrick	Manager Project Development
Mr Jer Liew	Manager Financial Services
Mr Jason Mance	Manager Human Resources
Ms Terri-Ann Ashton	Manager Administration and Compliance
Ms Georgia Armstrong	A/Manager Regional Development
Mr John Royle	EMRC Economic Development Consultant
Ms Pina Martino	Administration and Enquiries Officer

Observers

Mr Bob Jarvis	Chief Executive Officer	Town of Bassendean
Mr Stuart Cole	Chief Executive Officer	City of Belmont
Mr Doug Pearson	Director Technical Services	City of Bayswater

3 DISCLOSURE OF INTERESTS

Nil



4 ANNOUNCEMENT BY THE CHAIRMAN OR PERSON PRESIDING WITHOUT DISCUSSION

4.1 NOMINATION - WA WATER AWARDS 2010

The EMRC has been nominated as a finalist in the prestigious WA Water Awards 2010 for its Water Campaign project, assisting member Councils through the milestone process. A presentation ceremony to announce the winners is being held tomorrow evening and the Chairman will attend on EMRC'S behalf.

4.2 NOMINATION - WA ENVIRONMENTAL AWARDS 2010

The EMRC has been nominated as a finalist in the WA Environmental Awards 2010 for its "A New Life For Old Mattresses" project. An awards presentation ceremony will be held on Saturday, 6 November 2010.

4.3 RED HILL OPEN DAY 2010

The Chairman reminded Council that RSVP's for the Red Hill Open Day closed on Friday, 22 October 2010. He also advised that the ceremony for the naming of Watters Road at Red Hill, in memorium of Gavin Watters, would take place at 1:00pm and the Watters family would be in attendance.

4.4 RED FOLDERS

The Chairman advised that the red folders contained the following items:

Letter in response to questions taken on notice at 23 September 2010 Council Meeting.

Late Item 18.1 - Resource Recovery Budget Amendment

5 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

5.1 RESPONSE TO QUESTIONS FROM MR IAN WALTERS

Mr Walters attended a private meeting with the EMRC's Chairman Cr Graham Pittaway OAM and the CEO on 18 October 2010 to discuss his queries.

The following questions were taken on notice at the Council meeting held on 23 September 2010. and a written response was supplied to Mr Walters as follows:

Question 1: Thank you Mr Chairman.

I refer to my question number 3 raised at meeting 19 August 2010 whereby I asked what consideration and detailed analysis of the investments was undertaken at the time the investments were made.

CEO advised the EMRC had an investment advisor at this time and they made recommendations.

Mr Chairman to whom were the recommendations made.

Question 2: Mr Chairman would you please advise what analysis was undertaken either by EMRC or its investment advisor to make the necessary reasonable inquiries or consider as to whether the rate of return was consistent with the applicable credit rating of the time for the investment.

Question 3: Mr Chairman would you please advise date Grange Securities was appointed as EMRC Investment Advisor.

Question 4: Was Grange Securities paid a retainer or otherwise payment for their investment advice? If so how much per asset? Amount in aggregate and how frequently was amount paid.



Item 5.1 continued

Question 5: Did Grange Securities tender for the appointment as investment advisor and if not was a report presented to Council recommending their appointment. If so please advise what date.

Can a copy of such appointment be made available.

Question 6: During the period Grange Securities acted as advisor to EMRC did any councilor express concern by way of question with or without notice about the conflict of interest of Grange Securities on one hand dispensing disinterested financial advice and selling its own products to EMRC.

Question 7: What reporting mechanism was put in place for Grange Securities to report to EMRC on:
(a) Dates on which monies drawn down from EMRC investment account and invested.
(b) Security credit rating and rate of return expected on investment.

Question 8: During the period Grange Securities acted as EMRC Investment Advisor how many reports were presented to:

- (a) Officer of EMRC
- (b) Council

Advising on investments made. What was the dates of relative reports. Can copies of reports be made available?

Question 1 – *The EMRC, like many Councils across Australia, had a mandate agreement with Grange Securities (later known as Lehman) to manage Councils' investments in accordance with the individual investment policies of the relevant Councils.*
8 Response:

The EMRC entered into its agreement with Grange Securities in March 2005, following the receipt and analyses of submissions from a number of organisations. Grange Securities were also appointed to a Western Australian Local Government Association preferred supplier panel for the provision of investment advisory services in August 2006.

Grange Securities were paid a monthly fee of \$1,000 or 0.25% of funds under management, whichever was the greater. Grange Securities made investments within the EMRC Investment Policy parameters and provided EMRC with monthly transaction and performance reports.

Council is dealing with matters pertaining to Grange/Lehman on a confidential basis while it is considering potential legal action.

Question 9: I refer to my question number 4 – Council Meeting 22 July 2010 and in particular your response to my suggestion that the EMRC didn't understand legal professional privilege. Your response advised legal advice was received in this matter.

In general client legal privilege provides a privilege for documents containing legal advice. For a document to be privileged on this basis it must have been prepared "for the dominant purpose of the lawyer, or one or more lawyers providing legal advice to the client."

Mr Chairman would you please advise how relevant investment document falls within the bounds of your claim "subject to legal privilege" hence your refusal to provide ratepayers relevant information.

Question 9
Response: *The EMRC has previously stated that it is acting under legal advice in relation to the CDO portion of its investment portfolio and that it would provide further information on the balance of the portfolio in accordance with its revised Investment Policy, once adopted by Council. That policy was adopted at the 19 August 2010 meeting of Council and investment reports were subsequently provided in the agenda for the 23 September 2010 Council meeting, refer report item 14.2 Financial Report for Period Ended 31 July 2010.*



6 PUBLIC QUESTION TIME

Nil

7 APPLICATION FOR LEAVE OF ABSENCE

7.1 CRS GRAHAM PITTAWAY, ALAN RADFORD AND JOHN GANGELL - LEAVE OF ABSENCE

COUNCIL RESOLUTION(S)

MOVED CR GODFREY SECONDED CR POWELL

THAT COUNCIL APPROVE APPLICATION FOR LEAVE OF ABSENCE FOR CR PITTAWAY FROM 2 NOVEMBER 2010 TO 22 NOVEMBER 2010, INCLUSIVE, CR RADFORD FROM 13 NOVEMBER 2010 TO 21 NOVEMBER 2010, INCLUSIVE AND CR GANGELL FROM 26 NOVEMBER 2010 TO 29 NOVEMBER 2010, INCLUSIVE.

CARRIED UNANIMOUSLY

8 PETITIONS, DEPUTATIONS AND PRESENTATIONS

Nil

9 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

9.1 MINUTES OF ORDINARY MEETING OF COUNCIL MEETING HELD ON 23 SEPTEMBER 2010

That the minutes of the Ordinary Meeting of Council held on 23 September 2010 which have been distributed, be confirmed.

COUNCIL RESOLUTION

MOVED CR CUCCARO SECONDED CR PULE

THAT THE MINUTES OF THE ORDINARY MEETING OF COUNCIL HELD ON 23 SEPTEMBER 2010 WHICH HAVE BEEN DISTRIBUTED, BE CONFIRMED.

CARRIED UNANIMOUSLY

10 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

The CEO advised that there were questions from Cr Färdig in relation to Confidential Item 19.1 – Disposal Fees for Local Government Entities and these would be dealt with behind closed doors when considering that item.

11 QUESTIONS WITHOUT NOTICE

Nil



12 ANNOUNCEMENT OF CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

NOTE: Section 5.23(2) of the Local Government Act 1995, details a number of matters upon which Council may discuss and make decisions without members of the public being present. These matters include: matters affecting employees; personal affairs of any person; contractual matters; legal advice; commercial-in-confidence matters; security matters; among others.

The following report item is covered in section 19 of this agenda:

12.1 DISPOSAL FEES FOR LOCAL GOVERNMENT ENTITIES

13 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

Nil



14 REPORTS OF OFFICERS

QUESTIONS

The Chairman invited questions from members on the reports of officers.

RECOMMENDATION

That with the exception of items, which are to be withdrawn and dealt with separately, the recommendations in the Officers Reports (Section 14) be adopted.

Cr Färdig referred to page 12 of the Agenda – Operating Income variances previously reported to Council and asked if Council could be provided with an explanation of EMRC's reduction in operating income. The CEO advised that this would be covered during a presentation at Item 19.1 – Disposal Fees for Local Government Entities.

COUNCIL RESOLUTION

MOVED CR FÄRDIG

SECONDED CR POWELL

THAT THE RECOMMENDATIONS IN THE OFFICERS REPORTS (SECTION 14) BE ADOPTED.

CARRIED UNANIMOUSLY



14 REPORTS OF OFFICERS

14.1 LIST OF ACCOUNTS PAID DURING THE MONTH OF SEPTEMBER 2010

REFERENCE: COMMITTEES-11523

PURPOSE OF REPORT

The purpose of this report is to present to Council a list of accounts paid under the Chief Executive Officer's delegated authority during the month of September 2010 for noting.

KEY ISSUES AND RECOMMENDATION(S)

- As per the requirements of the Local Government (Financial Management) Regulations 1996 (Clause 13 (1)) the list of accounts paid during the month September 2010 is provided for noting.

Recommendation(s)

That Council notes the CEO's list of accounts for September 2010 paid under delegated power in accordance with Regulation 13(1) of the Local Government (Financial Management) Regulations 1996, as attached to this report totalling \$3,939,578.99.

SOURCE OF REPORT

Manager Financial Services

BACKGROUND

Council has delegated to the Chief Executive Officer (CEO) the exercise of its power to make payments from the Municipal Fund and Trust Fund. In accordance with Regulation 13(1) of the Local Government (Financial Management) Regulations 1996, a list of accounts paid by the CEO is to be provided to Council, where such delegation is made.

REPORT

The table below summarises the payments drawn on the funds during the month of September 2010. A list detailing the payments made is appended as an attachment to this report.

Municipal Fund	EFT Payments:	17465 – 17668	
	Cheque Payments:	218840 - 218864	
	Payroll EFT:	PAY-6 & PAY-7	
	DIRECT DEBITS		
	- Bank Charges:	1*SEP10	
	- Other:	431 - 436	\$3,942,878.99
	LESS		
	Cancelled EFTs and Cheques	EFT17640	(\$3,300.00)
Trust Fund	Not Applicable		Nil
Total			\$3,939,578.99



Item 14.1 continued

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 4 – Good Governance

- 4.6 To provide responsible and accountable governance and management of the EMRC; and
- 4.7 To continue to improve financial and asset management practices.

FINANCIAL IMPLICATIONS

As contained within the report.

SUSTAINABILITY IMPLICATIONS

Nil

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Nil direct implications for member Councils
City of Bayswater	
City of Belmont	
Shire of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

CEO's Delegated Payments List for the month of September 2010 (Ref: Committees-11526)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That Council notes the CEO's list of accounts for September 2010 paid under delegated power in accordance with Regulation 13(1) of the Local Government (Financial Management) Regulations 1996, as attached to this report totalling \$3,939,578.99.

COUNCIL RESOLUTION(S)

MOVED CR FÄRDIG

SECONDED CR POWELL

THAT COUNCIL NOTES THE CEO'S LIST OF ACCOUNTS FOR SEPTEMBER 2010 PAID UNDER DELEGATED POWER IN ACCORDANCE WITH REGULATION 13(1) OF THE LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996, AS ATTACHED TO THIS REPORT TOTALLING \$3,939,578.99.

CARRIED UNANIMOUSLY



Eastern Metropolitan Regional Council

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**CEO's DELEGATED PAYMENTS LIST
FOR THE MONTH OF SEPTEMBER 2010**

User: Le Truong

Cheque /EFT No	Date	Payee	Amount
EFT17465	01/09/2010	A.T. MILK SUPPLY	179.40
EFT17466	01/09/2010	AUST GUARD	1,082.40
EFT17467	01/09/2010	BELMONT - REDCLIFFE NEWSROUND	107.02
EFT17468	01/09/2010	CAPITAL TRANSPORT SERVICES (WA) PTY LTD	2,162.14
EFT17469	01/09/2010	COOL CLEAR WATER GROUP LTD	871.20
EFT17470	01/09/2010	LANDFILL GAS & POWER PTY LTD	7,642.77
EFT17471	01/09/2010	MAIL PLUS PERTH	204.60
EFT17472	01/09/2010	PITNEY BOWES AUSTRALIA (WA)	333.64
EFT17473	01/09/2010	SIGNATURE SECURITY GROUP	157.15
EFT17474	01/09/2010	TELSTRA - A/C 148 4710 000 - ASCOT PLACE	2,315.50
EFT17475	01/09/2010	TELSTRA - A/C 256 0950 500 - ASCOT PLACE LIFT	19.25
EFT17476	03/09/2010	DEPARTMENT OF ENVIRONMENT AND CONSERVATION	680,423.86
EFT17477	03/09/2010	CHILD SUPPORT	474.28
EFT17478	03/09/2010	PINK PIRANHA	874.50
EFT17479	03/09/2010	PPR AUSTRALIA	10,683.75
EFT17480	03/09/2010	AIR FILTER DRY CLEAN SYSTEMS PTY LTD	115.00
EFT17481	03/09/2010	AMBIUS	928.44
EFT17482	03/09/2010	BEAUMONDE CATERING	2,164.45
EFT17483	03/09/2010	BOC GASES	872.21
EFT17484	03/09/2010	BUNNINGS BUILDING SUPPLIES PTY LTD	1,009.99
EFT17485	03/09/2010	CHAMBERLAIN AUTO ELECTRICS	396.00
EFT17486	03/09/2010	CJD EQUIPMENT PTY LTD	2,243.80
EFT17487	03/09/2010	CMA RECYCLING PTY LTD	970.20
EFT17488	03/09/2010	CORPORATE EXPRESS AUSTRALIA LTD	510.89
EFT17489	03/09/2010	FUJI XEROX AUSTRALIA PTY LTD	1,806.31
EFT17490	03/09/2010	HAYS SPECIALIST RECRUITMENT	330.00
EFT17491	03/09/2010	INDEPTH INTERACTIVE	880.00
EFT17492	03/09/2010	INTEWORK INC	689.99
EFT17493	03/09/2010	J & K HOPKINS	498.00
EFT17494	03/09/2010	JOYCE EARTHMOVING PTY LTD	104.80
EFT17495	03/09/2010	KLB SYSTEMS	4,279.00
EFT17496	03/09/2010	LANDMARK OPERATIONS LIMITED	2,200.00
EFT17497	03/09/2010	LEN FRENCH FENCING CONTRACTOR	300.00
EFT17498	03/09/2010	MACHINERY WAREHOUSE	107.45
EFT17499	03/09/2010	MEHMET SHENAYE	900.00
EFT17500	03/09/2010	MICHAEL PAGE INTERNATIONAL	4,367.00
EFT17501	03/09/2010	MIDLAND TRAILERS PTY LTD	2,445.00
EFT17502	03/09/2010	MISS MAUD	75.75
EFT17503	03/09/2010	MULTITRACK (WA) PTY LTD	125.00
EFT17504	03/09/2010	NAVSEC	4,126.38
EFT17505	03/09/2010	OAKS LIQUOR	371.76
EFT17506	03/09/2010	PRESTIGE ALARMS	176.00
EFT17507	03/09/2010	PROFESSIONAL PRINTERS	352.00
EFT17508	03/09/2010	ROSS HUMAN DIRECTIONS	506.53
EFT17509	03/09/2010	RUTH BALDING	242.24
EFT17510	03/09/2010	SPUDS GARDENING SERVICES	1,787.00
EFT17511	03/09/2010	SYNERGY	375.20
EFT17512	03/09/2010	TELSTRA - A/C 008 2879 300 - SECONDARY WASTE PRJ	170.87
EFT17513	03/09/2010	TELSTRA - A/C 295 7816 000 - RED HILL	626.29
EFT17514	03/09/2010	THOMSON REUTERS (PROFESSIONAL) AUSTRALIA LIMITED	1,002.24
EFT17515	03/09/2010	ULTIMO CATERING	1,459.85
EFT17516	03/09/2010	WESTCARE INDUSTRIES	528.00

CEO's DELEGATED PAYMENTS LIST
FOR THE MONTH OF SEPTEMBER 2010

User: Le Truong

Cheque /EFT No	Date	Payee	Amount
EFT17517	03/09/2010	WESTRAC EQUIPMENT PTY LTD	2,725.68
EFT17518	03/09/2010	WREN OIL	33.00
EFT17519	03/09/2010	ALL DAY CONTRACTING	5,971.96
EFT17520	03/09/2010	A.T. MILK SUPPLY	89.70
EFT17521	03/09/2010	ANNE PETTIT	1,342.50
EFT17522	03/09/2010	AUSTRALIAN HVAC SERVICES	1,210.00
EFT17523	03/09/2010	B&J CATALANO PTY LTD	1,438.51
EFT17524	03/09/2010	BUNNINGS BUILDING SUPPLIES PTY LTD	34.74
EFT17525	03/09/2010	HILLS FRESH	68.22
EFT17526	03/09/2010	KLB SYSTEMS	1,804.00
EFT17527	03/09/2010	O'BRIEN GLASS	149.00
EFT17528	03/09/2010	OAKS LIQUOR	371.76
EFT17529	03/09/2010	PAYG PAYMENTS	67,289.65
EFT17530	03/09/2010	PERRY ENVIRONMENTAL CONTRACTING	1,386.00
EFT17531	03/09/2010	PIRTEK	113.74
EFT17532	03/09/2010	SAFETY SIGNS SERVICE	180.40
EFT17533	03/09/2010	ULTIMO CATERING	770.80
EFT17534	03/09/2010	WA ROLLER DOORS	6,688.00
EFT17535	10/09/2010	PPC WORLDWIDE PTY LTD	957.00
EFT17536	10/09/2010	ACCESS INDUSTRIAL TYRES	93.50
EFT17537	10/09/2010	B&J CATALANO PTY LTD	1,663.72
EFT17538	10/09/2010	CHEMISTRY CENTRE (WA)	2,537.70
EFT17539	10/09/2010	COLONIAL PRINT & PROMOTIONS	184.25
EFT17540	10/09/2010	DOUWE EGBERTS AUSTRALIA	447.90
EFT17541	10/09/2010	ELITE-TECH IT	427.00
EFT17542	10/09/2010	J & K HOPKINS	448.00
EFT17543	10/09/2010	JOONDALUP PHOTO DESIGN	300.00
EFT17544	10/09/2010	LAMB PRINT	154.00
EFT17545	10/09/2010	LO-GO APPOINTMENTS	1,291.70
EFT17546	10/09/2010	MACHINERY WAREHOUSE	140.00
EFT17547	10/09/2010	PROTECTOR ALSAFE PTY LTD	36.99
EFT17548	10/09/2010	Q3 PTY LTD TRADING AS Q3 ARCHITECTURE	3,982.00
EFT17549	10/09/2010	SALLY JETSON & ASSOCIATES	14,602.50
EFT17550	10/09/2010	TELSTRA - A/C 335 6242 598 - MOBILE PHONES	1,586.39
EFT17551	10/09/2010	TOLL PRIORITY	197.13
EFT17552	10/09/2010	TOTALLY WORKWEAR MIDLAND	92.45
EFT17553	10/09/2010	ULTIMO CATERING	790.00
EFT17554	10/09/2010	UNIQUE WASTE MANAGEMENT SERVICES	1,144.00
EFT17555	10/09/2010	VERTICAL TELECOM WA PTY LTD (VERTEL)	76.45
EFT17556	10/09/2010	IPING PTY LTD	1,128.80
EFT17557	10/09/2010	BESAM AUSTRALIA PTY LTD	270.33
EFT17558	10/09/2010	HILLS FRESH	55.51
EFT17559	10/09/2010	KLB SYSTEMS	451.00
EFT17560	10/09/2010	MARSMEN PLUMBING	140.25
EFT17561	10/09/2010	MOTORCHARGE PTY LTD	6,774.23
EFT17562	10/09/2010	SHUGS ELECTRICAL	1,340.00
EFT17563	10/09/2010	TOTALLY WORKWEAR MIDLAND	88.24
EFT17564	17/09/2010	MORLEY GENERAL CLEANING SERVICE	7,600.58
EFT17565	17/09/2010	ADCORP	11,507.42
EFT17566	17/09/2010	AIR FILTER DRY CLEAN SYSTEMS PTY LTD	298.75
EFT17567	17/09/2010	AUST GUARD	922.50
EFT17568	17/09/2010	AUSTRALIA POST - RED HILL	245.82
EFT17569	17/09/2010	AUSTRALIAN ASSOCIATION FOR ENVIRONMENTAL	240.00



Eastern Metropolitan Regional Council
CEO's DELEGATED PAYMENTS LIST
FOR THE MONTH OF SEPTEMBER 2010

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User: Le Truong

Cheque /EFT No	Date	Payee	Amount
		EDUCATION	
EFT17570	17/09/2010	BEAUMONDE CATERING	1,534.40
EFT17571	17/09/2010	BP GIDGEGANNUP	41.00
EFT17572	17/09/2010	BROOKE MURPHY	1,675.00
EFT17573	17/09/2010	CABCHARGE	44.30
EFT17574	17/09/2010	CAPITAL TRANSPORT SERVICES (WA) PTY LTD	107.81
EFT17575	17/09/2010	CARDNO (WA) PTY LTD	61,830.87
EFT17576	17/09/2010	CITY SUBARU	312.75
EFT17577	17/09/2010	CMA RECYCLING PTY LTD	1,117.16
EFT17578	17/09/2010	CMS EVENTS	1,760.00
EFT17579	17/09/2010	COMPU-STOR	920.73
EFT17580	17/09/2010	COOL CLEAR WATER GROUP LTD	290.40
EFT17581	17/09/2010	CORPORATE EXPRESS AUSTRALIA LTD	535.34
EFT17582	17/09/2010	COVENTRYS	120.02
EFT17583	17/09/2010	DEPT OF AGRICULTURE, FISHERIES & FORESTRY AUST QUARANTINE &	225.00
EFT17584	17/09/2010	ELEMENT HYDROGRAPHIC SOLUTIONS	1,557.60
EFT17585	17/09/2010	GREENSENSE	20,203.20
EFT17586	17/09/2010	ID CONSULTING PTY LTD	4,400.00
EFT17587	17/09/2010	IT VISION AUSTRALIA PTY LTD	1,045.00
EFT17588	17/09/2010	JOBS WEST	198.00
EFT17589	17/09/2010	JOYCE EARTHMOVING PTY LTD	1,920.00
EFT17590	17/09/2010	KELLY SERVICES (AUSTRALIA) LTD	3,669.32
EFT17591	17/09/2010	LGIS PROPERTY	23,900.61
EFT17592	17/09/2010	MAIL PLUS PERTH	204.60
EFT17593	17/09/2010	MEMO COMMUNICATIONS COMPANY PTY LTD	34.10
EFT17594	17/09/2010	MIDLAND TOYOTA	844.10
EFT17595	17/09/2010	MUNDARING TYRE CENTRE	225.00
EFT17596	17/09/2010	OAKS LIQUOR	580.88
EFT17597	17/09/2010	OAKVALE CAPITAL LTD	2,333.49
EFT17598	17/09/2010	RHONDA HARDY	336.04
EFT17599	17/09/2010	ROSS HUMAN DIRECTIONS	1,084.16
EFT17600	17/09/2010	ROWE SCIENTIFIC PTY LTD	347.05
EFT17601	17/09/2010	SCOTT PRINT	2,607.00
EFT17602	17/09/2010	SHUGS ELECTRICAL	71.50
EFT17603	17/09/2010	SUCCESS WATERS PTY LTD T/A HAYDN ROBINSON	3,105.30
EFT17604	17/09/2010	SYNERGY	330.60
EFT17605	17/09/2010	TELSTRA - A/C 3356 2426 14 (MOBILE DATA)	178.00
EFT17606	17/09/2010	TOTALLY WORKWEAR MIDLAND	125.96
EFT17607	17/09/2010	TRANSPACIFIC CLEANAWAY LTD	447.70
EFT17608	17/09/2010	ULTIMO CATERING	571.95
EFT17609	17/09/2010	VISY RECYCLING	93.80
EFT17610	17/09/2010	WEBTRACK PTY LTD T/A MOBILE PHONE INSTALLATIONS AUSTRALIA	165.00
EFT17611	17/09/2010	WESTRAC EQUIPMENT PTY LTD	84.30
EFT17612	17/09/2010	WREN OIL	16.50
EFT17613	17/09/2010	ALL DAY CONTRACTING	21,652.95
EFT17614	17/09/2010	A.T. MILK SUPPLY	89.70
EFT17615	17/09/2010	B&J CATALANO PTY LTD	1,242.81
EFT17616	17/09/2010	BOBCAT ATTACH	484.00
EFT17617	17/09/2010	BP AUSTRALIA LIMITED	66,492.84
EFT17618	17/09/2010	BUNNINGS BUILDING SUPPLIES PTY LTD	101.70
EFT17619	17/09/2010	CJD EQUIPMENT PTY LTD	137.93

CEO's DELEGATED PAYMENTS LIST
FOR THE MONTH OF SEPTEMBER 2010

User: Le Truong

Cheque /EFT No	Date	Payee	Amount
EFT17620	17/09/2010	CORPORATE EXPRESS AUSTRALIA LTD	377.34
EFT17621	17/09/2010	COVENTRYS	218.35
EFT17622	17/09/2010	HILLS FRESH	66.61
EFT17623	17/09/2010	INDEPTH INTERACTIVE	8,396.00
EFT17624	17/09/2010	MACHINERY WAREHOUSE	104.00
EFT17625	17/09/2010	NEVERFAIL SPRINGWATER	109.00
EFT17626	17/09/2010	NEVERFAIL SPRINGWATER LTD - HAZELMERE	87.65
EFT17627	17/09/2010	NEVERFAIL SPRINGWATER LTD - MATHIESON ROAD	68.40
EFT17628	17/09/2010	SIGNS & LINES	1,538.72
EFT17629	22/09/2010	PAYG PAYMENTS	46,915.71
EFT17630	22/09/2010	SPUDS GARDENING SERVICES	1,241.00
EFT17631	21/09/2010	DEVLYN CONSTRUCTIONS PTY LTD	172,176.99
EFT17632	24/09/2010	WALGS PLAN	94,198.95
EFT17633	24/09/2010	MORLEY GENERAL CLEANING SERVICE	484.00
EFT17634	24/09/2010	BIG BUBBLE RETAIL	41.27
EFT17635	24/09/2010	BOC GASES	394.85
EFT17636	24/09/2010	BP AUSTRALIA LIMITED	1,138.67
EFT17637	24/09/2010	CHAMBERLAIN AUTO ELECTRICS	1,103.41
EFT17638	24/09/2010	CHEMISTRY CENTRE (WA)	892.10
EFT17639	24/09/2010	CORPORATE EXPRESS AUSTRALIA LTD	396.69
EFT17640	24/09/2010	CPG RESEARCH & ADVISORY P/L	3,300.00
EFT17641	24/09/2010	CROSSLAND & HARDY PTY LTD	2,004.79
EFT17642	24/09/2010	FUJI XEROX AUSTRALIA PTY LTD	543.18
EFT17643	24/09/2010	GOODCHILD ENTERPRISES	337.37
EFT17644	24/09/2010	GRA EVERINGHAM PTY LTD	5,500.00
EFT17645	24/09/2010	HELENA GRAPHICS PTY LTD T/AS NYAANIA CREEK GRAPHICS	15,000.00
EFT17646	24/09/2010	HIGHWAY MOTOR TRIMMERS	338.80
EFT17647	24/09/2010	KELLY SERVICES (AUSTRALIA) LTD	1,129.03
EFT17648	24/09/2010	KEYNOTE CONFERENCES	14,284.00
EFT17649	24/09/2010	KLB SYSTEMS	6,050.00
EFT17650	24/09/2010	LANDFILL GAS & POWER PTY LTD	4,245.32
EFT17651	24/09/2010	LINFOX ARMAGUARD PTY LTD	412.25
EFT17652	24/09/2010	MIDLAND TOYOTA	186.70
EFT17653	24/09/2010	NAVSEC	9,389.60
EFT17654	24/09/2010	NEVERFAIL SPRINGWATER	238.70
EFT17655	24/09/2010	NEVERFAIL SPRINGWATER LTD - HAZELMERE	38.05
EFT17656	24/09/2010	PIRTEK	315.93
EFT17657	24/09/2010	PRESTIGE PUMP RENTALS	566.50
EFT17658	24/09/2010	ROSS HUMAN DIRECTIONS	3,102.85
EFT17659	24/09/2010	RUDD INDUSTRIAL AND FARM SUPPLIES	279.18
EFT17660	24/09/2010	SKIPPER TRUCKS	40,542.06
EFT17661	24/09/2010	STEVENSON CONSULTING	4,719.00
EFT17662	24/09/2010	TELSTRA - A/C 148 4710 000 - ASCOT PLACE	2,340.36
EFT17663	24/09/2010	TELSTRA - A/C 246 2455 400 - RH SECURITY MONITOR	38.50
EFT17664	24/09/2010	TELSTRA - A/C 256 0950 500 - ASCOT PLACE LIFT	19.25
EFT17665	24/09/2010	UNIQUE WASTE MANAGEMENT SERVICES	1,144.00
EFT17666	24/09/2010	WASTE MANAGEMENT ASSOCIATION OF AUSTRALIA	275.00
EFT17667	24/09/2010	WESTERN RESOURCE RECOVERY PTY LTD	1,298.44
EFT17668	24/09/2010	WESTRAC EQUIPMENT PTY LTD	280.50
218840	03/09/2010	DEPARTMENT OF TRANSPORT - BULK BILLING	15.00
218841	03/09/2010	EMRC PETTY CASH - BELMONT	840.55
218842	03/09/2010	EMRC PETTY CASH - REDHILL	481.05



Eastern Metropolitan Regional Council
CEO's DELEGATED PAYMENTS LIST
FOR THE MONTH OF SEPTEMBER 2010

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User: Le Truong

Cheque /EFT			
No	Date	Payee	Amount
218843	09/09/2010	CITY OF SWAN	345.95
218844	10/09/2010	EMRC PETTY CASH - HAZELMERE	154.25
218845	10/09/2010	HUTCHISON 3G AUSTRALIA PTY LTD	107.00
218846	17/09/2010	DEPARTMENT OF TRANSPORT - BULK BILLING	253.20
218847	17/09/2010	EMRC PETTY CASH - REDHILL	280.60
218848	24/09/2010	DEPARTMENT OF TRANSPORT	22,000.00
218849	24/09/2010	GENERATIONS PERSONAL SUPERANNUATION PLAN	585.16
218850	24/09/2010	WESTSCHEME	1,554.78
218851	24/09/2010	AMP LIFE LTD	1,726.21
218852	24/09/2010	ANZ STAFF SUPER	413.33
218853	24/09/2010	ANZ SUPER ADVANTAGE	1,001.55
218854	24/09/2010	AUSTRALIAN SUPER	742.17
218855	24/09/2010	AUSTRALIANSUPER CORPORATE	1,456.58
218856	24/09/2010	BT BUSINESS SUPER	1,036.91
218857	24/09/2010	BT LIFETIME - PERSONAL SUPER	520.30
218858	24/09/2010	CBUS INDUSTRY SUPER	462.80
218859	24/09/2010	Commonwealth Bank Superannuation	483.18
218860	24/09/2010	NORWICH UNION LIFE INSURANCE SOCIETY	705.82
218861	24/09/2010	RETAIL EMPLOYEES SUPERANNUATION TRUST	54.81
218862	24/09/2010	THE INDUSTRY SUPERANNUATION FUND	435.00
218863	24/09/2010	UNISUPER LIMITED	142.13
218864	24/09/2010	ZURICH AUSTRALIAN SUPERANNUATION	505.70
431	15/09/2010	NATIONAL AUSTRALIA BANK	2,000,000.00
432	28/09/2010	WBC - CORPORATE MASTERCARD - P SCHNEIDER	23.26
433	28/09/2010	WBC - CORPORATE MASTER CARD - ENAD ZRAID	6,905.39
434	28/09/2010	WBC - CORPORATE MASTER CARD - S FITZPATRICK	893.16
435	28/09/2010	WBC - CORPORATE MASTERCARD - H LIEW	126.70
436	28/09/2010	WBC - CORPORATE MASTERCARD - J L ROUX	44.00
PAY-6	14/09/2010	PAYROLL F/E 14/9/10	154,204.84
PAY-7	14/09/2010	PAYROLL F/E 28/9/10	162,318.76
1*SEP10	01/09/2010	BANK CHARGES B/S 1370 - 1374	1,333.44
		SUB TOTAL	<u>3,942,878.99</u>
		LESS CANCELLED CHEQUES & EFTs	
EFT17640	24/09/2010	CPG RESEARCH & ADVISORY P/L	-3,300.00
		SUB TOTAL	<u>-3,300.00</u>
		TOTAL	<u>3,939,578.99</u>

REPORT TOTALS

Bank Code	Bank Name	TOTAL
1	EMRC - Municipal Fund	3,939,578.99
TOTAL		3,939,578.99



14.2 FINANCIAL REPORT FOR PERIOD ENDED 31 AUGUST 2010

REFERENCE: COMMITTEES-11466

PURPOSE OF REPORT

The purpose of this report is to provide Council with an overview of the Eastern Metropolitan Regional Council's (EMRC's) financial performance for the period ended 31 August 2010.

KEY ISSUES AND RECOMMENDATION(S)

- Significant year to date budget variances greater than 10% or \$10,000, which ever is the greater, within each nature and type category on the Statement of Financial Activity as at 31 August 2010 have been identified and are reported on in the body of the report.

Recommendation(s)

That the Income Statement, Capital Expenditure Statement, Balance Sheet and the Statement of Cash and Investments for the period ended 31 August 2010 be received.

SOURCE OF REPORT

Manager Financial Services

BACKGROUND

It is a requirement of the Local Government (Financial Management) Regulations 1996 (Clause 34) that a Local Government is to prepare and present to Council financial reports in such a form as the Local Government considers to be appropriate.

The 2010/2011 Budget was presented in a format that separated operating income and expenditure from other revenue and expenses to provide improved disclosure of Council's underlying operating result.

The financial summaries attached to this report provide an overview of year to date budget performance for operating activities and capital works.

The initial forecast review for 2010/2011 will be undertaken during November 2010 and will be based on the financial performance to the period ended 31 October 2010.

A Balance Sheet is also provided with year to date actual balances compared with budget provisions and end of year forecasts for all balance sheet items.

REPORT

Outlined below are financial summaries for the period ended 31 August 2010. Where possible, the year to date monthly budget allocations have been reviewed in order to match the appropriate timing for the various projects budgeted to be undertaken. This will provide a better comparison between the year to date actual and year to date budget figures.



Item 14.2 continued

Income Statement - Nature and Type (refer Attachment 1)

The operating result from normal activities as at 31 August 2010 is a favourable variance of \$912,101. The following information is provided on key aspects of Council's financial performance:

<u>Operating Income</u>	<i>Year to Date</i>	A favourable variance of \$61,040 (1.36%).
	<i>End of Year Forecast</i>	As per Budget - not yet due to be reviewed.

Operating Income variances previously reported to Council:

1. Year to date User Charges of \$3,573,129 is \$180,781 (4.82%) below the budget. The variance is due to lower than budgeted Disposal Charge income from Member Councils (\$248,115), WMRC (\$49,644) and Class III Contaminated waste (\$34,374) offset by higher than budgeted Disposal Charge income from casual tipping fees (\$43,237) and other Commercial clients (\$116,844).
2. Contribution Income for projects is invoiced throughout the year based on project timings. Year to date Contributions of \$218,253 is \$132,145 (153.46%) above the budget. This is attributable to an unbudgeted additional contribution of \$11,762 for the Regional Tourism Development project. The variance is also a result of timing differences for the following projects:
 - Eastern Hills Catchment Management Project (EHCMP);
 - Achieving Carbon Emissions Reduction (ACER);
 - Future Proofing Climate Change Adaptation Project;
 - Perth Solar City Project; and
 - Income Regional Water Campaign.
3. Year to date Operating Grants of \$374,534 is \$74,880 (24.99%) above budget. This is attributable to the timing of invoicing for various projects including the grants for the Hazelmere site of \$72,950 and Eastern Hills Catchment Management project (EHCMP) of \$56,500. This favourable variance also includes the unbudgeted additional funding of \$20,000 from the Bushland Phytophthora Dieback project.
4. Year to date Interest Earnings on Municipal Cash and Investments of \$79,027 is \$54,155 above the budget provision of \$24,872. This is offset by the year to date Interest earnings on Restricted Cash Investment which is \$77,744 below the budget. This variation between the two categories of income is a result of the accounting treatment of accrued interest applicable to the Municipal and Reserve funds. Interest earnings income is allocated to the appropriate funds when received.
5. Other Operating Income of \$149,783 is \$17,031 (10.21%) below the budget. \$19,240 of this variance is attributable to the Lime Amended Bio-Clay Operations which is expected to be operational in January 2011. It is expected to achieve 42% of the full year's budget of \$115,442. This shortfall will be offset by the corresponding savings in budgeted operational cost. Other variances include the Sale of Products Income from laterite (\$12,608) which is budgeted for \$100,000 over the 12 months. The sale of laterite generally occurs during the summer months when roadworks are undertaken. These are offset by higher than budgeted income from Coppin Road Transfer Station (\$18,366).

There were no further significant Operating Income variances as at 31 August 2010.



Item 14.2 continued

<u>Operating Expenditure</u>	<i>Year to Date</i>	A favourable variance of \$851,060 (18.65%).
	<i>End of Year Forecast</i>	As per Budget - not yet due to be reviewed.

Operating Expenditure variances previously reported to Council:

1. Contract Expenses of \$400,185 is \$571,717 (58.82%) lower than budget due predominantly to the timing of various projects. Major variations below the year to date budget include the Perth Solar City Living Smart program and demonstration projects (\$94,588), Red Hill Water Monitoring (\$39,882), Manage Woodwaste project (\$47,163), Undertake Geotechnical Investigations project (\$33,332), Operate and Maintain Class III Cells intermediate / daily cover (\$33,828), as well as various Regional Development projects (\$61,091) and various Corporate Services activities (\$83,849).
2. Year to date Material Expenses are \$118,898 (64.39%) below the year to date budget provisions. The principal variation relates to \$11,811 expenditure to date compared to a year to date budget provision of \$50,000 on materials for the supply of intermediate/daily cover for the Class III waste disposal cell. This is dependent on the timing requirements for cover for the Class III cell. Other projects from Waste Management contribute \$43,838 to the variance. Other variances include Corporate Services activities (\$21,195) and Environmental Services projects (\$10,475).
3. Depreciation Expenses of \$519,347 are \$77,149 (12.93%) below the budget. The variation is attributable to the timing of the capital expenditure.

There were no further significant Operating Expenditure variances as at 31 August 2010.

<u>*Other Revenues and Expenses (Net)</u>	<i>Year to Date</i>	A favourable variance of \$260,078 (27.77%).
	<i>End of Year Forecast</i>	As per Budget - not yet due to be reviewed.

** Note: This section also includes Unrealised Gain/Loss from change in fair value of Investments*

Other Revenues and Expenses variances:

1. Year to date Secondary Waste Charge receipts are \$83,843 (10.73%) below the year to date budget provision of \$781,278. This variance is attributable to lower than budgeted Secondary Waste Charge income from all member Councils, partially offset by a higher than budgeted Secondary Waste Charge from Commercial customers.
2. Year to date Proceeds from the Sale of Assets are \$26,756 (36.05%) above the year to date budget provision of \$74,226. This variance is attributable to the timing of the sale of assets.
3. Year to date Contract Expenses are \$74,698 (86.11%) below the year to date budget provision of \$86,744. This relates specifically to the Resource Recovery project consultancy contractual timings.
4. The Unrealised Gains or Loss from the change in fair value of investments for the period ending 31 August 2010 is an unrealised gain of \$294,403. This is made up of an unrealised loss of \$11,985 from the change in value of ADI's offset by the write-back of \$306,388 unrealised loss due to the sale of a CDO.

Unrealised Gains or Losses represent a fair market value measurement of the financial instruments during the period in which they are held, i.e. marked to market. It should be noted that actual gains or losses on financial instruments will not be realised until such time as the individual investments are sold.

There were no further significant Other Revenues and Expenses variances as 31 August 2010.



Item 14.2 continued

Capital Expenditure Statement (refer Attachment 2)

<u>Capital Expenditure</u>	<i>Year to Date</i>	A favourable variance of \$197,256
	<i>End of Year Forecast</i>	As per Budget - not yet due to be reviewed.

Capital Expenditure variances:

A favourable variance of \$197,256 exists as at 31 August 2010 when comparing to the year to date budget provision. The year to date budget provisions are used as a guide only as expenditure of a capital nature is undertaken as and when required. Significant Capital Expenditure items to 31 August 2010 include the payment of \$14,119 carry forward capital improvement costs for the administration building at Ascot Place.

Balance Sheet (refer Attachment 3)

The Balance Sheet shows the overall impact of actual balances compared with budget provisions and end of year forecasts for operating and capital works activities.

Currently, as end of year forecasts are yet to be reviewed the forecast balances as at 31 August 2010 are as per budget estimates.

Statement of Cash and Investments (refer Attachment 4)

The level of Cash and Investments in the Municipal fund as at 31 August 2010 is \$9,435,747 and Restricted Assets amount to \$18,908,774. This figure is net of cumulative unrealised losses of \$6,394,183 which have been provided for in this amount.

The total level of Cash and Investments as at 31 August 2010 is \$28,344,521 (\$34,738,704 excluding unrealised losses).

Investment Report (refer Attachment 5)

Three tranches of term deposits of \$1million each (totalling \$3 million) matured in the month of August. All three tranches were re-invested in term deposits. The proceeds from the sale of a CDO along with funds from operational cash flows were invested in term deposits. An additional \$1.1million was also invested in a term deposit to establish the bank guarantee for the letter of credit for the purchase of the Hazelmere Woodwaste grinder.

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 4 – Good Governance

- 4.6 To provide responsible and accountable governance and management of the EMRC; and
- 4.7 To continue to improve financial and asset management practices.

FINANCIAL IMPLICATIONS

As outlined in the attached financial reports.

SUSTAINABILITY IMPLICATIONS

Nil



Item 14.2 continued

ATTACHMENT(S)

1. Income Statement by Nature and Type (Ref: Committees-11522)
2. Capital Expenditure Statement (Ref: Committees-11518)
3. Balance Sheet (Ref: Committees-11519)
4. Statement of Cash and Investments (Ref: Committees-11520)
5. Investment Report (Ref: Committees-11521)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That the Income Statement, Capital Expenditure Statement, Balance Sheet and the Statement of Cash and Investments for the period ended 31 August 2010 be received.

COUNCIL RESOLUTION(S)

MOVED CR FÄRDIG

SECONDED CR POWELL

THAT THE INCOME STATEMENT, CAPITAL EXPENDITURE STATEMENT, BALANCE SHEET AND THE STATEMENT OF CASH AND INVESTMENTS FOR THE PERIOD ENDED 31 AUGUST 2010 BE RECEIVED.

CARRIED UNANIMOUSLY



INCOME STATEMENT Nature and Type

Year to Date			August 2010		Full Year			
Actual	Budget	Variance		Current Budget	Forecast Change	End of Year Forecast		
Operating Income								
(\$3,573,129)	(\$3,753,910)	(\$180,781)	(U)	User Charges	(\$23,105,970)	(\$1)	(F)	(\$23,105,971)
(\$44,000)	(\$51,904)	(\$7,904)	(U)	Special Charges	(\$311,456)	\$1	(U)	(\$311,455)
(\$218,253)	(\$86,108)	\$132,145	(F)	Contributions	(\$516,826)	\$0	(F)	(\$516,826)
(\$374,534)	(\$299,654)	\$74,880	(F)	Operating Grants	(\$1,797,977)	\$0	(F)	(\$1,797,977)
(\$79,027)	(\$24,872)	\$54,155	(F)	Interest Municipal Cash Investments	(\$149,250)	\$0	(F)	(\$149,250)
(\$120,841)	(\$115,266)	\$5,575	(F)	Reimbursements	(\$691,746)	\$0	(F)	(\$691,746)
(\$149,783)	(\$166,814)	(\$17,031)	(U)	Other	(\$1,000,943)	\$0	(F)	(\$1,000,943)
(\$4,559,568)	(\$4,498,528)	\$61,040	(F)	Total Operating Income	(\$27,574,168)	\$0	(F)	(\$27,574,168)
Operating Expenditure								
\$1,259,295	\$1,210,254	(\$49,041)	(U)	Salary Expenses	\$7,129,055	\$0	(F)	\$7,129,055
\$400,185	\$971,902	\$571,717	(F)	Contract Expenses	\$5,891,006	(\$1)	(F)	\$5,891,006
\$65,744	\$184,642	\$118,898	(F)	Material Expenses	\$1,109,227	\$0	(F)	\$1,109,227
\$22,066	\$27,122	\$5,056	(F)	Utility Expenses	\$158,436	\$0	(F)	\$158,436
\$108,839	\$115,096	\$6,257	(F)	Fuel Expenses	\$690,630	\$0	(F)	\$690,630
\$2,548	\$2,150	(\$398)	(U)	Finance Fees and Interest Expenses	\$12,900	\$0	(F)	\$12,900
\$116,348	\$117,230	\$882	(F)	Insurance Expenses	\$194,530	\$0	(F)	\$194,530
\$519,347	\$596,496	\$77,149	(F)	Depreciation Expenses	\$3,579,279	\$0	(F)	\$3,579,279
\$1,260,667	\$1,375,329	\$114,662	(F)	Miscellaneous Expenses	\$8,459,575	\$0	(F)	\$8,459,575
\$0	\$0	\$0	(F)	Provision Expenses	\$140,383	\$0	(F)	\$140,383
(\$42,734)	(\$36,856)	\$5,878	(F)	Costs Allocated	(\$220,241)	\$0	(F)	(\$220,241)
\$3,712,304	\$4,563,365	\$851,060	(F)	Total Operating Expenditure	\$27,144,780	(\$1)	(F)	\$27,144,779
(\$847,264)	\$64,837	\$912,101	(F)	OPERATING RESULT FROM NORMAL ACTIVITIES	(\$429,388)	(\$1)	(F)	(\$429,389)
Surplus	Surplus				Surplus			Surplus

Notes:

1. User Charges - include member Councils, WMRC and casual users pertaining to waste, risk management and environmental services fees and charges;
2. Special Charges - Waste Education Levy;
3. Contributions - member Councils' contributions to p



INCOME STATEMENT

Nature and Type

Year to Date			August 2010			Full Year		
Actual	Budget	Variance		Current Budget	Forecast Change	End of Year Forecast		
Other Revenues								
(\$697,435)	(\$781,278)	(\$83,843)	(U)	Secondary Waste Charge	(\$4,687,717)	\$1	(U)	(\$4,687,716)
(\$207,924)	(\$285,668)	(\$77,744)	(U)	Interest Restricted Cash Investments	(\$1,714,079)	\$0	(F)	(\$1,714,079)
\$0	(\$258)	(\$258)	(U)	Reimbursements	(\$1,550)	\$0	(F)	(\$1,550)
(\$100,982)	(\$74,226)	\$26,756	(F)	Proceeds from Sale of Assets	(\$445,362)	\$0	(F)	(\$445,362)
(\$1,006,341)	(\$1,141,430)	(\$135,089)	(U)	Total Other Revenues	(\$6,848,708)	\$1	(U)	(\$6,848,707)
Other Expenses								
\$36,367	\$55,353	\$18,986	(F)	Salary Expenses	\$328,928	\$0	(F)	\$328,928
\$12,046	\$86,744	\$74,698	(F)	Contract Expenses	\$520,600	\$0	(F)	\$520,600
\$1,158	\$5,242	\$4,084	(F)	Material Expenses	\$31,550	\$0	(F)	\$31,550
\$403	\$532	\$129	(F)	Utility Expenses	\$3,200	\$0	(F)	\$3,200
\$343	\$392	\$49	(F)	Insurance Expenses	\$2,355	\$0	(F)	\$2,355
\$1,001	\$1,090	\$89	(F)	Depreciation Expenses	\$6,556	\$0	(F)	\$6,556
\$10,107	\$18,950	\$8,843	(F)	Miscellaneous Expenses	\$113,800	\$0	(F)	\$113,800
\$0	\$0	\$0	(F)	Carrying Amount of Assets Disposed Of	\$426,241	\$0	(F)	\$426,241
\$42,734	\$36,620	(\$6,114)	(U)	Costs Allocated	\$219,741	\$0	(F)	\$219,741
\$104,158	\$204,923	\$100,764	(F)	Total Other Expenses	\$1,652,971	\$0	(F)	\$1,652,971
Unrealised (Gain)/Loss From Change in Fair Value of Investments								
(\$294,403)	\$0	\$294,403	(F)	Unrealised (Gain)/Loss	\$0	\$0	(F)	\$0
(\$294,403)	\$0	\$294,403	(F)	Total Unrealised (Gain)/Loss	\$0	\$0	(F)	\$0
(\$1,196,585)	(\$936,507)	\$260,078	(F)	OPERATING RESULT FROM OTHER ACTIVITIES	(\$5,195,737)	\$1	(U)	(\$5,195,736)
Surplus	Surplus				Surplus			Surplus
(\$2,043,850)	(\$871,671)	\$1,172,179	(F)	CHANGE IN NET ASSETS FROM OPERATIONS	(\$5,625,125)	\$0	(F)	(\$5,625,125)
Surplus	Surplus				Surplus			Surplus



CAPITAL EXPENDITURE STATEMENT

AUGUST 2010

Year to Date					Full Year			
Actual	Budget	Variance	On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast	
Governance and Corporate Services								
\$0	\$0	\$0	(F)		\$422,232	\$0	(F)	\$422,232
\$1,420	\$0	\$1,420	(U)	\$2,600	\$24,000	\$0	(F)	\$24,000
\$1,640	\$0	\$1,640	(U)	\$12,127	\$380,200	\$0	(F)	\$380,200
\$446	\$0	\$446	(U)	\$0	\$0	\$0	(F)	\$0
\$0	\$0	\$0	(F)	\$0	\$17,273	\$0	(F)	\$17,273
\$14,119	\$35,832	(\$21,713)	(F)	\$40,159	\$215,000	\$0	(F)	\$215,000
\$17,625	\$35,832	(\$18,207)	(F)	\$54,886	\$1,058,705	\$0	(F)	\$1,058,705



CAPITAL EXPENDITURE STATEMENT

AUGUST 2010

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					

Environmental Services

\$2,936	\$0	\$2,936 (U)	\$0	Purchase Office Equipment - Environmental Services (24510/05)	\$2,000	\$0 (F)	\$2,000
\$0	\$0	\$0 (F)	\$0	Purchase Office Furniture and Fittings - Environmental Services (24610/05)	\$1,500	\$0 (F)	\$1,500
\$2,936	\$0	\$2,936 (U)	\$0		\$3,500	\$0 (F)	\$3,500

Regional Development

\$0	\$0	\$0 (F)	\$0	Purchase Office Equipment - Regional Development (24510/04)	\$1,000	\$0 (F)	\$1,000
\$0	\$0	\$0 (F)	\$0	Purchase Office Furniture and Fittings - Regional Development (24610/04)	\$1,500	\$0 (F)	\$1,500
\$0	\$0	\$0 (F)	\$0		\$2,500	\$0 (F)	\$2,500

Risk Management

\$0	\$0	\$0 (F)	\$0	Purchase Office Equipment - Risk Management (24510/06)	\$500	\$0 (F)	\$500
\$0	\$0	\$0 (F)	\$0	Purchase Office Furniture and Fittings - Risk Management (24610/06)	\$500	\$0 (F)	\$500
\$0	\$0	\$0 (F)	\$0		\$1,000	\$0 (F)	\$1,000

Resource Recovery

\$0	\$8,332	(\$8,332) (F)	\$0	Construct and Commission Resource Recovery Park (24399/01)	\$50,000	\$0 (F)	\$50,000
\$0	\$0	\$0 (F)	\$0	Purchase Office Equipment - Resource Recovery (24510/07)	\$1,000	\$0 (F)	\$1,000
\$0	\$0	\$0 (F)	\$0	Purchase Other Equipment - Resource Recovery (24590/07)	\$1,000	\$0 (F)	\$1,000
\$1,932	\$0	\$1,932 (U)	\$0	Purchase Office Furniture and Fittings - Resource Recovery (24610/07)	\$1,000	\$0 (F)	\$1,000
\$1,932	\$8,332	(\$6,400) (F)	\$0		\$53,000	\$0 (F)	\$53,000



CAPITAL EXPENDITURE STATEMENT

AUGUST 2010

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Full Year		
Actual	Budget	Variance			Current Budget	Forecast Change	End of Year Forecast
Waste Management							
\$0	\$0	\$0 (F)		\$0 Purchase Waste Management Land - Midland Brick (24150/02)	\$500,000	\$0 (F)	\$500,000
\$0	\$55,000	(\$55,000) (F)	\$580	Construct Waste Management Facility Buildings - Red Hill Landfill Facility (24250/01)	\$410,000	\$0 (F)	\$410,000
\$0	\$50,000	(\$50,000) (F)	\$615	Construct Waste Management Facility Buildings - Hazelmere (24250/02)	\$200,000	\$0 (F)	\$200,000
\$0	\$10,000	(\$10,000) (F)	\$0	Investigate and Design Number 3 Workshop - Redhill Landfill Facility (24259/01)	\$60,000	\$0 (F)	\$60,000
\$25,338	\$3,500	\$21,838 (U)	\$0	Construct Waste Management Facility Buildings - Other - Hazelmere (24259/02)	\$21,000	\$0 (F)	\$21,000
\$4,371	\$0	\$4,371 (U)	\$0	Upgrade Power - Redhill Landfill Facility (24259/03)	\$50,000	\$0 (F)	\$50,000
\$0	\$0	\$0 (F)	\$0	Construct Class III Cell Farm Stage 2 - Red Hill Landfill Facility (24310/11)	\$5,000	\$0 (F)	\$5,000
\$0	\$0	\$0 (F)	\$0	Construct Siltation Ponds - Red Hill Landfill Facility (24350/00)	\$158,000	\$0 (F)	\$158,000
\$0	\$0	\$0 (F)	\$0	Construct Nutrient Stripping Pond - Red Hill Landfill Facility (24360/00)	\$50,000	\$0 (F)	\$50,000
\$0	\$16,664	(\$16,664) (F)	\$0	Construct Roads / Carparks - Red Hill Landfill Facility (24370/00)	\$100,000	\$0 (F)	\$100,000
\$0	\$0	\$0 (F)	\$0	Construct Weighbridge - Hazelmere (24392/00)	\$150,000	\$0 (F)	\$150,000
\$4,950	\$13,332	(\$8,383) (F)	\$0	Construct Water Storage Dams - Red Hill Landfill Facility (24393/00)	\$80,000	\$0 (F)	\$80,000
\$0	\$1,430	(\$1,430) (F)	\$0	Construct Perimeter Fencing - Red Hill Landfill Facility (24394/00)	\$8,600	\$0 (F)	\$8,600



CAPITAL EXPENDITURE STATEMENT

AUGUST 2010

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Full Year			
Actual	Budget	Variance			Current Budget	Forecast Change	End of Year Forecast	
Waste Management								
\$6,453	\$8,332	(\$1,879)	(F)	\$0	Construct Hardstand and Road - Hazelmere (24395/01)	\$50,000	\$0 (F)	\$50,000
\$0	\$0	\$0	(F)	\$0	Construct Monitoring Bores - Red Hill Landfill Facility (24396/00)	\$30,000	\$0 (F)	\$30,000
\$0	\$26,278	(\$26,278)	(F)	\$0	Construct Solar PV Tracking System - Red Hill Landfill Facility (24399/02)	\$160,179	\$0 (F)	\$160,179
\$0	\$0	\$0	(F)	\$0	Purchase / Replace Plant - Red Hill Landfill Facility (24410/00)	\$358,000	\$0 (F)	\$358,000
\$658,847	\$710,000	(\$51,153)	(F)	\$1,536,843	Purchase / Replace Plant - Hazelmere (24410/01)	\$2,365,265	\$0 (F)	\$2,365,265
\$0	\$0	\$0	(F)	\$23,908	Purchase / Replace Minor Plant and Equipment-Red Hill Landfill Facility (24420/00)	\$200,000	\$0 (F)	\$200,000
\$4,223	\$10,000	(\$5,777)	(F)	\$495	Purchase / Replace Minor Plant and Equipment - Hazelmere (24420/02)	\$15,000	\$0 (F)	\$15,000
\$31,821	\$0	\$31,821	(U)	\$0	Purchase / Replace Vehicles - Red Hill Landfill Facility (24430/00)	\$60,145	\$0 (F)	\$60,145
\$0	\$0	\$0	(F)	\$0	Purchase / Replace Office Equipment - Engineering / Waste Management (24510/02)	\$550	\$0 (F)	\$550
\$0	\$0	\$0	(F)	\$0	Purchase / Replace Office Equipment - Red Hill Landfill Facility (24510/08)	\$7,000	\$0 (F)	\$7,000
\$0	\$0	\$0	(F)	\$0	Purchase Fire Fighting System/Equipment - Hazelmere (24520/07)	\$600	\$0 (F)	\$600
\$0	\$0	\$0	(F)	\$0	Purchase / Replace Fire Fighting Equipment - Red Hill Landfill Facility (24520/08)	\$1,000	\$0 (F)	\$1,000
\$0	\$0	\$0	(F)	\$5,540	Purchase / Replace Security System - Red Hill Waste Management Facility (24530/08)	\$45,000	\$0 (F)	\$45,000
\$1,561	\$0	\$1,561	(U)	\$0	Purchase / Replace Other Equipment - Red Hill Landfill Facility (24590/00)	\$40,000	\$0 (F)	\$40,000



CAPITAL EXPENDITURE STATEMENT

AUGUST 2010

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					

Waste Management

\$7,716	\$8,240	(\$524) (F)	\$0	Purchase / Replace Miscellaneous Plant & Equipment - Hazelmere (24590/02)	\$8,240	\$0 (F)	\$8,240
\$0	\$0	\$0 (F)	\$0	Purchase/Replace Other Equipment - Engineering and Waste Management (24590/03)	\$5,500	\$0 (F)	\$5,500
\$407	\$2,500	(\$2,093) (F)	\$0	Purchase Office Furniture and Fittings-Engineering and Waste Management (24610/03)	\$2,500	\$0 (F)	\$2,500
\$0	\$0	\$0 (F)	\$0	Purchase / Replace Office Furniture and Fittings - Red Hill Landfill Facility (24610/08)	\$6,500	\$0 (F)	\$6,500
\$0	\$0	\$0 (F)	\$772	Purchase Office Furniture and Fittings-Hazelmere (24610/10)	\$1,500	\$0 (F)	\$1,500
\$0	\$1,332	(\$1,332) (F)	\$0	Purchase Miscellaneous Furniture and Fittings - Red Hill Education Programme (24690/01)	\$9,000	\$0 (F)	\$9,000
\$0	\$1,332	(\$1,332) (F)	\$0	Refurbish Environmental Education Centre - Redhill Landfill Facility (25253/00)	\$9,000	\$0 (F)	\$9,000
\$0	\$0	\$0 (F)	\$0	Refurbish Waste Transfer Station Building - Red Hill Landfill Facility (25259/01)	\$25,000	\$0 (F)	\$25,000
\$0	\$3,332	(\$3,332) (F)	\$0	Refurbish Plant - Red Hill Landfill Facility (25410/00)	\$20,000	\$0 (F)	\$20,000
\$745,686	\$921,272	(\$175,586) (F)	\$1,568,754		\$5,212,579	\$0 (F)	\$5,212,579

\$768,180	\$965,436	(\$197,256) (F)	\$1,623,640	TOTAL CAPITAL EXPENDITURE	\$6,331,284	\$0 (F)	\$6,331,284
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BALANCE SHEET

AUGUST 2010

Full Year

Actual 2009/2010	Actual Year to Date	(F) = Favourable variation (U) = Unfavourable variation	Current Budget 2010/2011	Forecast Change	Forecast 2010/2011
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Current Assets

\$3,819,119	\$3,053,832	Cash and Cash Equivalents	\$5,236,621	(\$4,810,537) (U)	\$426,084
\$24,625,523	\$25,290,688	Investments	\$26,688,404	\$4,810,537 (F)	\$31,498,941
\$2,484,281	\$2,655,703	Trade and Other Receivables	\$2,484,281	\$0 (F)	\$2,484,281
\$23,408	\$25,616	Inventories	\$23,408	\$0 (F)	\$23,408
\$73,514	\$75,815	Other Assets	\$73,514	\$0 (F)	\$73,514
\$0	\$0	Current Assets Other	\$0	\$0 (F)	\$0
\$31,025,845	\$31,101,654	Total Current Assets	\$34,506,228	\$0 (F)	\$34,506,228

Current Liabilities

\$0	\$0	Bank Overdraft	\$0	\$0 (F)	\$0
\$4,830,408	\$3,110,200	Trade and Other Payables	\$4,830,408	\$0 (F)	\$4,830,408
\$1,074,972	\$1,074,972	Provisions	\$1,109,055	\$0 (F)	\$1,109,055
\$0	\$0	Borrowings - Current Portion	\$0	\$0 (F)	\$0
\$0	\$0	Liabilities Other	\$0	\$0 (F)	\$0
\$5,905,380	\$4,185,172	Total Current Liabilities	\$5,939,463	\$0 (F)	\$5,939,463

\$25,120,465	\$26,916,483	Net Current Assets	\$28,566,765	\$0 (F)	\$28,566,765
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BALANCE SHEET

AUGUST 2010

Full Year

Actual 2009/2010	Actual Year to Date	(F) = Favourable variation (U) = Unfavourable variation	Current Budget 2010/2011	Forecast Change	Forecast 2010/2011
Non Current Assets					
\$7,639,917	\$7,639,917	Property Plant and Equipment	\$8,139,917	\$0 (F)	\$8,139,917
\$2,406,984	\$2,383,146	Buildings	\$3,186,118	\$0 (F)	\$3,186,118
\$11,021,749	\$10,834,467	Structures	\$10,589,581	\$0 (F)	\$10,589,581
\$5,454,459	\$5,174,587	Plant	\$6,685,536	\$0 (F)	\$6,685,536
\$341,290	\$314,477	Equipment	\$556,069	\$0 (F)	\$556,069
\$91,317	\$88,774	Furniture and Fittings	\$117,703	\$0 (F)	\$117,703
\$2,213,284	\$2,981,465	Work in Progress	\$2,213,284	\$0 (F)	\$2,213,284
\$0	\$0	Investments - Non Current	\$0	\$0 (F)	\$0
\$0	\$0	Non Current Assets Other	\$0	\$0 (F)	\$0
\$29,169,000	\$29,416,832	Total Non Current Assets	\$31,488,208	\$0 (F)	\$31,488,208
Non Current Liabilities					
\$1,419,987	\$1,419,987	Provisions	\$1,560,370	\$0 (F)	\$1,560,370
\$0	\$0	Borrowings - Long Term Portion	\$0	\$0 (F)	\$0
\$0	\$0	Non Current Liabilities Other	\$0	\$0 (F)	\$0
\$1,419,987	\$1,419,987	Total Non Current Liabilities	\$1,560,370	\$0 (F)	\$1,560,370
\$52,869,478	\$54,913,328	Net Assets	\$58,494,603	\$0	\$58,494,603
Equity					
\$26,333,080	\$26,333,080	Accumulated Surplus/Deficit	\$31,958,205	\$0 (F)	\$31,958,205
\$0	\$0	AAS27 Adjustments	\$0	\$0 (F)	\$0
\$0	\$0	Asset Revaluation Reserve	\$0	\$0 (F)	\$0
\$26,536,398	\$26,536,398	Cash Backed Reserves	\$26,536,398	\$0 (F)	\$26,536,398
\$0	\$2,043,850	Net change in assets from operations	\$0	\$0	\$0
\$52,869,478	\$54,913,328	Total Equity	\$58,494,603	\$0 (F)	\$58,494,603

Note : A negative value in the Forecast Change column of the Equity section results in a favourable increase in the equity position of the organisation.



CASH AND INVESTMENTS

AUGUST 2010

Full Year

Actual 2009/2010 YTD Actual 2010/2011 (F) = Favourable variation
(U) = Unfavourable variation

Current Budget 2010/2011 Forecast Change Forecast 2010/2011

Municipal Cash and Investments

3,815,819	3,050,332	Cash at Bank - Municipal Fund 01001/00	5,233,321	(4,810,537)	(U)	422,784
1,250	1,250	Cash on Hand - Ascot Place 01019/00	1,250	0	(F)	1,250
600	600	Cash on Hand - Walliston/Mathieson & Coppin Road Transfer Stations 01019/01	600	0	(F)	600
1,450	1,650	Cash on Hand - Red Hill / Hazelmere 01019/02	1,450	0	(F)	1,450
6,243,092	6,381,914	Investments - Municipal Fund 02021/00	1,781,357	4,810,537	(F)	6,591,894
10,062,210	9,435,747	Total Municipal Cash	7,017,977	0	(F)	7,017,977

Restricted Cash and Investments

387,395	389,106	Restricted Investments - Plant and Equipment 02022/01	117,727	0	(F)	117,727
2,660,225	2,671,979	Restricted Investments - Site Rehabilitation Red Hill 02022/02	2,626,312	0	(F)	2,626,312
510,222	512,477	Restricted Investments - Future Development 02022/03	1,744,546	0	(F)	1,744,546
292,292	293,584	Restricted Investments - Environmental Monitoring Red Hill 02022/04	312,193	0	(F)	312,193
224,245	225,236	Restricted Investments - Environmental Insurance Red Hill 02022/05	215,457	0	(F)	215,457
10,929	10,977	Restricted Investments - Risk Management 02022/06	11,673	0	(F)	11,673
225,485	226,481	Restricted Investments - Class IV Cells Red Hill 02022/07	287,660	0	(F)	287,660
294,281	295,581	Restricted Investments - Regional Development 02022/08	32,216	0	(F)	32,216
19,029,568	19,113,648	Restricted Investments - Secondary Waste Processing 02022/09	23,741,107	0	(F)	23,741,107
944,959	949,135	Restricted Investments - Class III Cells 02022/10	1,948,091	0	(F)	1,948,091
55,180	55,424	Restricted Investments - Building Refurbishment (Ascot Place) 02022/11	58,938	0	(F)	58,938
(6,809,218)	(6,394,183)	Restricted Investments - Unrealised Loss/Gain on Investments 02022/20	(6,809,218)	0	(F)	(6,809,218)
556,867	559,328	Restricted Investments - Long Service Leave 02022/90	620,344	0	(F)	620,344
18,382,432	18,908,774	Total Restricted Cash	24,907,048	0	(F)	24,907,048
28,444,642	28,344,521	TOTAL CASH AND INVESTMENTS	31,925,025	0	(F)	31,925,025

The Cash at Bank - Municipal Fund represents the balance on the last day of the relevant month. Any portion of the balance available for investment is transferred into the Investment - Municipal Fund account in the following period. Funds held in the Cash at Bank - Municipal Fund continue to accrue interest as per the Westpac commercial rates.

EMRC Investment Report

August 2010

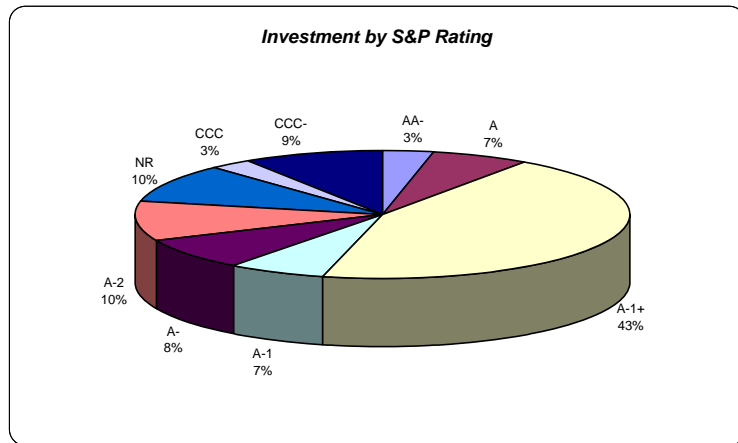
Investment Report Including CDOs

I. Overall Portfolio Limits

S&P Long Term Rating	S&P Long Term Rating	% Portfolio	Investment Maximum %	Comments
AAA	A-1+	43.19%	100%	
AA	A-1	9.62%	100%	
A	A-2	24.06%	60%	
BBB		0.00%	0%	
CCC and less		23.13%	0%	Policy Breached ¹
		<u>100.00%</u>		

Notes

1. Policy breach above relates to the \$7.06m Lehman Brothers CDOs investment and a \$1m term deposit with Credit Union Australia. While Credit Union Australia is not rated, it is covered under the Bank Guarantee



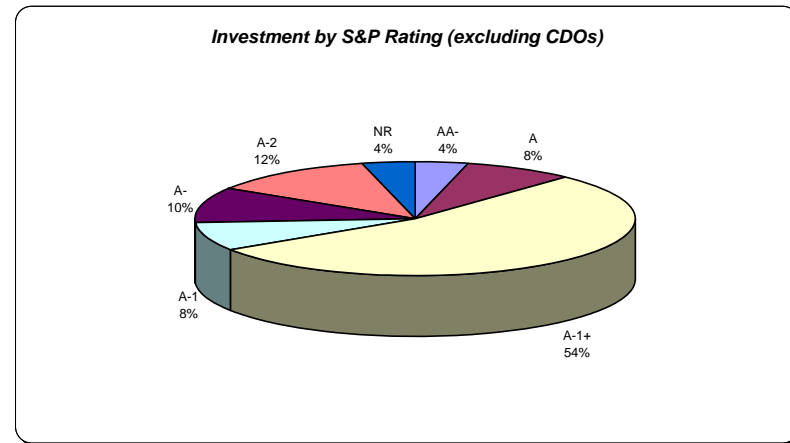
Investment Report Excluding CDOs

I. Overall Portfolio Limits

S&P Long Term Rating	S&P Long Term Rating	% Portfolio	Investment Maximum %	Comments
AAA	A-1+	53.94%	100%	
AA	A-1	12.02%	100%	
A	A-2	30.04%	60%	
BBB		0.00%	0%	
CCC and less		4.01%	0%	Policy Breached ²
		<u>100.00%</u>		

Notes

2. Policy Breach above relates to a \$1m term deposit with Credit Union Australia. While Credit Union Australia is not rated, it is covered under the Bank Guarantee



EMRC Investment Report

August 2010

Investment Report Including CDOs				
II. Counterparty Credit Framework				
	% Portfolio	Comments		
NAB	19.25%			
Westpac	15.93%			
Bankwest	9.62%			
Suncorp Metway	6.42%			
Macquarie Bank	4.81%			
Bank of Queensland	3.21%			
Elders Rural Bank	3.21%			
Members equity bank	3.21%			
HSBC FRN	3.21%			
St. George Bank	1.60%			
Deutsche Bank	1.60%			
Royal Bank of Scotland	1.60%			
Credit Union Australia	3.21%	Compliant ³		
Lehman Brothers	19.92%	Policy breached ⁴		
Notes				
3. The \$1m term deposit with Credit Union Australia covered under Bank Guarantee scheme				
4. Policy breach above relates to the Lehman Bros CDOs investment				
III. Term to Maturity Framework				
	% Portfolio	Investment Policy Guidelines		Comments
		% Min	% Max	
Less Than 1 Year	70.46%	40%	100%	
Greater Than 1 year	15.88%	0%	60%	
Greater Than 3 Years	13.41%	0%	35%	
Greater Than 5 Years	0.00%	0%	25%	
Greater Than 6 Years	0.26%	0%	0%	Policy Breached ⁶
	100.00%			
Notes				
6. Policy breach above relates to a \$80,000 Lehman Brothers CDO with a term to March 2017				

Investment Report Excluding CDOs				
II. Counterparty Credit Framework				
	% Portfolio	Comments		
NAB	24.03%			
Westpac	19.89%			
Bankwest	12.02%			
Suncorp Metway	8.01%			
Macquarie Bank	6.01%			
Bank of Queensland	4.01%			
Elders Rural Bank	4.01%			
Members equity bank	4.01%			
HSBC FRN	4.01%			
St. George Bank	2.00%			
Deutsche Bank	2.00%			
Royal Bank of Scotland	2.00%			
Credit Union Australia	4.01%	Compliant ⁵		
Notes				
5. The \$1m term deposit with Credit Union Australia covered under Bank Guarantee scheme				
III. Term to Maturity Framework				
	% Portfolio	Investment Policy Guidelines		Comments
		% Min	% Max	
Less Than 1 Year	87.984%	40%	100%	
Greater Than 1 year	10.013%	0%	60%	
Greater Than 3 Years	2.003%	0%	35%	
Greater Than 5 Years	0.000%	0%	25%	
Greater Than 6 Years	0.000%	0%	0%	
	100.00%			

NB: This report is consistent with the reporting requirements of the Policy 3.5 - Management of Investments Policy which only became effective from September 2010



14.3 ITEMS CONTAINED IN THE INFORMATION BULLETIN

REFERENCE: COMMITTEES-11458

The following items are included in the Information Bulletin, which accompanies the Agenda.

1. REGIONAL SERVICES

- 1.1 ENVIRONMENTAL SERVICES ACTIVITY REPORT - JUNE 2010 TO AUGUST 2010
(Ref: Committees-11418)

RECOMMENDATION

That the Information Bulletin be noted.

COUNCIL RESOLUTION

MOVED CR FÄRDIG

SECONDED CR POWELL

THAT THE INFORMATION BULLETIN BE NOTED.

CARRIED UNANIMOUSLY



INFORMATION BULLETIN

Accompanying the
Ordinary Meeting of Council Agenda

21 October 2010

COUNCIL INFORMATION BULLETIN

21 October 2010

(REF: COMMITTEES-11458)

TABLE OF CONTENTS

1	REGIONAL SERVICES	1
1.1	<i>ENVIRONMENTAL SERVICES ACTIVITY REPORT – JUNE 2010 TO AUGUST 2010</i> <i>(Ref: Committees-11418)</i>	1



1 REGIONAL SERVICES

1.1 ENVIRONMENTAL SERVICES ACTIVITY REPORT – JUNE 2010 TO AUGUST 2010

REFERENCE: COMMITTEES-11418

PURPOSE OF REPORT

To provide Council with an overview of key Environmental Services activities undertaken during the period 1 June 2010 to 31 August 2010.

KEY ISSUES AND RECOMMENDATION(S)

- The EMRC Environmental Services is involved in delivering a range of services, projects and activities in partnership with its member Councils.
- The EMRC Environmental Services activities can be broadly described under environmental consulting, regional environmental advice and regional environmental projects.
- Communication of outcomes related to the EMRC Environmental Services assists in keeping Council and member Councils up to date on key areas of activity.

SOURCE OF REPORT

Director Regional Services
Manager Environmental Services

BACKGROUND

The EMRC Environmental Services business unit reports on key activities on an ongoing basis. The Strategic Plan 2010/2011-2013/2014 provides the framework for reporting under the objectives “To contribute towards improved regional air, water and land quality and regional biodiversity conservation” and “To address climate change issues within the region”.

The projects relevant to the Environmental Services primary activities include the following:

- Provide environmental consultancy services;
- Regional environmental advice and advocacy;
- Develop and implement regional environmental projects including;
 - Regional Environmental Strategy (RES);
 - Eastern Hills Catchment Management Program (EHCMP);
 - Achieving Carbon Emissions Reduction Program (ACE_R);
 - Perth Solar City Project;
 - Future Proofing Project (Regional Climate Change Adaptation Action Plan);
 - Water Campaign™; and
 - Swan and Helena River Management Framework.

REPORT

The following information is provided on key Environmental Services activities commenced or completed during the period 1 June 2010 to 31 August 2010.



Item 1.1 continued

Environmental Consulting

Achievements and outcomes during this reporting period include:

- Continuing to assist the Dieback Working Group, on a fee for service basis, to undertake the Group's Project Officer role and develop and implement a best management practice framework for local governments to manage Phytophthora Dieback. Activities have included:
 - Producing the quarterly Dieback Working Group newsletter;
 - Organising and hosting the 2010 Dieback Information Group Conference in July;
 - Revising and testing the best management practice framework;
 - Development of media releases; and
 - Recording agendas and minutes for the Dieback Working Group meetings.
- Assisting the Dieback Working Group to undertake the 'Save Our Bushland from Phytophthora Dieback' community education and engagement project. Activities included:
 - Employing a casual Environmental Education Officer to run professional development sessions for upper primary school teachers in schools near high conservation reserves. The project aims to implement the award-winning Discovering Dieback Education Kit and encourage teachers to run the Discovering Dieback course at their schools;
 - Facilitating 'volunteer' tree injecting days for neighbouring residents of the respective bushland reserves; and
 - Liaising with teachers and neighbours with the intent of forming Friends groups for high conservation reserves.
- Completed a review of the draft District Conservation Strategy for the Shire of Kalamunda. This review will assist in setting direction for future environmental activities for the Shire;
- Continuing to assist the City of Bayswater to develop its Local Environment Strategy. The strategy will provide a framework for the City of Bayswater's environmental management activities to enhance environmental outcomes for the City and ensure effective allocation of resources towards environmental management. Consultation is currently underway with staff from core business areas;
- Continued to undertake the Shire of Broome's Environmental Management Strategy. The strategy will guide the Shire of Broome's environmental activities over the next five years and includes determining the key environmental challenges for the Shire and ways to overcome those; and
- Continued assistance to the City of South Perth and Town of Victoria Park in progressing through the Water Campaign™.

Regional Advice and Advocacy

As part of its regional advisory role to member Councils, the EMRC Environmental Services, investigates and reports on a range of Australian and State Government strategies and plans relevant to the region.

Achievements and outcomes during this reporting period include:

- A submission was provided to the Swan River Trust on their draft policy – 'Dinghy Management along the Swan Canning Riverpark shoreline'. The focus of the submission was to ensure that member Councils would not be required to implement a dinghy management system where there is no issue with dinghy storage along the shoreline and that dinghy storage could be addressed in other ways;
- The Environmental Projects Officer attended a forum on Noongar cultural heritage and knowledge of the Canning River. Topics covered at the forum included: The significance of the Canning River to the Noongar people and incorporating traditional knowledge into NRM practices; outcomes of the Swan and Canning Rivers Iconic Trails Project (Perth Region NRM in partnership with the South West Aboriginal Land and Sea Council and the Swan River Trust); how to consult with the Noongar community and management of Noongar cultural heritage;



Item 1.1 continued

- The Environmental Projects Coordinator promoted the Future Proofing project through a number of newsletters and showcased the Shire of Mundaring's community engagement model on climate change adaptation at the Planning Institute of Australia Annual State Conference "Future Proofing Communities";
- A submission was provided to the Australian Government on the Australian Framework for Landcare. Key comments were in relation to the need for integration and how this Framework integrates into Natural Resource Management (NRM) and Caring for Our Country; adequate funding and resourcing; the definition of roles and responsibilities of the various Government agencies; the recognition of Local Governments as important stakeholders in Landcare with a key role integrating it into local communities; and that Local Government is critical in actively engaging partners and coordinating volunteer efforts to undertake on-ground activities; and
- A submission was provided to the Department of Agriculture and Food WA on their Draft Strategy for Managing and Using Western Australia's Land, Water and Ecosystems; and Draft Statement of Program Investment Priorities for 2010/11-2013/14. Comments included that the draft documents require additional work and consultation to ensure that key stakeholders in NRM have the ability to provide genuine input into the documents to reflect the contribution from all stakeholders, that the definition of roles and responsibilities of the various State Government agencies is critical for establishing a true understanding of the current situation and identifying a way forward to improve outcomes for NRM and that adequate funding and resourcing needs to be allocated to NRM in WA.

Recognition for Excellence

Four EMRC member Councils were recognised for their efforts in addressing sustainable water management at the local level. They were the Town of Bassendean, City of Bayswater, City of Belmont and Shire of Kalamunda - all were awarded for achievements in the International Council for Local Environmental Initiatives (ICLEI) Water Campaign™ at a Recognition and Briefing Breakfast held in August 2010.

EMRC member Councils were recognised for achieving the following milestones:

- Town of Bassendean – Milestone 4 – completed corporate water conservation and quality module and reported on the implemented water management actions within corporate sector;
- City of Bayswater - Milestone 1 – completed an inventory of corporate and community water consumption;
- City of Belmont - Milestone 5 – completed re-inventory and reported on progress towards goals and setting directions for future actions to improve water management practices;
- Shire of Kalamunda – Milestone 2 and 3 - set water conservation and water quality improvement goals, and created local water action plan that sets out the strategic direction for the Shire.

An application was lodged for the Riverprize Award for the Swan and Helena River Management Framework and a submission made to present at the International Riversymposium to be held in Perth at the Burswood in October 2010. The Riverprize is an internationally recognised award for outstanding achievement and excellence in river management. The submissions were unsuccessful, however, the EMRC was invited to submit a poster presentation at the Riversymposium and will be in attendance at the event in October.

A nomination was submitted for the 2010 WA Environment Awards in the category "Government Leading By Example". The nomination highlighted the important role that the Perth Solar City Local Government Demonstration Projects played in promoting energy efficiency to residents of Perth's Eastern Region.

Funding

The EMRC Environmental Services Team are continually looking for funding opportunities to support environmental and sustainability initiatives within the region. NRM officers also assist catchment and friends groups with funding applications.

In the current reporting period the Blackadder Woodbridge Catchment Group were successful in their State NRM funding application for \$24,000 for non chemical weed management.



Item 1.1 continued

Other community group funding applications that are currently pending or recently granted are listed in the table below.

SWAN LANDCARE PROGRAM (SLP) AND DEPARTMENT OF ENVIRONMENT AND CONSERVATION (DEC) FUNDING

Project	Funder	Amount Requested
Marionvale Brook Restoration Project	SLP	\$4,082.00 Pending
Large Scale Weed Eradication in Greenmount NP	SLP	\$9,900.00 Pending
Protection and Rehabilitation of Boya Brook Trail Area	SLP	\$3,924.00 Pending
Weed Control Swan View PS	SLP	\$8,000 Pending
Wooroloo Townsite Project	SLP	\$27,700.00 Pending
Rehabilitation of Wildlife Corridors Avon NP	SLP	\$10,855.00 Pending
Restoring the integrity of Black Cockatoo Reserve	SLP	\$1,825.00 Pending
Rehabilitation & revegetation land for Wildlife Barkala Way Stoneville	SLP	\$1,174.00 Pending
Wedgetail Reserve Restoration	SLP	\$11,724.80 Pending
Talbot Road Nature Reserve Conservation Project	SLP	\$10,150.00 Pending
War on Watsonia John Forest NP	SLP	\$15,160.00 Pending
Blackadder Creek Fauna Corridor Project	SLP	\$15,300 Pending
Susannah Valley Nature Conservation Project	SLP	\$21,180.00 Pending
Weed Control FoG Helena Valley PS Reserve	SLP	\$1,100.00 Pending
Bugle tree creek WONS eradication and bushland rehabilitation project	DEC	\$12,000 Granted
Pinker Crescent Restoration Project	DEC	\$26,000 Pending
Lower Lesmurdie Falls	DEC	\$30,000 Granted

REGIONAL LOCAL COMMUNITY INFRASTRUCTURE PROGRAM

The Australian Government advised that an application for \$4.1 million, that was lodged in January 2010 under the Regional and Local Community Infrastructure Program (RLCIP) funding program for the Upper Swan River and East Tributaries Infrastructure Project had been unsuccessful.

Regional Projects

Regional projects continued to provide a strong focus for natural resource management, climate change and water and energy efficiency activities across the region, in conjunction with member Councils as outlined below.



Item 1.1 continued

Regional Environmental Strategy (RES)

In February 2010 Council approved the development of a new Regional Environmental Strategy (RES) to guide environmental activities for the period 2010 to 2015. The RES will reflect the many environmental and sustainability initiatives currently being undertaken by the EMRC and its member Councils and identify future needs. In the current reporting period the Regional Environmental Advisory Group (REAG) met to discuss formation and implementation of the Strategy and interviews were conducted with member Council environmental and sustainability officers. A workshop will be organised in the next reporting period to look at key focus areas and actions for the Strategy.

Eastern Hills Catchment Management Program (EHCMP)

The Eastern Hills Catchment Management Program (EHCMP) is a highly successful partnership between the Shires of Kalamunda and Mundaring, City of Swan and the EMRC. The Program aims to achieve a co-ordinated strategic approach to the restoration of land, bushland and creek lines. The program engages with local community catchment groups and Friends of Groups across the region.

The focus for EHCMP in this reporting period has been on working with community groups and member Councils on rehabilitation work in natural bushland in the eastern hills in addition to attending workshops, Regional Forums and attending public events to promote EHCMP.

Activities undertaken in the reporting period include:

Fish Fauna Project

The Fish Fauna Project stems from funding received under the State NRM Program. Wetland Research and Management were appointed as the Consultant to conduct the Freshwater Fish Survey along the Helena River, the first survey will commence in September 2010, a further survey will be conducted in Autumn 2011 and a final report will be produced and made available to the community.

Tributaries Project

Work is continuing on the Tributaries Project funded through Caring for Our Country. A further 2 kilometres of Priority tributaries has been identified and restoration work will be underway over the coming months. Sites recognised for work are Bugle Tree Creek, Christmas Tree Creek, Crumpet Creek, Upper Lesmurdie Falls, FR Berry Reserve and Susannah Brook.

Watsonia Project

The Watsonia Project commenced in 2007 and will be acquitted in November 2010. This project covered 11 sites across the eastern hills (Mundaring, Kalamunda and Swan) with the aim of significantly reducing the presence of Watsonia in areas identified as priority tributaries by the Swan River Trust. Watsonia has been successfully controlled at some sites and has been eliminated on others. Observations of sites has seen natural regeneration of bushland occurring.

The project involved 3 local governments, NRM Officers, local schools, Greencorp, local community and businesses.

Bush Skills for the Hills

Bush Skills for the Hills is a partnership program delivered to community by the EHCMP NRM Officers and Local Government Bushcare Officers.

Two courses were presented in the current reporting period.

Bush Skills for the Hills Course	Number of Attendees
Fungi Foray	47
Explore Talbot Road Bushland	21

The Bush Skills for the Hills themes and calendar for 2011 was discussed at a workshop with relevant member Council staff and a tentative calendar has been set.



Item 1.1 continued

Bugle Tree Creek

Bugle Tree Creek Weeds of National Significance (WONS) eradication and bushland rehabilitation project will focus on the eradication of Blackberry (*Rubus spp.*) from the upper section of the Bugle Tree Creek sub catchment from its head to its confluence with Red Gum Hollow. Other weed species impacting on the biodiversity values of this area will also be controlled, including WONS species Bridal Creeper (*Asparagus asparagoides*) and the Swan NRM region priority weed *Watsonia* spp. This will encourage the regeneration of bushland and protect the biodiversity of the project area.

Detailed mapping of Blackberry in the project area and ongoing monitoring will be undertaken and used to prioritise the use of project funding. Woody weeds such as *Acacia iteaphylla* and *Acacia longifolia* will be controlled on public land with volunteer assistance. A brochure will be developed to assist in the education of the public regarding blackberry control.

Conservation Volunteers Australia (CVA) Volunteer Programme

A proposal has gone through the Swan River Trust for CVA volunteers to provide assistance for on ground work for the EHCMP at no cost to the EMRC or its member Councils. The project is pending.

Regional Forums

In the last period, EHCMP attended and contributed to the following Regional NRM forums to ensure that issues affecting member Councils are considered in decision making and to communicate outcomes back to the member Councils.

These forums included:

- Two Perth Region NRM Inc Eastern Sub Regional Forums;
- Two Swan River Trust Sub Regional Chairs and Coordinators meetings;
- Two operational meetings with Swan River Trust staff;
- Two operational meetings with Perth Region NRM Inc staff;
- One Regional Environmental Advisory Group meeting;
- Three Integrated Catchment Management meetings; and
- Assessment of Swan Landcare Program grants.

EMRC staff are currently engaged in identifying key opportunities for NRM funding, where possible, for the region.

GPS and GIS

EHCMP are acquiring GIS and have purchased two handheld GPS equipment to improve accuracy of recording and reporting for field work undertaken by NRM Officers. The acquisition of this technology will give more accurate site locations and increase data collection abilities.

Student involvement in NRM

A group of students from Polytechnic West have undertaken NRM work at Wedge Tail Reserve. CVA Rio Tinto Schools program (Morley High School) has been involved in planting and mulching at three sites, Bugle Tree Creek Gully Park, Black Cockatoo Reserve and Woodbridge Blackadder Creek.

Review of Integrated Catchment Management Plan (ICMP)

The ICMP was created in 1997 and funded by the National Heritage Trust and partnered by the Woorloo Brook LCDC, the EMRC, City of Swan, Shire of Mundaring, and Department of Agriculture and Food WA.

The project objective was to coordinate existing environmental initiatives in the region, to progress catchment planning in the major catchments and to establish and promote landcare and catchment management in areas not currently active.



Item 1.1 continued

The review will involve catchment groups and community within the process. The document is to be a living document that assists in driving the direction of NRM in the eastern region. The review process will look at the existing ICMP recommendations and ascertain what was done well, not so well and to address gaps in the plan and future actions.

End of Year Volunteer Event

A workshop has been undertaken to set the scene for the annual end of year volunteer celebration. An afternoon event is to be organised in the first week of December. Volunteer representatives from each catchment and friends of groups will be honoured for their tireless contribution to the health and wellbeing of our natural environment.

Promotion

EHCMP are revamping promotional material to be displayed at events such as the Gidgegannup Agricultural Show, Red Hill Open Day, Bush Skills for the Hills events and stalls at Kalamunda, Mundaring and Midland. Promotional events attended in June included the Kalamunda Trees for Residents day and the Rural Revegetation Program run by the City of Swan. The two events were patronised by over 900 residents of Shire of Kalamunda and City of Swan. In excess of 120 residents signed on to receive the Greenpage newsletter at the events strengthening our promotion EHCMP and efforts to recruit volunteers to catchment and friends of groups.

Officers are currently planning a bus tour for EMRC Councillors to showcase NRM sites in Perth's Eastern Region.

Achieving Carbon Emissions Reductions (ACE_R) Program

The ACE_R Program was developed in 2009 by the EMRC as an initiative to encourage and support member Councils to monitor, report on and reduce their corporate carbon emissions. The ACE_R project also provides information and education to the community and local businesses within the region on reducing energy consumption and other climate change related issues.

Achievements and outcomes during this reporting period include:

- Development of a Home Energy Audit Kit for participating member Councils to implement within their libraries to educate the local community on energy efficiency;
- Marketing and promotional collateral developed for the program;
- Distributed a letter to member Councils to encourage participation in the WALGA and Greensense Greenhouse Gas Emissions Reporting Platform;
- Continued assisting member Councils to progress with reporting on their carbon emissions;
- Attended a Carbon Accounting and Management training course to further assist member Councils in reporting on their carbon emissions.
- Announced as a finalist in the WA Sustainable Energy Awards for Innovation and Excellence for 2010 within the category of Community and Regional Initiative.

Perth Solar City

The Solar Cities Program was established to encourage the adoption of renewable energy technologies and to facilitate behaviour change to improve energy efficiency. As part of the program the Perth Solar City project will trial and demonstrate a range of renewable energy projects within communities in Perth's Eastern Region and use community engagement strategies to achieve objectives.



Item 1.1 continued

Achievements and outcomes during this reporting period include:

- Implementation of the Sustainable Communities Competition which included;
 - Engagement of Living Smart Facilitators to promote and encourage engagement in the competition;
 - An inspiring sustainability workshop to highlight and celebrate the sustainability initiatives that community groups had implemented;
 - Selection of three (3) community groups from EMRC member Councils to contest the title of “Most Sustainable Community in Perth’s Eastern Region”;
 - A site visit to the three (3) shortlisted groups by representatives of the Perth Solar City Program Office, SunPower and Solahart; and
 - Selection of the “Most Sustainable Community in Perth’s Eastern Region” by the judging panel.
- Represented member Councils in the Perth Solar City Consortium;
- Facilitated three (3) meetings of the Perth Solar City Local Government Working Group;
- Attendance at three (3) Monthly Perth Solar City Implementation Working Group meetings;
- Continued to facilitate the Local Government demonstration projects and community engagement components for the Perth Solar City projects;
- Provided the Consortium Leader with responses to queries on the member Council demonstration projects;
- Advocated to ensure the concerns and needs of member Councils were met in relation to the Perth Solar City and Living Smart Programs;
- Provided monthly and quarterly reporting to Western Power on the project’s progress;
- Launch of the City of Belmont Demonstration Project at Ruth Faulkner Library; and
- Commenced preparation of tender documents for the supply and installation of a 9KW solar photovoltaic (PV) tracking system at the Red Hill Waste Management Facility and a fixed photovoltaic (PV) system at the EMRC administration building at Ascot Place.

Future Proofing Perth’s Eastern Region – Regional Climate Change Adaptation Action Plan

The Future Proofing Project identifies major regional climate change risks relevant to the EMRC and member Council assets and operations. Climate change represents a huge challenge for Local Government including impacts on infrastructure, land use planning, biodiversity, environmental health, fire and emergency services as well as parks and reserve management. Adaptation is about taking action to avoid, manage or reduce the consequences that will be brought about from climate events.

Achievements and outcomes during this reporting period include:

- Development of the Local Climate Change Adaptation Action Plan for the Town of Bassendean;
- Progressing development of the Local Climate Change Adaptation Action Plan for the Shire of Kalamunda including completing adaptation action planning and action priority rating;
- Organising printing of the City Of Belmont’s Local Climate Change Adaptation Action Plan;
- EMRC in partnership with Greensense held two climate change risk assessment and adaptation workshops with Shire of Mundaring residents to obtain community views on what actions the Shire needs to undertake to adapt to climate change;
- Progressing development of the Local Climate Change Adaptation Action Plan for the City of Bayswater;
- Promoting the Future Proofing Project via various newsletters including EMRC newsletters, Greenpage and WALGA’s newsletter; and



Item 1.1 continued

- Representing the region at WALGA's Climate Change Senior Officers Group meetings to promote the project and share experiences with other local government officers in the area of climate change adaptation and mitigation.

Water Campaign™

All member Councils are participating in the Water Campaign™ on a regional basis, in partnership with the International Council for Local Environmental Initiatives (ICLEI). The Water Campaign™ Program provides a framework for Local Governments to improve water management at a corporate and community level. ICLEI has identified the regional approach taken in Perth's Eastern Region as a key strength and a potential model for other Local Governments to work on a regional basis in the Water Campaign™ process.

Achievements and outcomes during this reporting period include:

- The City of Bayswater progressing through Milestone 2 and 3. A research paper was developed to assist Council in setting Milestone 2 goals and Milestone 3 future water management actions;
- The Town of Bassendean completed the corporate component of Milestone 4 with their Water Action Plan reporting and quantification;
- The Shire of Kalamunda achieved Milestone 2 and 3 and continued progressing through Milestone 4;
- The Shire of Mundaring achieved corporate module of Milestone 4 reporting on implemented water conservation and water quality actions of the Water Action Plan;
- The City of Belmont achieved Milestone 5 and completed re-inventory of corporate and community water consumption; and
- The City of Swan continued progressing through Milestone 1 and is currently undertaking a corporate and community water consumption inventory.

The Environmental Consultant attended accredited Water Auditing Training and will be offering water auditing as a new service to member and client Councils on a fee for service basis.

Swan and Helena River Management Framework

The Swan and Helena River Management Framework (SHRMF) provides a strategy that guides the ongoing sustainable management and development of the eastern reaches of the Swan River and its major tributary, the Helena River. To date five key documents have emerged from the framework to assist with trail interpretation, recreational path development and foreshore stabilisation activities. A heritage audit has been undertaken that maps the Aboriginal, natural and historic sites and statement of significance has been determined through extensive consultation and this work will provide input into the route, themes and interpretation of the regional recreational path. The research reports undertaken to date all highlight the need to conduct further consultation with the Aboriginal community to ensure that any future infrastructure including interpretation, trails and foreshore restoration works were sensitive to Aboriginal heritage and cultural issues.

The Regional Aboriginal Consultation Plan project will add value to previous work undertaken by seeking to streamline the Aboriginal consultation process for member Councils and to facilitate a process of engagement with the Aboriginal community which is inclusive and respectful of Aboriginal heritage and culture.

This project will be complemented by the Swan and Canning Rivers Iconic Trails Project (SCRITP) which aims to connect the community to the natural and cultural environment surrounding the Swan Canning Riverpark through the development of a network of trails. Co-ordinated by the Swan River Trust, stage one of the project is Noongar consultation which will be managed by Perth Region NRM and the South West Aboriginal Land and Sea Council. The EMRC is working in partnership on the SCRITP project to ensure synergies and opportunities are accrued in tandem with the development of the Regional Aboriginal Consultation Plan.



Item 1.1 continued

Achievements and outcomes during this reporting period include:

- Initial member Council consultation undertaken on the Regional Aboriginal Consultation Plan;
- Consultants, Savagely Creative, completed a draft report on the development of the Interpretation Plan which determines the themes for the River foreshore interpretation trail; identifies potential sites to be interpreted; determines messages to be communicated and identifies methods for communication. Linkages between interpretation and tourism across the region have also been mapped using the Heritage and Tourism Interpretation Framework;
- Attendance at the SCIRTP steering group meeting;
- Attendance at the Swan River Trust Swan Canning Riverpark Iconic Trails Project advisory group meeting; and
- Attended a meeting with the South West and Aboriginal Land and Sea Council (SWALSC).

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 1 – Environmental Sustainability

- 1.5 To contribute towards improved regional air, water & land quality and regional biodiversity conservation.
- 1.6 To address climate change issues within the region.

FINANCIAL IMPLICATIONS

All projects and activities have been undertaken in accordance with the 2010/2011 budgets adopted by Council.

SUSTAINABILITY IMPLICATIONS

The environmental management activities support sustainability principles and contribute towards the environmental, social, and economic benefits through water and energy savings, conservation and management of biodiversity and natural areas and community education and engagement.

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Nil
City of Bayswater	
City of Belmont	
Shire of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

Nil



15 REPORTS OF COMMITTEES

**15.1 CHIEF EXECUTIVE OFFICERS ADVISORY COMMITTEE MEETING HELD 5 OCTOBER 2010
(REFER TO MINUTES OF COMMITTEE - BLUE PAGES)**

REFERENCE: COMMITTEES-11450

The minutes of the Chief Executive Officers Advisory Committee meeting held on **5 October 2010** accompany and form part of this agenda – (refer to blue section of ‘Minutes of Committees’ for Council accompanying this Agenda).

QUESTIONS

The Chairman invited general questions from members on the report of the Chief Executive Officers Advisory Committee.

RECOMMENDATION

That with the exception of items, which are to be withdrawn and dealt with separately, the recommendations in the Chief Executive Officers Advisory Committee report (Section 15.1) be adopted.

COUNCIL RESOLUTION

MOVED CR FÄRDIG

SECONDED CR GODFREY

THAT THE RECOMMENDATIONS IN THE CHIEF EXECUTIVE OFFICERS ADVISORY COMMITTEE REPORT (SECTION 15.1) BE ADOPTED.

CARRIED UNANIMOUSLY

CHIEF EXECUTIVE OFFICERS ADVISORY COMMITTEE

MINUTES

5 October 2010

(REF: COMMITTEES-11450)

A meeting of the Chief Executive Officers Advisory Committee was held at the EMRC Administration Office, 1st Floor, 226 Great Eastern Highway, BELMONT WA 6104 on **Tuesday, 5 October 2010**. The meeting commenced at **12:30pm**.

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1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Chairman opened the meeting at 12:30pm.

The Chairman welcomed Mr Doug Pearson and Brian Jones to the meeting.

2 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

Committee Members

Mr Jonathan Throssell (Chairman)	Chief Executive Officer	Shire of Mundaring
Mr Bob Jarvis	Chief Executive Officer	Town of Bassendean
Mr Doug Pearson	Director of Technical Services	City of Bayswater
Mr Stuart Cole	Chief Executive Officer	City of Belmont
Mr Mike Foley (Deputy Chairman)	Chief Executive Officer	City of Swan
Mr Peter Schneider	Chief Executive Officer	EMRC

Apologies

Ms Francesca Le fante	Chief Executive Officer	City of Bayswater
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Leave of Absence Previously Approved

Nil

EMRC Officers

Ms Rhonda Hardy	Director Regional Services
Mr Brian Jones	Director Waste Services
Ms Georgia Armstrong	Regional Development-Coordinator
Mr John Royle	Consultant
Ms Theresa Eckstein	Executive Assistant to Chief Executive Officer (Minutes)

3 DISCLOSURE OF INTERESTS

Nil

4 ANNOUNCEMENT BY THE CHAIRMAN OR PERSON PRESIDING WITHOUT DISCUSSION

Nil

5 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS



5.1 MINUTES OF CEOAC COMMITTEE MEETING HELD ON 3 AUGUST 2010

That the minutes of the Chief Executive Officers Advisory Committee meeting held on 3 August 2010, which have been distributed, be confirmed.

CEOAC RESOLUTION(S)

MOVED MR JARVIS

SECONDED MR COLE

THAT THE MINUTES OF THE CHIEF EXECUTIVE OFFICERS ADVISORY COMMITTEE MEETING HELD ON 3 AUGUST 2010 WHICH HAVE BEEN DISTRIBUTED, BE CONFIRMED.

CARRIED UNANIMOUSLY

6 PRESENTATIONS

Nil

7 ANNOUNCEMENT OF CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

Nil

8 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

Nil



9 REPORTS OF OFFICERS

9.1 EMRC REGIONAL ECONOMIC DEVELOPMENT STRATEGY 2010 - 2015

REFERENCE: COMMITTEES-11412

PURPOSE OF REPORT

To seek Council approval of the EMRC Regional Economic Development Strategy that will guide regional economic development activities delivered by the EMRC for the period 2010 to 2015.

KEY ISSUES AND RECOMMENDATION(S)

- Council approved a programme for EMRC officers to develop a Regional Economic Development Strategy 2010 to 2015 (REDS) for Perth's Eastern Region at its meeting 3 December 2009.
- The need to develop a new Regional Economic Development Strategy document to guide Perth's Eastern Region has been identified as a priority by the Economic Development Officers Group. It is driven by changes in the economic environment; comprehensive demographic and economic data on the Region; and the need for alignment of regional activities with economic development strategies of member Councils.
- The process for development of the Regional Economic Development Strategy involved consultation with member Councils through the Economic Development Officers Group, and two workshops with business and industry networks. This assisted to ensure that activities delivered by the EMRC at the regional level complement and support those underway or proposed by member Councils, business and industry.
- The REDS is structured around seven key focus areas, each with associated objectives and prioritised actions. Implementation of the REDS will be facilitated by the EMRC with support of member Council officers through the Economic Development Officers Group.
- EMRC officers will develop costed action plans to present to member Councils for consideration in the 2011/12 budget development process.

Recommendation

That Council approves the EMRC Regional Economic Development Strategy 2010 – 2015.

SOURCE OF REPORT

Director, Regional Services
Acting Manager, Regional Development

BACKGROUND

Tourism and regional development functions have been delivered to member Councils since amalgamation of the Eastern Metropolitan Local Authorities Group (EMLAG) with the EMRC in 1998. Regional economic development activities facilitated by the EMRC have been focused on those that deliver the greatest benefit to the majority of member Councils. Activities have ranged from research and advocacy to industry clusters and export development.



Item 9.1 continued

Milestones in the evolution of the regional economic development activities facilitated by the EMRC for Perth's Eastern Region include:

- 1995 - Regional Economic Development - A Strategic Plan, developed for the EMLAG;
- 1998 - The EMRC amalgamated with EMLAG and Regional Development became a portfolio of the EMRC;
- 2003 - The EMRC developed an online Regional Opportunities Register to promote business, industrial, commercial, and residential investment opportunities on Perth's Eastern Region;
- 2005 - The EMRC investigated the potential for industry clusters and commenced its support for the formation in 2008 of what is now known as the Engineering and Manufacturing Industry Cooperative Limited (EMICoL);
- 2006 - The EMRC formed the Economic Development Officer Group (EDOG) which supports EMRC to identify and progress regional economic development barriers and opportunities;
- 2006 & 2007 - The EMRC leveraged the Sister City Relationship between the City of Belmont and Adachi Ku, Japan to investigate export opportunities;
- 2006 - The EMRC expanded the previous Tourism Coordinator role and appointed a full time Manager, Economic and Tourism Development to oversee both the Tourism and Economic Development functions; and
- 2007 - The EMRC employed a full time Regional Development Coordinator to progress the implementation of regional development projects.

Since formation of the EDOG the regional economic development activities identified and progressed by the EMRC have included the following:

- Facilitation of Event Risk Management Training;
- Coordination of Regional Industrial Tours for member Council and EMRC Staff to cross promote investment attraction opportunities;
- Facilitation of information exchanges with stakeholders on industry developments such as the Small Business Development Corporation (SBDC), Business Enterprise Centres (BEC) and Midland Health Campus;
- Investigation into barriers to business growth and investment attraction including Broadband Blackspots and Industrial Sewerage; and
- Purchase of regional demographic and economic impact tools - profile.id, atlas.id and REMPLAN 3.

Following the purchase of profile.id, atlas.id and REMPLAN 3, the EMRC and member Councils were in a position to be able to formulate a Regional Economic Development Strategy (REDS) based on sound statistical evidence. Regional opportunities identified in the REDS were prioritised based on economic impact complemented by the local knowledge of the EDOG members and business and industry networks.

The EMRC Council approved the development of a Regional Economic Development Strategy at its 3 December 2009 meeting. (Ref: Committees-10050)

REPORT

This report outlines the process utilised in development of the Regional Economic Development Strategy (REDS) 2010 - 2015 and provides an overview of the key focus areas and associated objectives. The complete REDS document is shown at the attachment.



Item 9.1 continued

Development Process

The REDS was developed in accordance with the approved work programme and timeline. The following were the main stages in the process:

- Analysis of comprehensive regional economic data was undertaken by the EMRC and consultants through the use of profile.id and REMPLAN;
- Two workshops were held with the Economic Development Officers Group in March and April 2010 to explore the directions for the REDS;
- An evening workshop was held with business and industry stakeholders in March 2010 to gauge support for the initial Key Focus Areas proposed in the Discussion Paper;
- Further investigation was undertaken on the issues and opportunities prioritised through the workshops to develop key focus areas with associated objectives and actions;
- The draft REDS was presented to the EDOG at the June 2010 meeting for review and to seek feedback on the Key Focus Areas, Objectives and Actions. It was decided at the meeting that a second workshop with business and industry was required;
- A second evening workshop was held in August 2010 with business and industry to collect feedback and input on the Key Focus Areas, Objectives and Actions in the draft REDS; and
- The draft REDS then underwent review and prioritisation by the EDOG group, to arrive at the final draft REDS.

Regional Economic Development Strategy

The EMRC's vision is *"to be a responsive and innovative leader in assisting Perth's Eastern Region to be a great place to live, work, play and do business."* This REDS supports the achievement of this vision by providing a flexible framework for the EMRC to work with member Councils and other stakeholders to achieve a prosperous future for the Region and to build its position as a key economic powerhouse for WA.

The EMRC's vision for the REDS for Perth's Eastern Region builds upon this context and is defined as:

"To create a prosperous region achieved through effective partnership and collaboration to facilitate the development of a rich diversity of local employment and industry opportunities."

To achieve the vision it will be necessary to embed world class infrastructure, efficient regulative frameworks and effective governance.

The REDS has been developed in close association with representatives from member Councils. The Strategy does not seek to replace individual economic development strategies of member Councils, but rather to complement and support them by outlining a regional framework for the delivery of economic outcomes across the whole of Perth's Eastern Region.

The REDS has seven key focus areas as below;

1. **"Local Jobs for Local People"** - Improve employment self-containment by working with partners to focus on initiatives that align the availability of local jobs to the local working resident population, and therefore reduce the social, environmental and infrastructure burdens that arise from commuting workers in Perth's Eastern Region;
2. **"Buy Local, Supply Local"** - Maximise local supply and demand opportunities through initiatives that reduce leakage of economic activity to other areas. The aim of this being to encourage the growth of existing businesses and the attraction of new businesses to meet local industry needs and generate opportunities in Perth's Eastern Region;



Item 9.1 continued

3. **“Think Smart, Work Smart”** - Increase the output value of Perth’s Eastern Region by developing and attracting knowledge intensive and creative industries, encouraging innovation in existing businesses, and generally creating higher value employment opportunities in the Region;
4. **“Joining the Dots”** - Create world class enabling infrastructure that maximises economic productivity, creates competitive advantage for businesses in Perth’s Eastern Region and resolves infrastructure bottlenecks that inhibit growth;
5. **“Work Hard, Play Hard”** - Protect, improve and promote the liveability of Perth’s Eastern Region through the supply and diversity of housing, education, health, culture and vibrancy to attract workers to live and enjoy the Region in which they work;
6. **“Natural Growth”** - Ensure that economic growth complements rather than compromises the environmental future of Perth’s Eastern Region by taking an environmentally responsible and sustainable approach; and
7. **“Responsible Leadership”** - Provide good governance that facilitates responsible economic growth, advocates for Perth’s Eastern Region, and encourages all stakeholders to work collaboratively together, equipped with the best knowledge to exercise sound leadership.

Objectives which align with the seven Key Focus Areas are highlighted below;

KEY FOCUS AREA (KFA)	OBJECTIVE
KFA 1 Local Jobs for Local People	1.1 Maximise the employment of local residents with local businesses in Perth’s Eastern Region 1.2 Develop a skilled local workforce that matches the staffing needs of local businesses in Perth’s Eastern Region 1.3 Use the existing skills base of local resident workers to attract new business and to support the growth of existing business in Perth’s Eastern Region. 1.4 Resolve shortfalls in availability of resident workers within particular industries by attracting new appropriately skilled residents to Perth’s Eastern Region.
KFA 2 Buy Local, Supply Local	2.1 Identify and develop opportunities for supply chain integration for key industries in Perth’s Eastern Region. 2.2 Encourage business development to grow local capacity to fill gaps in supply chains. 2.3 Encourage a ‘buy local, supply local’ attitude with local businesses. 2.4 Create closer relationships between industry support organisations, networks and associations as a method to build awareness within the business community of local capabilities and new opportunities.
KFA 3 Think Smart, Work Smart	3.1 Increase employment opportunities in existing knowledge based industries. 3.2 Attract new knowledge intensive businesses and industries. 3.3 Encourage creativity and innovation within existing businesses. 3.4 Maximise opportunities for knowledge based employment arising from new investment projects.



Item 9.1 continued

<p>KFA 4 Joining the Dots</p>	<p>4.1 Increase investment for enabling infrastructure in the Region. 4.2 Identify key capacity constraints in enabling infrastructure in the Region. 4.3 Create consistent and aligned regional infrastructure priorities between member Councils. 4.4 Coordinate a consistent and aligned regional response to address capacity constraints in enabling infrastructure. 4.5 Increase awareness at all levels of government of the need for enabling infrastructure renewal and development.</p>
<p>KFA 5 Work Hard, Play Hard</p>	<p>5.1 Match the availability of local housing with the growing economy and local workforce needs. 5.2 Reposition Perth's Eastern Region as a desirable place to live and work. 5.3 Balance economic growth with the need to protect the liveability of the Region.</p>
<p>KFA 6 Natural Growth</p>	<p>6.1 Support industry with taking action to be environmentally conscious in their day-to-day activities. 6.2 Encourage innovation in environmental management, clean tech industries and sustainable business practices. 6.3 Support with the delivery of EMRC's Regional Climate Change Adaptation Action Plan 2009 -2013. 6.4 Leverage the Perth Solar City program to assist in raising awareness of energy management in Small to Medium Enterprises.</p>
<p>KFA 7 Responsible Leadership</p>	<p>7.1 Increase the understanding of the importance and role of economic development in the Region with key stakeholders. 7.2 Support opportunities to create a regulatory environment that is business friendly. 7.3 Encourage collaboration between all stakeholders.</p>

Implementation

Implementation of the REDS will be facilitated by the EMRC with support of member Council officers through the EDOG.

The EMRC will take a central role for the implementation of this strategy and will coordinate collaboration amongst member Councils to achieve the objectives of the Strategy. In addition to this, EMRC will undertake day-to-day activities to support the actions within the Strategy. These have been defined previously and include activities such as research, analysis, review, advocating, educating, project and service management, attraction and promotion, funding support and governance.

The likely role of member Council officers over the next five years is to actively engage in implementation of regional actions that have relevance at the local level. This will involve:

- Participating in the EMRC advisory and project groups;
- Provision of economic data available at local government level;
- Leveraging regional advocacy activities;
- Consulting and engaging with local industry;
- Liaising with other business units within their Council; and
- Keeping the EMRC informed of local activities and other project delivery responsibilities.



Item 9.1 continued

Resources

Implementation of the REDS is expected to be resourced through a blend of EMRC contributions, member Council contributions, and supplemented by grants for projects. Member Councils currently contribute to the maintenance of REMPLAN data. Detailed budgets for the delivery of actions within the REDS will be developed as part of the next stage of implementation planning. At this stage, available budgets and resources will be balanced against outcome priorities.

Monitoring, Review and Evaluation

The implementation of the REDS will be monitored, reviewed and evaluated on an on-going basis through;

- Regular meetings of the EDOG;
- The monitoring of Key Performance Indicators (KPI's);
- The quarterly Regional Services Activity Report which is presented to the CEOAC and EMRC Council;
- A minor review of the Strategy undertaken annually, which will focus on the updating of actions. Given the expected finalisation and release of several important government strategies over the next 12 months, it will be important to review the directions of this Strategy in accordance with them (including the Directions 2031 and Industrial Land Strategy);
- A workshop with regional stakeholders (including EDOG) to review progress. This will allow the REDS to be a living document, evolving as market conditions, issues, challenges and opportunities change and actions are completed. A complete review of the Strategy will be undertaken in 2015; and
- Where appropriate, the community will be informed of significant developments through the EMRC website, media releases and newsletter.

STRATEGIC/POLICY IMPLICATIONS

Development of a REDS will contribute to achievement of strategies under Key Result Area 3 of the EMRC Strategic Plan for the Future 2010/11 - 2013/14, specifically objectives:

- 3.1 To facilitate increased investment in regional infrastructure.
- 3.2 To support the development of regional education and training opportunities.
- 3.3 To facilitate regional economic development activities.

FINANCIAL IMPLICATIONS

Development of the REDS has been largely undertaken in house by EMRC officers. Consultancy support was contracted to assist EMRC officers to develop the REDS, specifically analysis of data and identification and facilitation of stakeholder workshops to scope, assess and prioritise regional issues, barriers and opportunities.

No additional contribution will be required from member Councils in 2010/11 beyond the existing financial contribution to the purchase of the economic modelling tool, REMPLAN.

Detailed project plans and budgets to progress the REDS will be produced in 2010/11 and the current EMRC economic development budget will be restructured to reflect the REDS in 2011/12.

Member Council contributions from 2011/12 will be addressed through the existing annual budget development process commenced annually in October.

SUSTAINABILITY IMPLICATIONS

The development and implementation of regional economic development activities will assist to strengthen and diversify the economy of Perth's Eastern Region, contribute to business viability and sustainable employment for residents.



Item 9.1 continued

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	Activities within the Regional Economic Development Strategy (REDS) 2010-2015 will complement member Council priorities and provide the strategic framework for member Councils to develop and/or align local economic development strategies to regional directions in order to leverage opportunities and funding. The future financial cost implications for activities that emerge from the REDS will be developed and integrated into future budget proposals for member Council consideration (if required).
City of Bayswater	
City of Belmont	
Shire of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

Draft Regional Economic Development Strategy 2010 - 2015 (Ref: Committees-11459)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION

That Council approves the EMRC Regional Economic Development Strategy 2010 – 2015.

Ms Georgia Armstrong, Acting Manager Regional Development and Mr John Royle, Consultant gave an overview of the strategy. Ms Armstrong advised that the REDS was developed through the analysis of comprehensive regional economic data, as well as the facilitation of multiple workshops with the Economic Development Officers Group (EDOG) and business and industry stakeholders.

The Chairman thanked the Acting Manager, Regional Development and Consultant for their overview and for responding to the questions posed by the Chief Executive Officers Advisory Committee members on the Regional Economic Development Strategy which was supported by the Chief Executive Officers Advisory Committee.

CEOAC RECOMMENDATION(S)

MOVED MR FOLEY

SECONDED MR JARVIS

That council approves the EMRC Regional Economic Development Strategy 2010 – 2015.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)


MOVED CR FÄRDIG

SECONDED CR GODFREY

THAT COUNCIL APPROVES THE EMRC REGIONAL ECONOMIC DEVELOPMENT STRATEGY 2010 – 2015.

CARRIED UNANIMOUSLY



Advancing Perth's Eastern Region 

Draft REGIONAL ECONOMIC DEVELOPMENT STRATEGY

2010 – 2015

REF: EMRC-112592

DRAFT



EXECUTIVE SUMMARY

The Eastern Metropolitan Regional Council's (EMRC) Strategic Plan for the Future 2008/09 to 2013/14 sets in place a vision for the organisation *"to be a responsive and innovative leader in assisting Perth's Eastern Region to be a great place to live, work, play and do business."*¹ This Regional Economic Development Strategy (REDS) supports the achievement of this vision by providing a flexible framework for the EMRC to work with member Councils and other stakeholders to achieve a prosperous future for the Region and to build its position as a key economic powerhouse for WA.

The directions set by this Strategy align to the context set by the Western Australian Planning Commission's Directions 2031 and the Department of Planning's draft Industrial Land Strategy 2009: Perth and Peel which together set in place a vision for Perth and Peel for the next 20 to 25 years that embraces continued growth with the preservation of local environments and a high quality of life. Within Directions 2031, a hierarchy and spatial distribution of activity centres has been defined that recognises Perth's Eastern Region as a significant transport and industry hub.

The REDS has been developed in close association with representatives from member Councils. The Strategy does not seek to replace individual economic development strategies of member Councils, but rather to complement and support them by outlining a regional framework for the delivery of economic outcomes across the whole of Perth's Eastern Region.

The Strategy is built upon a number of key themes that, when combined with local economic factors, set a context for the Strategy. The most important theme for this Strategy is one of partnership and collaboration; recognising the role of EMRC to work closely together with member Councils and other regional stakeholders to achieve shared economic development outcomes. Another key theme for the strategy is the balance between 'nature' and 'nurture' for creating successful and resilient economic development. This recognises the need to balance market forces and the macro-economic context with supportive strategies that encourage the growth of the local economy. The themes blend with the economic context of Perth's Eastern Region leading to seven Key Focus Areas that will focus the activities for economic development over the next five years.

The economic context for Perth's Eastern Region is one of managed growth, building upon the Region's existing strengths (which include its strategic positioning, current transport infrastructure, resident workforce, and existing industry base in particular), maximising opportunities from several significant new investment and infrastructure projects in the Region, and capitalising upon new growth opportunities that emerge. By careful consideration to the need for continual alignment between

¹ Eastern Metropolitan Regional Council 2008, *Strategic Plan for the Future 2008/09 - 2013/14*, report, Eastern Metropolitan Regional Council, Belmont, Western Australia, p.4

workforce, industry and infrastructure (whilst retaining liveability), the Region can ensure it maximises the opportunities from these investments as well as realising the potential value and opportunities from its existing resident industry and workforce. In addition to growing existing industry, the EMRC will look for opportunities to encourage and nurture higher output-value strategic industries, where increases in employment will result in proportionately larger impacts on regional output and help to create a more resilient economy. These higher value industries will continually evolve in line with the growth of the Region.

This Strategy recognises that in an increasingly globalised economy, value and future prosperity of the Region will be driven by its unique points of difference and the greater personalisation of this 'product' to industry needs. In the context of Perth's Eastern Region this requires creating combinations of land, infrastructure, workforce, services and existing industry strengths to more closely align to the needs of targeted industries. The Strategy also recognises that the identification and resolution of capacity constraints and barriers in economic 'enabling infrastructure' such as communications infrastructure, transport links and industrial land will help to maximise the economic potential of the Region and must match economic growth. Social and environmental challenges such as residential housing supply (and affordability) and environmental sustainability are also considered as they are inextricably linked to economic development and, if not considered, create significant risks to the Region's growth.

These factors are reflected in the seven Key Focus Areas of the Strategy as follows:

- (a) **"Local Jobs for Local People"** - Improve employment self-containment by working with partners to focus on initiatives that align the availability of local jobs to the local working resident population, and therefore reduce the social, environmental and infrastructure burdens that arise from commuting workers in Perth's Eastern Region;
- (b) **"Buy Local, Supply Local"** - Maximise local supply and demand opportunities through initiatives that reduce leakage of economic activity to other areas. The aim of this being to encourage the growth of existing businesses and the attraction of new businesses to meet local industry needs and generate opportunities in Perth's Eastern Region.
- (c) **"Think Smart, Work Smart"** - Increase the output value of Perth's Eastern Region by developing and attracting knowledge intensive and creative industries, encouraging innovation in existing businesses, and generally creating higher value employment opportunities in the Region.
- (d) **"Joining the Dots"** - Create world class enabling infrastructure that maximises economic productivity, creates competitive advantage for businesses in Perth's Eastern Region and resolves infrastructure bottlenecks that inhibit growth;

- (e) **“Work Hard, Play Hard”** - Protect, improve and promote the liveability of Perth’s Eastern Region through the supply and diversity of housing, education, health, culture and vibrancy to attract workers to live and enjoy the Region in which they work;
- (f) **“Natural Growth”** - Ensure that economic growth complements rather than compromises the environmental future of Perth’s Eastern Region by taking an environmentally responsible and sustainable approach; and
- (g) **“Responsible Leadership”** - Provide good governance that facilitates responsible economic growth, advocates for Perth’s Eastern Region, and encourages all stakeholders to work collaboratively together, equipped with the best knowledge to exercise sound leadership

These Key Focus Areas are not mutually exclusive and will be continually reviewed to respond to evolving market conditions, regional issues, challenges and opportunities. They also link EMRC’s other regional strategies including the Regional Integrated Transport Strategy (RITS), the Regional Tourism Strategy (RTS), the Regional Advocacy Strategy (RAS), the Regional Climate Change Adaptation Action Plan 2009 – 2013 (RCCAAP), as well as the EMRC’s Strategic Plan for the Future 2010/11 to 2013/14. This approach recognises that economic development is only one part of an interlinked and cross-dependant set of activities that achieve sustainability.

Each Key Focus Area has a number of objectives and actions that underpin the achievement of positive outcomes in each area. The EMRC’s role in delivery of this collaborative strategy will build upon past achievements through a number of activities. These day-to-day activities illustrate the role of the EMRC in economic development within Perth’s Eastern Region, and can be broadly categorised into the following main activity areas:

- **Research, Measure and Review** - Identifying and collating data on an on-going basis to inform and support regional economic development decision making with member Councils.
- **Advocate, Educate and Align** - Working on behalf of member Councils, existing businesses, and industry and business networks to advocate, educate and align thinking on regional issues and opportunities, particularly areas such as infrastructure (e.g. transport, broadband, sewerage), skills shortages, and regulatory reform;
- **Project and Program Management** – Facilitating the delivery of projects and programs in association with member Councils and other regional stakeholders through a strong delivery framework, leadership, and close collaboration.

- **Attraction and Promotion** - Working with member Councils and other stakeholders to promote the opportunities offered within the Key Focus Areas of this Regional Economic Development Strategy. This will include, although is not limited to, promotion of the Region's existing infrastructure and industry base, new investment projects planned and underway, business support services, and the liveability of the Region (including health, leisure, education, tourism and transport). Target markets for these promotional activities are likely to include the existing workforce, residents and new and existing industry.
- **Funding Support** - Working with member Councils and other regional stakeholders to identify and facilitate opportunities for funding the Region's growth, including developing financial partnerships, sourcing government funding, and attracting private sector investment.
- **Governance** - The EMRC has a role to ensure that the Regional Economic Development Strategy achieves its objectives through good governance and positive stakeholder collaboration. The Strategy will be guided by the Economic Development Officers' Group that is made up from representatives from member Councils. The EMRC is constituted under the Local Government Act (1995) and is governed by the EMRC Council which consists of two Councillors from each member Council, whilst a third deputises. The responsibility for economic development sits within Regional Services, which also takes responsibility for transport, tourism and environmental services.

Delivery of the Strategy has been underpinned by an implementation framework that defines roles, resources, governance and a review framework to ensure that the Strategy achieves its stated objectives.

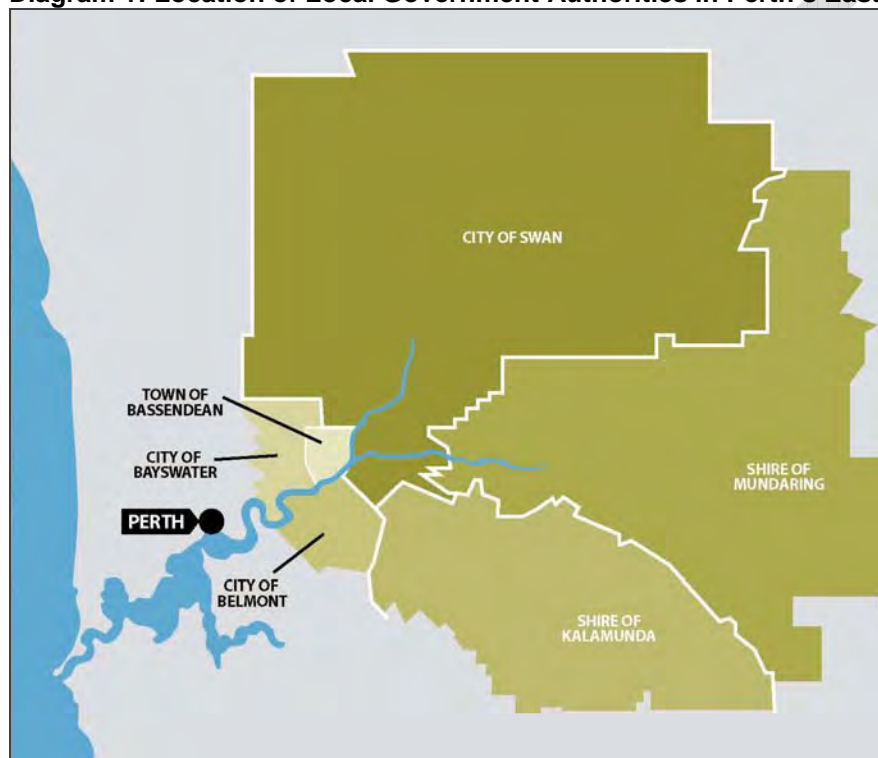
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1.0 INTRODUCTION

Perth's Eastern Region is emerging as a key economic powerhouse for WA. Strategically placed within the Perth metropolitan area, the Region contains Perth's international and domestic airports, as well as major arterial roads and rail infrastructure that link Perth to the rest of Western Australia and Australia. Covering almost one-third of the Perth metropolitan area, the Region is home to over 310,000 residents² with a diversity of cultural backgrounds. Perth's Eastern Region is already a major contributor to the Western Australian economy, generating an estimated \$16,764 million³ or 10.7% of Gross State Product (\$156,603 million in 2008/2009)⁴.

Diagram 1: Location of Local Government Authorities in Perth's Eastern Region



Currently, the major industry sectors in the Region, based upon their output value, are manufacturing, transport and storage, construction, property and business services, wholesale trade, retail trade and mining. Industry sectors that are experiencing high growth include mining, communication services, construction, agriculture forestry fishing and government administration and defence. In terms of the total number of employment opportunities in the Region, the key industry sectors that employ the highest numbers of workers are retail trade, and health and community services.

² profile.id 2010, .id Consulting, Collingwood, Victoria, viewed 21 July 2010, <<http://www.id.com.au/profile/emrc>>

³ REPLAN May 2009, *Compelling Economics*, Bendigo, Victoria

⁴ Australian Bureau of Statistics 2009, *Australian National Accounts: State Accounts (2008-09 re-issue)*, Cat. no. 5220.0, Australian Bureau of Statistics, Canberra, Australian Capital Territory, viewed 16 February 2010, <[http://www.ausstats.abs.gov.au/Ausstats/subscriber.nsf/0/705B32D194E15754CA2576930013F3B6/\\$File/52200_2008-09%20\(reissue\).pdf](http://www.ausstats.abs.gov.au/Ausstats/subscriber.nsf/0/705B32D194E15754CA2576930013F3B6/$File/52200_2008-09%20(reissue).pdf)>

With population growth consistently above the WA average and forecasts suggesting continued growth to reach almost 360,000 by 2021 (an increase of approximately 15%)⁵, Perth's Eastern Region is set to remain one of the fastest growing regions in Western Australia. The challenges for the Region over the next decade are to manage this growth strategically whilst creating a resilient economy that can withstand the uncertainties and impact of global economic and environmental factors. As the last few years have shown, in an increasingly globalised economy, global events can rapidly impact local economies. It is important for Perth's Eastern Region to identify and mitigate risks as well as to manage expected growth and create opportunities in order to maximise prosperity and to realise the economic potential of the Region for its residents and the State.

The seeds of this prosperous future have already been sown, both through previous investments in infrastructure such as Perth Airport, the Kewdale Intermodal Freight Terminal, the Metropolitan Grain Centre and national railway and highways, as well as through new private and public investments that are growing the Region's portfolio of nationally significant infrastructure. Planned investments include the Perth Airport Redevelopment, the Morley City Centre Master Plan, the Midland Health Campus, the Midland Atelier, the Raffles University Campus and others. This gives the Region an advantage over several other metropolitan areas in that significant infrastructure is already in place or underway. Perth's Eastern Region is already at a higher point along its maturity curve compared to other developing metropolitan regions, therefore strategic investment in infrastructure has the potential to yield high returns and lower risks as this new infrastructure delivers economic value, not only in its own right, but also by helping to maximise value from other investments. Existing and planned investment projects are setting the stage for a positive cycle of growth as these infrastructure investments create 'points of difference' for the Region which in turn attract associated industries; leading to further investment. As the Region's existing industry base continues to mature and thrive, and new businesses flourish on commercial opportunities that growth brings, it will be important to ensure enabling infrastructure keeps up with this growth. Therefore with focused governance and sound economic development strategies, Perth's Eastern Region will continue to position itself as a major contributor to the State and national economies.

As a consequence of this predicted growth, a new era of employment opportunities are anticipated in the Region that will require careful consideration to ensure the alignment of a skilled resident workforce to the needs of industry. If the current high-level of employment self-sufficiency in the Region is to be maintained at or above 78%, it will be necessary to grow the population of resident workers in line with industry growth and to ensure the attraction of the necessary diversity of workers required to match the local economy. The Western Australian Planning Commission's Directions 2031 predicts that this will require almost 48,000 additional jobs to be created in the Region by 2031⁶. Meanwhile, the current low levels of employment self-containment need to be resolved to reduce the

⁵ Western Australian Planning Commission 2005, *Western Australia Tomorrow: Population Report No. 6*, report, Western Australian Planning Commission, Perth, Western Australia, p.31-87

⁶ Western Australian Planning Commission 2010, *Directions 2031 and Beyond – Metropolitan Planning Beyond the Horizon*, report, Western Australian Planning Commission, Perth, Western Australia

impact on infrastructure by aligning local resident workers with local jobs. At the same time, proactive strategies are needed to attract a greater proportion of knowledge workers to the Region to support the growth of higher output-value knowledge-based industries.

2.0 The Role of the EMRC in Economic Development and Perth's Eastern Region

The Eastern Metropolitan Regional Council (EMRC) has supported member Councils and industry stakeholders to achieve economic development outcomes since 1998. The EMRC's mission is to partner with member Councils and other stakeholders to facilitate strategies and actions for the benefit and sustainability of Perth's Eastern Region.

Economic development is identified as a key result area in EMRC's Strategic Plan for the Future 2010/11 to 2013/14, which includes the objective "*to facilitate regional economic development activities*"⁷. Economic development is also progressed through related EMRC strategies including the Regional Advocacy Strategy (RAS), the Regional Integrated Transport Strategy (RITS), the Regional Tourism Strategy (RTS), and the Regional Climate Change Adaptation Action Plan 2009-2013 (RCCAAP).

The EMRC's regional economic development activities and achievements in the past have included:

- The development of an on-line Regional Opportunities Register to promote business, industrial, commercial and residential investment opportunities in Perth's Eastern Region (2003);
- The provision of funding to assist the North East Metropolitan Chamber of Commerce (NEMCC) with the development of its strategic plan and annual business plan during its initial establishment phase (2002-2003);
- The provision of support to the Midland Tertiary Education Working Party (MTEWP) to create a Midland Education precinct and subsequent support for the Raffle University Bid (2003-2010);
- The provision of support to the establishment of Swan Alliance, an organisation that enabled the dovetailing of youth employment into local industry (2005);
- The provision of funding to support the development of the Regional Education Retention for Crime Prevention Project, which is a regional model designed to strengthen the education retention and engagement of young people aged 10-14 years who are at risk of involvement in antisocial and offending behaviour (2008);
- An investigation into the potential for industry cluster and commencement of support for the formation in 2008 of what is now known as the Engineering and Manufacturing Industry Cooperative Limited (EMICoL) (2005-2008);
- The formation of the Economic Development Officers' Group (EDOG) which supports EMRC

⁷ Eastern Metropolitan Regional Council 2010, *Strategic Plan for the Future 2010/11 – 2013/14*, report, Eastern Metropolitan Regional Council, Belmont, Western Australia, p.13

to identify and progress regional economic development opportunities (2006);

- The investigation of export opportunities through the sister city relationships between the City of Belmont and Adachi Ku, Japan (2006- 2009);
- The expansion of the previous Tourism Coordinator role and appointment of a full-time Manager, Regional Development to oversee both the tourism and economic development functions (2006);
- The development of the regional identity “Perth’s Eastern Region” and taglines which are used to represent the six member Councils that comprise the EMRC (2007);
- The employment of a full-time Regional Development Coordinator to progress the implementation of regional development projects (2007);
- An investigation into barriers to growth and investment attraction including Broadband Blackspots and Industrial Sewerage (2007-2010);
- The facilitation of information exchanges with stakeholders on industry developments such as the Small Business Development Corporation (SBDC), Business Enterprise Centres (BECs) and Midland Health Campus; (2008-2010);
- The coordination of Regional Industrial Tours for member Council and EMRC staff to cross-promote investment attraction opportunities (2009-2010);
- The purchase of regional demographic and economic impact tools including Profile.id and REMPLAN to inform sound decision making with detailed demographic and economic data (2009); and
- The development of regional submissions, for example the State Government’s Direction 2031 and Industrial Land Use Strategy.

These activities illustrate the role of the EMRC in economic development within Perth’s Eastern Region, and can be broadly categorised into the following main activity areas:

Research, Measure and Review

In its role in supporting member Councils and advocating on behalf of Perth’s Eastern Region, the EMRC identifies and collates data on an on-going basis to inform and support regional economic development decision making. This activity helps to achieve the following outcomes:

- To support informed decision making within the Key Focus Areas;
- To identify existing and emerging industry strengths in the Region;
- To enable continual review of the Region’s positioning and help to adjust future directions;
- To measure performance, success, and the competitive environment to help support risk management;
- To research regionally, nationally and globally to grow the Region’s knowledge capital and help ensure the EMRC is at the leading edge of economic development practice; and
- To identify new projects that can help to deliver outcomes in the Key Focus Areas.

In supporting the delivery of this Strategy, particular areas of research are expected to include:

- Workforce analysis to quantify the availability, suitability, skills, training needs, and liveability requirements of our current and desired resident workers compared to local employment opportunities;
- Economic activity analysis to help identify current industry strengths, supply chain opportunities and potential targets;
- Business and stakeholder consultation to identify issues and opportunities relating to areas such as infrastructure, workforce, sustainability and regulation reduction;
- Opportunity assessment to identify and review economic development opportunities; and
- Economic impact assessments associated with significant developments.

Advocate, Educate and Align

The EMRC has a responsibility to work on behalf of member Councils, local businesses, as well as industry and business networks to:

- Advocate on regional issues and opportunities particularly areas such as infrastructure (e.g. transport, broadband, sewerage), skills shortages, and regulatory reform;
- Engage with and support local chambers of commerce, business and trade associations, and small business support centres;
- Engage community representatives, including local business leaders;
- Promote consistent messages between stakeholders; and
- Educate EMRC and member Council economic development and planning staff on best practice models for economic development.

This activity links closely to EMRC's Regional Advocacy Strategy (RAS) which is designed to facilitate consistent, professional and effective advocacy campaigns through a focussed and structured approach. The RAS is supported by member Councils participation on the Regional Advocacy Advisory Group (RAAG). Key regional issues are brought before RAAG who provide advice to technical officers of how advocacy is best approached for specific issues.

Project and Program Management

The achievement of this Strategy will ultimately depend on the success of the implementation of the actions identified within the Key Focus Areas. This will require a strong delivery framework, the political leadership, and the close collaboration of the EMRC with member Councils and other regional stakeholders to deliver a range of projects and programs. Therefore a key activity of the EMRC will be to facilitate the delivery of these projects and programs in partnership with member Councils.

Attraction and Promotion

The EMRC will work with member Councils and other stakeholders to promote the opportunities offered within the Key Focus Areas of this Regional Economic Development Strategy. This will include, although is not limited to, promotion of the Region's existing infrastructure and industry base, new investment projects planned and underway, business support services, and the liveability of the Region (including health, leisure, education, tourism and transport). Target markets for these promotional activities are likely to include the existing workforce, residents and new and existing industry.

Funding Support

The EMRC will work with member Councils and other regional stakeholders to identify and facilitate opportunities for funding the Region's growth, including developing financial partnerships, sourcing government funding, and attracting private sector investment.

Governance

The EMRC has a role to ensure that the Regional Economic Development Strategy achieves its objectives through good governance and positive stakeholder collaboration. The Strategy will be guided by the Economic Development Officers' Group that is comprised of representatives from member Councils. The EMRC is constituted under the Local Government Act (1995) and is governed by the EMRC Council which consists of two Councillors from each member Council, whilst a third deputises. The responsibility for economic development sits within Regional Services, which also takes responsibility for transport, tourism and environmental services.

3.0 The Role of the Regional Economic Development Strategy

The aim of the Regional Economic Development Strategy 2010-2015 is to guide the EMRC in its facilitation of regional economic development activities as agreed by member Councils for the period 2010 to 2015. The Strategy embraces the Council's key role to advocate and facilitate outcomes on behalf of member Councils, and in collaboration with regional stakeholders. The Strategy does not seek to replace individual economic development strategies of member Councils, but rather to complement them by outlining a regional framework for the delivery of economic outcomes across the whole of Perth's Eastern Region. The individual Economic Development Strategies of the member Councils, where available, have been reviewed as part of the development of this strategy.

The Strategy articulates the vision for the Region and includes a number of Key Focus Areas, activities, as well as an action plan for delivery. The Strategy forms a basis for the EMRC to work with

member Councils to guide decision making and achieve regional outcomes. The Strategy is designed to be flexible and adaptable. It considers the needs of all stakeholders and the importance of a collaborative approach to achieving outcomes. The document forms only one part of a broader interlinked range of strategies including:

- The Regional Tourism Strategy (RTS);
- The Regional Integrated Transport Strategy (RITS);
- The Regional Advocacy Strategy (RAS);
- The Regional Climate Change Adaptation Action Plan 2009 - 2013 (RCCAAP); and
- The Eastern Metropolitan Regional Council Strategic Plan for the Future 2010/11 - 2013/14.

All of these strategies have relevance to the Regional Economic Development Strategy as together they support the broader goal of sustainability for the Region.

3.1 Links to member Council Economic Development Strategies

As part of the development of this strategy a comparative review was undertaken with the Economic Development Strategies of the member Councils, where available. These included:

- Shire of Mundaring Economic Development Strategy 2009;
- City of Swan Economic Vision and Strategy (Draft) – September 2009;
- Shire of Kalamunda Economic Development Strategy Report – June 2010;
- City of Bayswater Economic Development Action Plan 2010 – 2015;
- City of Belmont Strategic Plan 2008-2013; and
- Town of Bassendean Economic Development Plan 2005 – 2010.

This review identified that whilst the detailed actions for each member Council were specific to the individual region, there were many common themes that align to the Key Focus Areas of this Regional Economic Development Strategy. These themes include business development, investment attraction, workforce skills development, infrastructure provision, commercial and industrial land supply, leadership, regulation support, tourism development and business networking.

3.2 Links to State and Federal Government Strategies

As part of the development of this strategy a comparative review was undertaken with the State and Federal Government Strategies, where available. These included:

- The Western Australian Planning Commission's Directions 2031 and beyond – metropolitan planning beyond the horizon;
- The Western Australian Planning Commission's Industrial Land Use Strategy 2009 – Perth and Peel; and
- The Department of Training and Workforce Development's State Workforce Development Plan.

4.0 The Approach to Economic Development in Perth's Eastern Region

The future growth of Perth's Eastern Region's economic activity will depend on aligning industry, infrastructure and workforce to the broader macro-economic context. This includes growing the Region's existing industry strengths as well as embracing new industry development opportunities as they arise. In consultation with member Councils, the EMRC's approach to economic development can be summarised by the following principles:

- Economic development outcomes will be best achieved by working in partnership and in collaboration with member Councils and other regional stakeholders to inform and deliver these outcomes (including local chambers, business associations, small business centres, business enterprise centres, and local industry leaders). This includes acknowledging individual economic development strategies of member Councils and working on shared priorities to achieve results.
- A focus of economic development activities for the EMRC will be to work with stakeholders to maximise the opportunities from the Region's existing economic base together with the planned investments in significant infrastructure projects. These include, but are not limited to, the Midland Health Campus, the Airport Redevelopment, the Raffles University, the Morley City Centre Master Plan and several other employment supportive projects. In particular the EMRC will work to leverage existing business support services that are already available such as those provided by member Councils, local business enterprise centres, small business centres and local associations and chambers of commerce.
- Population driven employment will develop primarily as a natural by-product to residential growth and strategic employment. The maximisation of employment opportunities within this context, whilst important, requires less intervention and will be achieved through key enablers such as simplifying and expediting regulatory processes, as well as ensuring the appropriate availability of serviced commercial and industrial land.
- In addition to growing existing industry, EMRC will look for opportunities to encourage and nurture higher output-value strategic industries, where increases in employment will result in proportionately larger impacts on regional output. These higher value industries will continually evolve in line with the growth of the Region, but current industries for potential targeting include: mining, manufacturing, transport and storage, clean technologies, and creative industries.
- Taking guidance from member Councils, the EMRC will embrace a proactive approach to economic development - with continual review. This proactive approach will balance the

momentum of market forces with a focused vision - a blend of 'nature' versus 'nurture' – to guide and facilitate the efficient development of the local economy. This approach is considered more efficient and effective than leaving development purely to market forces alone. The approach includes identifying and pursuing existing industry strengths, supporting organic growth and innovation, as well as actively targeting future opportunities that align to the vision outlined within this Strategy.

- In an increasingly globalised economy, it is recognised that value and future prosperity of the Region will be driven by the greater personalisation of 'product' to needs. In a regional context this requires creating combinations of land, infrastructure, workforce, services and existing industry strengths to reinforce local strengths and more closely align to the needs of targeted industries. These targeted industries are outlined above.
- Capacity constraints in economic enabling infrastructure such as communications infrastructure, transport links and industrial land, need to be identified and resolved to maximise the economic potential of the Region and match economic growth. Social and environmental challenges such as residential housing supply (and affordability) and environmental sustainability also need to be considered as they are inextricably linked to economic development and, if not considered, present significant risks to the Region's growth.
- The EMRC recognises that while comprehensive data analysis is a key component in the development of economic development strategies, successful economic development needs to embrace an entrepreneurial and forward looking attitude in line with the businesses it aims to encourage. This principle is reflected in the EMRC's strategic vision to be a responsive and innovative leader in assisting Perth's Eastern Region.
- Economic development is only one part of an interlinked and cross-dependant set of activities between environmental, social, governance and economic strategy. It is important that economic development is considered, understood and integrated into other aspects of regional growth. In particular there is a greater need for economic development to be embraced within planning and land use frameworks. Directions 2031⁸ has set in place a strategy at the State level for this to happen.

5.0 VISION

The vision for economic development in Perth's Eastern Region builds upon the Western Australian Planning Commission's Directions 2031. Directions 2031 sets in place a vision for Perth and Peel for

⁸ Western Australian Planning Commission 2010, *Directions 2031 and Beyond – Metropolitan Planning Beyond the Horizon*, report, Western Australian Planning Commission, Perth, Western Australia

the next 20 to 25 years that embraces continued growth with the preservation of local environments and valued quality of life.

Within Directions 2031, a hierarchy and spatial distribution of activity centres has been defined that recognises the Region as a significant transport and industry hub. Perth's Eastern Region is geographically critical to the strategy with a number of key centres defined in the strategy including the Perth Airport (one of five Strategic Specialised Centres), Midland and Morley (as two of ten Strategic Metropolitan Centres) and Kewdale-Welshpool (as one of four Strategic Industrial Centres). In addition, Belmont and Ellenbrook have been identified as Secondary Town Centres and Bayswater/Bassendean, Hazelmere, Mundaring, Belmont, Malaga, Midvale and South Guildford have been acknowledged as Existing Industrial Centres in the Region.

The Department of Planning, in collaboration with other partners⁹ has also released the draft Industrial Land Strategy 2009: Perth and Peel which considers the areas, type and locations of general and light industrial land required for Perth and Peel over the next 20 years. The Strategy identifies both new sites and extensions to existing industrial areas for further consideration. The Perth Airport and surrounds feature prominently within this strategy due to its strategic location with easy access to key road transport corridors that link to air, port and rail terminals. Additional sites in Perth's Eastern Region that are referenced by the Strategy include Hazelmere South (likely industrial extension), Bullsbrook South, South Forrestdale and Whiteman (priority industrial sites), Bullsbrook townsite precinct, North Ellenbrook and Forrestdale (possible future industrial sites). Forrestdale is identified as a possible future industrial site as a result of the Kewdale-Hazelmere Integrated Master Plan and due to its close proximity to Perth Airport and the Kewdale-Welshpool industrial centre.

The EMRC's Strategic Plan for the Future 2010/11 to 2013/14 sets in place a vision for the organisation to *"be a responsive and innovative leader in assisting Perth's Eastern Region to be a great place to live, work, play and do business"*. The EMRC's vision for the Regional Economic Development Strategy for Perth's Eastern Region builds upon this context and is defined as:

"To create a prosperous region achieved through effective partnership and collaboration to facilitate the development of a rich diversity of local employment and industry opportunities."

To achieve the vision it will be necessary to embed world class infrastructure, efficient regulative frameworks and effective governance.

6.0 METHODOLOGY

The development of the Regional Economic Development Strategy has resulted from a collaborative approach involving a broad range of stakeholders from the Region. In particular economic

⁹ In association with LandCorp, the Department of State Development and the Department of Environment and Conservation

development officers from the member Councils have provided direction and recommendations that have defined the key themes of this Strategy. Specific steps in the evolution of the Strategy have included:

- Preliminary desktop research and analysis of demographic and economic data;
- A review of previous achievements;
- Consideration to current State and Federal Policies (particularly Directions 2031 and the draft Industrial Land Strategy 2009: Perth and Peel);
- Assessment and prioritisation of regional issues, barriers and opportunities with the Economic Development Officers' Group (EDOG) through a half day workshop held on March 3rd 2010;
- Sourcing of input from key state government, business and industry stakeholder groups through a workshop held on March 16th 2010;
- Revision of stakeholder input to identify key focus areas with EDOG through a workshop held on April 13th 2010;
- A review of the Economic Development Strategies, where available, of member Councils to ensure alignment with this Strategy; and
- Assessment and prioritisation of Key Focus Areas, Objectives and Actions by key state government, business and industry stakeholder groups through a workshop held on August 12th 2010.

7.0 TIMEFRAMES

A timeframe and level of priority is identified for each action that forms part of the objectives and Key Focus Areas of this Strategy. These identified timeframes and priority levels should be considered indicative only and should not hinder an action of low priority or long-term timeframe being undertaken if an opportunity should arise.

Timeframe	Actions completed to be	Priority	Level of Importance
Immediate	2010 - 2011	High	Of high importance, needs a strong proactive approach, opportunities should be created.
Short term	2011 - 2012		
Medium term	2012 - 2013	Medium	Of medium importance, opportunities should be sought out.
Long term	2013 - 2015		
Ongoing	Throughout the implementation of the Strategy.	Low	Of low importance, opportunities should be undertaken as they arise.

8.0 DOCUMENT FRAMEWORK

The structure for this Regional Economic Development Strategy is described as follows:

- A future **Vision** has been defined to position, align and focus the direction of economic development efforts for the next 5 years;
- **Activities** have been identified which describe the day-to-day functions of the EMRC to support its role in facilitating economic development in the Region;
- A small number of **Key Focus Areas** have been defined that outline high-level objectives based upon the current context of the Region. These Key Focus Areas combine to underpin the achievement of the vision;
- **Objectives** have been defined for each Key Focus Area that link each Key Focus Area to the vision;
- **Actions** have been defined that form a more detailed set of tasks to deliver the objectives. These actions will be delivered through collaboration and facilitation with member Councils and other stakeholders together with the activities of the EMRC; and
- **Key Performance Indicators** have been defined to provide a basis by which to measure the extent to which the actions are achieved.

9.0 KEY FOCUS AREAS

The key economic development focus areas for Perth's Eastern Region aim to maximise the economic potential arising from the strengths of the Region. The areas are summarised here as follows:

- (a) **"Local Jobs for Local People"** - Improve employment self-containment by working with partners to focus on initiatives that align the availability of local jobs to the local working resident population, and therefore reduce the social, environmental and infrastructure burdens that arise from commuting workers in Perth's Eastern Region;
- (b) **"Buy Local, Supply Local"** - Maximise local supply and demand opportunities through initiatives that reduce leakage of economic activity to other areas. The aim of this being to encourage the growth of existing businesses and the attraction of new businesses to meet local industry needs and generate opportunities in Perth's Eastern Region;

- (c) **“Think Smart, Work Smart”** - Increase the output value of Perth’s Eastern Region by developing and attracting knowledge intensive and creative industries, encouraging innovation in existing businesses, and generally creating higher value employment opportunities in the Region;
- (d) **“Joining the Dots”** - Create world class enabling infrastructure that maximises economic productivity, creates competitive advantage for businesses in Perth’s Eastern Region and resolves infrastructure bottlenecks that inhibit growth;
- (e) **“Work Hard, Play Hard”** - Protect, improve and promote the liveability of Perth’s Eastern Region through the supply and diversity of housing, education, health, culture and vibrancy to attract workers to live and enjoy the Region in which they work;
- (f) **“Natural Growth”** - Ensure that economic growth complements rather than compromises the environmental future of Perth’s Eastern Region by taking an environmentally responsible and sustainable approach; and
- (g) **“Responsible Leadership”** - Provide good governance that facilitates responsible economic growth, advocates for Perth’s Eastern Region, and encourages all stakeholders to work collaboratively together, equipped with the best knowledge to exercise sound leadership

In responding to the directions set by these key focus areas, the EMRC will partner and collaborate with member Councils and other stakeholders to support and grow existing businesses as well as to embrace and facilitate new business. These Key Focus Areas are not mutually exclusive and will be continually reviewed to respond to evolving market conditions, regional issues, challenges and opportunities.

9.1 KFA 1: Local Jobs for Local People

Improve employment self-containment by working with partners to focus on initiatives that align the availability of local jobs to the local working resident population, and therefore reduce the social, environmental and infrastructure burdens that arise from commuting workers in Perth's Eastern Region.

A healthy, prosperous and resilient local economy requires the close alignment of local resident workers to local employment opportunities. Not only does this help to maximise the economic output from a region, it also minimises the burden on transport infrastructure caused by commuting workers. In doing so, this also reduces environmental impacts. 'Dormitory' suburbs, where large proportions of workers commute each day, experience lower social capital and experience greater social issues¹⁰. There are also greater risks in dormitory suburbs during time of economic uncertainty as fewer employment opportunities are available and generally those that exist are in population driven industries that are very susceptible to economic downturns, leading to unemployment growth.

The East Metropolitan Region* has seen strong employment growth over several years. At 13%, the East Metropolitan Region of Perth has been identified as having the strongest employment growth since November 2007, on par with lower Northern Sydney (13%) and South Eastern NSW (11%).¹¹ According to the Australian Bureau of Statistics (ABS), in 2006 the number of jobs in Perth's Eastern Region was approximately 105,611, which, when compared to the working population of the Region of 135,097, reflects an employment self-sufficiency of approximately 78%¹². These figures position the Region in second place only to the Perth CBD as a major employment centre in the Perth metropolitan area. This trend has the potential to continue with several factors underpinning further jobs growth including:

- Significant investment projects such as the Midland Health Campus, Raffles University, Perth Airport, Kewdale Intermodal Freight Terminal, Midland Atelier and others;
- The likely start of a new phase of growth in the mining sector that will create significant opportunities for local industry both in the mining sector itself as well as other related industries; and
- The recognition of home-based businesses and small business as a key driver of local employment and the opportunities it presents for Perth's Eastern Region.

¹⁰ CSIRO 2005, *Sustainability Network Update*, newsletter, No. 49E, March 2005, CSIRO, Glen Osmond, South Australia

* Note: The East Metropolitan Region is defined by the Australian Bureau of Statistics to include the Town of Bassendean, City of Bayswater, Shire of Kalamunda, Shire of Mundaring and City of Swan. This region does not include the City of Belmont

¹¹ Bankwest 2009, *Jobs Winners - Report Identifies WA Regions to Emerge from GFC*, media release, 07 September, Bankwest, Perth, Western Australia, viewed 21 April 2010,

<http://www.bankwest.com.au/library/scripts/objectifyMedia.aspx?file=pdf/54/05.pdf&str_title=Employment Growth WA.pdf>

¹² See glossary for definition of Employment Self-sufficiency

However, as the population of Perth's Eastern Region is expected to grow by around 114,000 by 2031 (which is a growth of around 41%¹³) it is important for the Region to consider the need to maximise new employment opportunities in order to maintain its current employment self-sufficiency levels. In doing so it must develop and attract the necessary skills in its resident population to fulfil employment opportunities in these growing sectors. This will help the Region to meet the target set by Directions 2031 to create an additional 48,000 jobs in the Region by this time.

Whilst the employment self-sufficiency is high, the employment self-containment¹⁴ is low at only 43.3%, which translates into many workers commuting into and out of the Region every day. This low self-containment places an unnecessary burden on transport infrastructure and creates social and environmental impacts. A key priority for the Region is to identify the causes of this imbalance between local resident workforce and local employment opportunities and to redress this balance through appropriate strategies. Typically this may include skills development, liveability promotion and better communication of local employment opportunities to local residents.

Further analysis shows the major industry contributors to employment by number of jobs in Perth's Eastern Region are manufacturing, retail trade, construction, wholesale trade and transport, postal and warehousing. However, when the alignment of local workers to local employment is considered, a number of sectors show significant mismatches. Table 1 illustrates a comparison between the local workforce and local jobs.

¹³ Western Australian Planning Commission 2010, *Directions 2031 and Beyond – Metropolitan Planning Beyond the Horizon*, report, Western Australian Planning Commission, Perth, Western Australia

¹⁴ Employed local workforce working locally as a proportion of total employed residents

Table 1: Alignment of Resident Workers to Local Jobs, Perth's Eastern Region^{15,16}

Industry	Employed Resident Workers	Local Jobs	Shortfall/ Surplus of Local Jobs
Health Care and Social Assistance	13,199	8,046	-5,153
Professional, Scientific and Technical Services	7,818	3,906	-3,912
Construction	11,468	8,244	-3,224
Public Administration and Safety	8,872	5,943	-2,929
Financial and Insurance Services	3,759	1,562	-2,197
Inadequately described or Not stated	3,665	1,558	-2,107
Retail Trade	15,502	13,403	-2,099
Education and Training	9,238	7,147	-2,091
Accommodation and Food Services	7,370	5,338	-2,032
Mining	3,331	1,493	-1,838
Administrative and Support Services	4,265	2,499	-1,766
Information Media and Telecommunications	1,974	1,163	-811
Other Services	6,033	5,315	-718
Arts and Recreation Services	1,904	1,287	-617
Electricity, Gas, Water and Waste Services	1,199	934	-265
Agriculture, Forestry & Fishing	1,328	1,081	-247
Rental, Hiring and Real Estate Services	2,565	2,456	-109
Wholesale Trade	6,562	8,066	1,504
Transport, Postal and Warehousing	7,798	10,074	2,276
Manufacturing	14,704	17,647	2,943
Total	132,554*	107,162	-25,392

Whilst this data fails to show the *actual* number of local jobs that are filled by local people, it is an indicator of the 'best case' scenario and serves to highlight some significant shortfalls in local employment and also, for some sectors, a shortfall in the resident workforce available locally to meet industry needs. In reality, it is certain that many more local working residents are commuting to jobs outside the Region and many local industries are importing workers from other areas. Table 2 indicates this by showing how many residents are working in other areas. The table highlights that a significant proportion of resident workers are employed in the Perth, Stirling and Canning areas.

¹⁵ profile.id 2010, .id Consulting, Collingwood, Victoria, viewed 21 July 2010, <<http://www.id.com.au/profile/emrc>>

* Note: This does not include jobs that are inadequately described or not stated.

¹⁶ REMPLAN January 2010, Compelling Economics, Bendigo, Victoria

Table 2: Top 10 Local Government Areas of employment for residents in Perth's Eastern Region, 2006¹⁷

Rank	Local Government Area	Number	Percent (%)
	Perth's Eastern Region * (This area includes several of the areas listed below and is excluded from the total)	58,537	43.3
1	Swan (C)	21,332	15.8
2	Perth (C)	18,009	13.3
3	Belmont (C)	10,610	7.9
4	Bayswater (C)	9,830	7.3
5	Stirling (C)	8,616	6.4
6	Canning (C)	7,920	5.9
7	Kalamunda (S)	7,828	5.8
8	Mundaring (S)	5,947	4.4
9	Victoria Park (T)	3,942	2.9
10	Bassendean (T)	2,990	2.2
	Other areas	38,067	28.2
Employed resident workers in the EMRC Region		135,091	100.0

Whilst the ultimate decision on place of residence and place of work are highly individualistic, and depend on many factors, there are expected to be some factors that can be influenced by economic development strategies to help align the two. Table 1 highlights opportunities to focus on key sectors and develop strategies to increase local employment opportunities in health care and social assistance, professional, scientific and technical services, construction, and public administration and safety. In relation to this, the new Midland Health Campus, the Midland GP Super Clinic and other health investments should provide a strong opportunity to increase the number of local jobs available locally in the health care sector. It will be important for Perth's Eastern Region to maximise the opportunities for local employment of local people that these investments will create by promoting job opportunities to local residents early in a timely manner.

To give an idea of scale to the 'lost' opportunity that the shortfall of local jobs creates, it is estimated that the Region is losing \$20.7 billion in total Regional Output Value¹⁸; more than its current Gross Regional Product. Whilst this figure should be treated cautiously, it is useful as a guide to the lost opportunity from workers leaving the Region.

At a more detailed level, when considering the impact of the shortfall of local jobs, it is also useful to consider the loss of total output value for individual sectors. For example whilst the absolute figures for employment shortfalls indicate a shortfall of 5,153 jobs in health care and social assistance compared to, say mining, which has a much lower shortfall of 1,838 jobs, the impact on total output

¹⁷ profile.id 2010, .id Consulting, Collingwood, Victoria, viewed 21 July 2010, <<http://www.id.com.au/profile/emrc>>

¹⁸ REMPLAN May 2009, *Compelling Economics*, Bendigo, Victoria

value is estimated to be \$1.06 billion for the health sector compared to \$4.4 billion for the mining sector¹⁹. This reflects the higher output value of mining jobs to the local economy.

In response to this, the Strategy recommends actions to redress the balance by growing existing businesses in these sectors and through business attraction initiatives to encourage businesses in these sectors to locate or relocate within the Region, particularly where these sectors have the potential to address supply chain gaps (see Key Focus Area 2). An example of a business attraction initiative may involve advocating the skills of the local workforce as an influencing factor in investment decisions.

At the other end of the scale, there are three sectors where the Region has a net shortfall of resident workers, and therefore industries must 'import' workers to fill local jobs. In these instances, the Region should look for targeted strategies to increase the pool of qualified workers for these sectors through up-skilling, education partnerships, increased local job promotion and encouraging workers in these sectors to relocate to the Region (linked to Key Focus Area 5: Work Hard, Play Hard). Some of the proposed new investments in the Region are likely to further add to the shortfall of resident workers, such as the redevelopment of the Kewdale Intermodal Freight Terminal, so these present urgent opportunities to attract additional skilled residents to the Region. The Department of Training and Workforce Development is currently developing a Workforce Development Plan which is expected to contain strategies that can help the Region match its workforce to employer needs. As part of its partnerships approach, the EMRC will maintain contact with the Department to capitalise on any opportunities that this Workforce Development Plan may offer to the Region.

Labour Force Participation

In July 2010, Western Australia had the highest participation rate²⁰ of the states in Australia (68.9%), the lowest under-employment²¹ rate (4.0%), the lowest labour force utilisation rate²² (7.7%) and the lowest number of people looking for full time work.²³ Analysis of the labour force participation rate of the population in Perth's Eastern Region in 2006 indicates that there is a slightly higher proportion in the labour force (63.2%) compared with the Perth Statistical Division (62.8%). It also experiences a lower unemployment rate.²⁴

While these figures show that Perth's Eastern Region is in a strong position at the current time, it will be important to continually monitor the participation rate in line with macro economic factors to ensure that any changes to the participation rate are notified early for remedial action to be taken if necessary.

¹⁹ *Note: based upon REMPLAN Data (REMPAN May 2009, Compelling Economics, Bendigo, Victoria), where impacts are calculated based upon 2003 ANZIC classifications and therefore these figures should be treated as an approximate indicator only*

²⁰ See glossary for definition of participation rate

²¹ See glossary for definition of under-employed workers

²² See glossary for definition of labour force underutilisation rate

²³ See glossary for definition of Unemployed looking for full time work

²⁴ See glossary for definition of unemployment rate

Objective 1.1	<p>Maximise the employment of local residents with local businesses in Perth's Eastern Region</p> <p><i>KPI: Measure of employment self-containment. Measure of employment self-sufficiency. Measure of Workforce Participation, Local employment by industry sector. (ABS Journey to Work Data)</i></p>
Objective 1.2	<p>Develop a skilled local workforce that matches the staffing needs of local businesses in Perth's Eastern Region.</p> <p><i>KPI: Measure of employment self-containment. Measure of employment self-sufficiency</i></p>
Objective 1.3	<p>Use the existing skills base of local resident workers to attract new business and to support the growth of existing business in Perth's Eastern Region.</p> <p><i>KPI: Total number of businesses in the Region by industry sector. Measure of employment self-containment</i></p>
Objective 1.4	<p>Resolve shortfalls in availability of resident workers within particular industries by attracting new appropriately skilled residents to Perth's Eastern Region.</p> <p><i>KPI: Measure of employment self-containment. Measure of employment self-sufficiency. Measure of local residential population growth.</i></p>

	Action	Activity	Links	Timeframe	Priority
1.1	Conduct a workforce gap analysis and skills audit to identify skill needs of existing industry base.	Research	1.1, 1.2,1.3,1.4	Immediate	High
1.2	Identify skills required for new investment projects (e.g. Midland Health Campus, Raffles University) and review alignment with existing skills base of local workers.	Research	1.1, 1.3	Ongoing	High
1.3	Identify barriers to matching local residents to local jobs and develop further strategies as necessary.	Research	1.1, 1.2	Ongoing	Medium
1.4	Promote local workforce surplus to industry stakeholders, focusing initially on representatives from new investment projects (e.g. Midland Health Campus).	Promotion	1.3, 1.1	Ongoing	Medium
1.5	Develop promotional tools to communicate local employment opportunities in Perth's Eastern Region to new residents and to support local businesses to attract local workers.	Promotion	1.1,1.4 (KFA 5)	Long	Low
1.6	Facilitate initiatives and partnerships with industry, education providers and agencies to promote skills development and learning opportunities to up-skill local residents to match local jobs.	Advocate	1.2,1.1	Ongoing	Medium

9.2 KFA 2: Buy Local, Supply Local

Maximise local supply and demand opportunities through initiatives that reduce leakage of economic activity to other areas. The aim of this being to encourage the growth of existing businesses and the attraction of new businesses to meet local industry needs and generate opportunities in Perth's Eastern Region.

An opportunity exists to grow the contribution of Perth's Eastern Region to the Western Australian economy through greater horizontal and vertical supply chain integration within the Region. By encouraging businesses to work more closely together to fulfil product and service needs locally, existing businesses in the Region are likely to grow and opportunities for new business will be created. In addition, there is less 'economic leakage' to other regions as economic value is captured and retained locally. Data shows that regional imports account for over \$15 billion from the Region's top 10 industries suggesting significant opportunities to increase local supply and production²⁵. Supply chain integration also reduces burdens on transport infrastructure as supplies are sourced locally. To facilitate greater local integration of supply chains within key local industries, it is necessary to:

1. Encourage local businesses to collaborate with other local businesses to fulfil their supply chain requirements and nurture a 'buy local' mentality;
2. Identify gaps in the supply chain and to promote these as opportunities for new businesses or for the growth of existing businesses;
3. Create a diverse self-sufficient industry that works across sectors to meet supply needs and ultimately create outputs for the Region; and
4. Capitalise on the new investments that are planned within the Region to promote these for the purpose of investment attraction as well as to ensure that local suppliers receive opportunities to bid for products and services supply.

'Buy local, supply local' can be achieved to some extent through closer collaboration with industry support organisations, networks and associations. By increasing the collaboration between existing businesses in the Region and highlighting opportunities for new businesses (or growth opportunities for existing businesses) to fulfil local needs that are currently unmet, the Region can create new linkages that complete and integrate supply chains. Existing business networks and 'clusters' provide a great starting point to facilitate this including support from local Council economic development, planning and customer service staff. Small businesses are important to achieving this strategy as they often have much to gain from better marketing and networking opportunities. In addition, other government programs such as Enterprise Connect are likely to be able to provide useful information as part of their reviews of local businesses. By sourcing supplies locally, not only will the local economy benefit from the increased business transactions that result, but it can be expected that local

²⁵ REMPLAN January 2010, *Compelling Economics*, Bendigo, Victoria

businesses will see productivity and efficiency gains as a result of more streamlined supply chains. This will also lead to economic growth and the associated employment growth.

The retention and expansion of existing businesses and local industry will be achieved through improved communication of opportunities, services, and business support as well as increased service delivery and networking opportunities. By aligning communication messages to the decision making factors of businesses (such as the location to customers, suppliers etc), businesses will be encouraged to invest locally.

The current major industry sectors in the Region provide a good starting point to consider opportunities for this focus area. Based upon output value, the main sectors are manufacturing, transport and storage, wholesale trade, property and business services, construction, retail trade and mining. Industry sectors experiencing high growth include mining, communication services, construction, agriculture forestry fishing and government administration and defence.²⁶ In terms of the number of local employment opportunities that each industry provides the impact of higher-volume, lower output-value employment such as retail trade and health and community services becomes apparent. These high-employment sectors tend to be highly population dependent and are facilitated more by appropriate land supply and favourable planning regulations than proactive economic development intervention. Consideration to the level of regional imports for each sector provides a further indicator when considering the opportunity for supply chain integration. Table 3 shows the comparison between output value, jobs, and regional imports.

Table 3: Comparison between Output Value, Number of Jobs and Regional Imports by Industry Sector

EMRC Industry Output Value and Employment – January 2010 Industry Sector	Output Value \$M	Jobs	Regional Imports \$M
Manufacturing	13,854.95	18,336	7,030
Transport and storage	4,432.86	8,925	1,281
Wholesale trade	3,940.25	9,115	735
Property and business services	4,040.94	8,335	695
Construction	4,172.69	8,143	711
Retail trade	2,305.41	17,377	424
Mining	2,271.71	1473	650
Communication services	1,193.62	2,125	189
Health and community services	962.79	8,301	66
Education	950.56	6,910	85
Government administration and defence	1,024.92	3,935	172
Finance and insurance	838.58	1,559	130
Accommodation, cafes and restaurants	709.19	3,415	167
Electricity, gas and water supply	590.74	588	132
Personal and other services	597.90	4,202	78
Cultural and recreational services	439.90	1,711	103

²⁶ REMPLAN January 2010, *Compelling Economics*, Bendigo, Victoria. See also Appendix 1

Agriculture forestry fishing	307.71	1,161	49
Total	42,634.72	105,611	12,697

Further to the analysis of the employment, output value and regional imports for industry sectors in Perth's Eastern Region, an analysis of the concentration of employment in the Region as compared to the broader Perth Metropolitan Area is also useful, not only to identify competitive strengths, but also to identify supply-chain opportunities²⁷. From this analysis several industry sectors can be identified where Perth's Eastern Region has a higher concentration than the broader metropolitan average including freight related industries (transport), manufacturing, agriculture, and warehousing²⁸. Exploration is also worthy of note given the links of this industry to high-value mining. However, it should be noted that this analysis should not be considered in isolation but needs to be taken in the broader context of industry value and employment numbers.

This research underpins potential target markets for 'quick win' vertical and horizontal supply chain integration including manufacturing, transport and storage, wholesale trade, construction and mining. When considering the Region's focus on increasing knowledge based employment, creative industries and information technology may also provide supply chain integration opportunities.

Industry Clusters

Clustering is related closely to the opportunities for supply chain integration. A recent industrial land development study²⁹ highlighted the growing importance of industrial clustering and the rise of global trading hubs. The main factors driving the formation and success of regional industry clusters are:

- Specialisation;
- Local networks;
- R&D and Educational institutions;
- Qualified workforce;
- Access to competent financial institutions;
- Collaboration between firms and other institutions; and
- Contacts with centres of best practice.

Perth's Eastern Region has a number of opportunities to capitalise on the benefits of clustering particularly in sectors such as mining, manufacturing and transport. As noted previously, while the mining and resources industries are critical to the overall financial strength of the WA economy, they employ only a small proportion of the workforce and utilise relatively little of the industrial land. To illustrate this point, the mining and resource supply sector represents 5.3% of the Region's output and yet provides only 1.4% of jobs. Significantly however, this sector grew at a rate of 16.3% between

²⁷ Pracsys 2010, *Perth's Eastern Region Employment Characteristics*, report, Pracsys, South Perth, Western Australia

²⁸ REMPLAN January 2009, *Compelling Economics*, Bendigo, Victoria. See also Appendix 1.

²⁹ Painted Dog Research 2009, *Industrial Land Development in Western Australia: Stage 2 Report*, report, Landcorp and Department of Planning, Perth, Western Australia, p.3

2008/09 and 2009/10.³⁰ It is the key linkage industries such as manufacturing, construction, transportation, storage and warehousing, that are the main users of industrial land and which employ more people.

Compared to the mining sector, the manufacturing sector represents 32.5% of the Region's output and 17.4% of jobs. This sector grew at a rate of 4.3% between 2008/09 and 2009/10. As shown in Table 3, the sector also experiences a high level of overseas and domestic imports which may provide import replacement opportunities.³¹

The transport and storage sector represents 10.4% of the Region's output and 8.5% of jobs. This sector grew at a rate of 9.5% between 2008/09 and 2009/10. The transport logistics sector plays an important role in the Region, particularly those businesses linked to Perth Airport and to the Kewdale Intermodal Freight terminal. This importance has the potential to increase should planned upgrades to road links be undertaken and future links such as the Perth to Darwin Highway move forward. While there are national and international players involved, the majority of the businesses are small and medium enterprises.

The development of industry clusters has been identified as an important economic tool to help industry collaborate and to compete. However, it is acknowledged that building clusters takes time and resources and that clusters work most effectively when there is strong private sector support and participation. Therefore, this area of the Strategy recognises the need to support existing clusters as well as 'seeding' potential new Clusters through the facilitation of initiatives that support industry networking and collaboration in consultation with member Councils.

Existing Industry Clusters

The Engineering and Manufacturing Industry Cooperative Limited (EMICoL), the result of EMRC's previous Industry Cluster Strategy, sought to increase the number of quality and sustainable jobs, training opportunities, market demand, production inputs technology and infrastructure within the Engineering Services, Metal Fabrication and Equipment Manufacturing industry sectors. The EMRC worked alongside industry to facilitate establishment of the EMICoL, which became a separate legal entity in 2007/08. EMICoL is a good example of industry and education partners working successfully together. EMICoL's work with Polytechnic West included a review of the training offered by Polytechnic West to ensure the skills needs of industry were being met.

The Textile, Clothing and Footwear Resource Centre of Western Australia Inc (TCFWA) was established in 1998 by the Belmont Business Enterprise Centre and provides business skills and

³⁰ REMPLAN January 2009, *Compelling Economics*, Bendigo, Victoria. See also Appendix 1.

³¹ REMPLAN January 2009, *Compelling Economics*, Bendigo, Victoria. See also Appendix 1.

industry mentoring, a helpline service and development of specialised industry workshops to better equip those operating in the industry.³²

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³² The Textile, Clothing and Footwear Resource Centre of Western Australia Inc 2010, *The Textile Clothing and Footwear Resource Centre of Western Australia*, Belmont, Western Australia, viewed 22 July 2010, <<http://www.tcfwa.com.au>>

Objective 2.1	Identify and develop opportunities for supply chain integration for key industries in Perth's Eastern Region. <i>KPI: Total number of businesses in the Region. Total number of businesses in the Region by industry sector.</i>
Objective 2.2	Encourage business development to grow local capacity to fill gaps in supply chains. <i>KPI: Total number of businesses in the Region. Gross Regional Product value. Local employment by industry sector (ABS Journey to work data).</i>
Objective 2.3	Encourage a 'buy local, supply local' attitude with local businesses. <i>KPI: Feedback from business and Industry. Gross Regional Product value.</i>
Objective 2.4	Create closer relationships between industry support organisations, networks and associations as a method to build awareness within the business community of local capabilities and new opportunities. <i>KPI: Feedback from stakeholders. Gross Regional Product value.</i>

	Action	Activity	Links	Timeframe	Priority
2.1	Identify and support current and potential industry clusters in consultation with member Councils.	Research	2.1,2.2,2.3, 2.4	Short	High
2.2	Undertake Supply Chain Gap Analysis including the Identification of barriers to supply chain integration within the Region (including infrastructure barriers).	Research	2.1,2.4	Immediate	High
2.3	Promote industry capabilities in association with member Councils (e.g. the creation of an investment attraction portal and industrial tours).	Research	2.1, 2.3,2.4	Long	Low
2.4	Target investment from industries that respond to supply chain needs.	Promotion	2.2	Medium	Medium
2.5	Facilitate development of relationships between existing business networks and associations (e.g. local chambers of commerce, small business support centres and business associations).	Promotion	2.3, 2.4	Ongoing	Medium

9.3 KFA 3: Think Smart, Work Smart

Increase the output value of Perth's Eastern Region by developing and attracting knowledge intensive and creative industries, encouraging innovation in existing businesses, and generally creating higher value employment opportunities in the Region.

The Organisation for Economic Cooperation and Development (OECD) states that a knowledge economy is one which is “directly based upon the production, distribution and use of knowledge and information”³³. Knowledge-intensive industries are defined as those where value creation is disproportionately based on specialised, non-repetitious activities (Malecki, 1984)³⁴. Whilst there is currently no formally recognised classification of knowledge intensive industries, and the application of knowledge is relevant to all industries, certain sectors such as high technology, scientific, manufacturing and creative industries are typically included.

Knowledge-based employment is important to a region as it generally creates higher value outputs per job than other employment types³⁵. Given the higher level of knowledge or intellectual property inherent to this type of employment, these jobs also help to provide a more resilient local economy and bring greater prosperity to a region. Unlike other types of employment such as retail, which are less distinct and more ‘standardised’, knowledge-based employment tends to help a local region to differentiate itself. A subset of knowledge-based industries is the Creative Industries sector³⁶ which helps a region to nurture creative capital. A recent report for FORM by David Hetherington summarises it well: “Creativity is central to economic prosperity, with innovation as its mechanism”³⁷.

The current profile of employment in Perth's Eastern Region is biased towards lower value population driven employment rather than more valuable knowledge-based employment. Pracsys has developed a proprietary method for measuring knowledge based employment which shows Perth's Eastern Region has approximately 12% (i.e. 12,856) of its jobs in knowledge-based employment sectors which compares to 16% for the Perth and Peel Metropolitan area^{38 39}. This bias creates a Gross Regional Product that is lower than it has the potential to be. The equivalent contribution to the Gross Regional Product is \$158,742 per local job in the Region, which is almost 14% lower than the broader Perth metropolitan area, which has a much higher figure of \$184,122 per job⁴⁰.

³³ Organisation for Economic Development and Co-ordination 1996, *The Knowledge-Based Economy*, report, Organisation for Economic Development and Co-ordination, Paris, France, p.7

³⁴ Malecki, EJ 1984, 'High technology and local economic development', *Journal of the American Planning Association*, vol. 50, no. 3, p.262-269

³⁵ REMPLAN January 2009, *Compelling Economics*, Bendigo, Victoria. For example every mining job in Perth's Eastern Region creates an estimated 10 times the output value than a retail job (i.e. \$2.37m compared to \$0.24m for each retail job)

³⁶ Note: Creative Industries include advertising, marketing, architecture, design, visual arts, film, TV, radio, music, performing arts, publishing, software and digital content

³⁷ Hetherington D 2008, *Credibility, Creativity and Innovation: Building the Feedback Loop*, report, FORM, Perth, Western Australia

³⁸ Where knowledge-based employment includes the Pracsys definition of Knowledge Intensive Producer Services and Knowledge Intensive Export Oriented

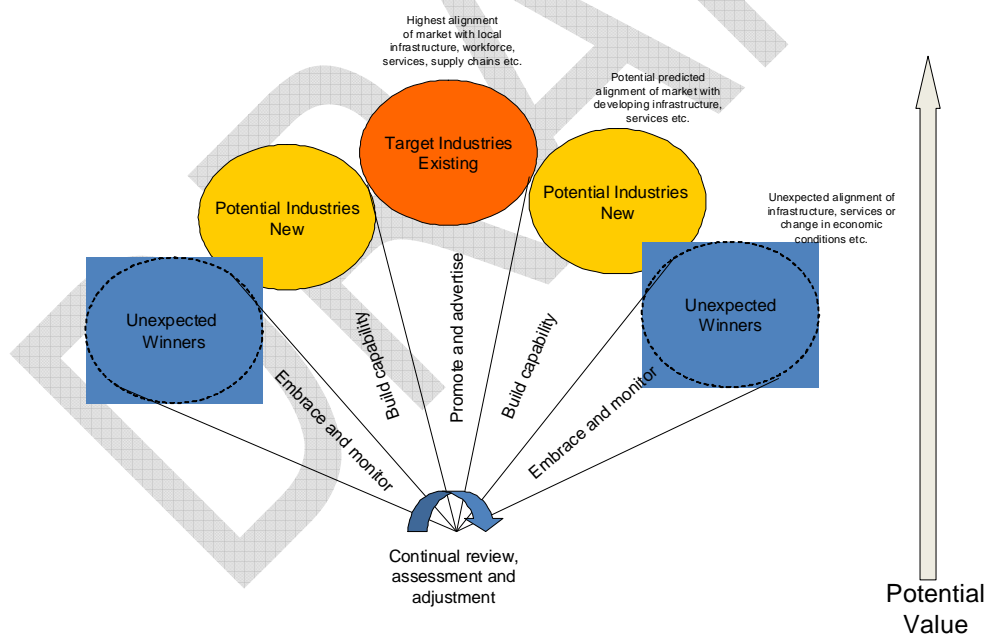
³⁹ Pracsys 2010, *Perth's Eastern Region Employment Characteristics*, report, Pracsys, South Perth, Western Australia

⁴⁰ REMPLAN January 2009, *Compelling Economics*, Bendigo, Victoria.

The key to increasing this output value in the Region is to:

- Maximise the growth potential from its existing industry strengths (in part through innovation and potentially the attraction of more 'head office' functions to the Region);
- Leverage opportunities for stronger links between education and industry;
- Capitalise upon the potential of new investment projects - particularly the opportunity to attract and develop knowledge based industries that nurture higher output value strategic industries, where a small increase in employment results in a relatively large impact on the regional output; and
- Embrace new and as yet unforeseen opportunities as they arise with particular focus on nurturing small business and entrepreneurs.

When aiming to attract or grow high-value knowledge based industries a cautious and blended approach is required to 'nurture' growth in target industries. This approach is not about 'picking winners' but considers analytical research, existing industry strengths, market growth trends and directions, regional advantages and resilience. Guidance for this strategy will be informed and sought from the Economic Development Officers' Group (EDOG) and feedback from industry stakeholders. In addition, it should be remembered that the market continually 'moves' requiring constant review, monitoring and flexibility to change. The following diagram illustrates the approach:



Source: Reliance Consulting 2010

Within this context, the EMRC will facilitate a proactive approach to economic development to balance the momentum of market forces with a focused vision - a blend of 'nature' versus 'nurture' – to guide and facilitate the efficient development of the local economy. In an increasingly globalised economy, many of the new paradigms of commercial business are becoming equally relevant to regional development. This includes the need to recognise the added value of greater personalisation of 'product' to industry 'needs'. In a regional context this involves creating combinations of land,

infrastructure, workforce, services and existing industry strengths that align more closely to the needs of targeted industries. These targets will need to be continually reviewed to blend trends and directions in the global economy with local strengths and innovation. By achieving this, Perth's Eastern Region can create a unique 'product' that is competitive and creates optimum prosperity as it evolves and develops.

Links to education providers such as Polytechnic West's Engineering Centre of Excellence and the proposed Raffles University in Midland provide the opportunity to innovate within existing and new industries by linking local industry with education. They also support the development of points of difference for the Region that will help to grow industry strengths. Polytechnic West's Specialist Metals and Engineering Centre has been built to ensure a focus on new technologies and the integration of new technologies across traditional trade and industry sectors. Students are exposed to up-to-date computer controlled machining technology and gain skills in industrial robotics and component design using current industry standard computer-aided design. The proposed Raffles University has the potential to help the Region innovate through industry/education partnerships. FORM's redevelopment of the Midland Railway Workshops into a Creative Industries Hub will also support the development of the creative industries sector and will support innovation in the Region.

For Perth's Eastern Region, the initial recommendations for target industries are outlined in the following table. It should be noted that this table outlines target industries for future strategic economic growth, rather than those industries with existing organic growth opportunities, although the two are not necessarily mutually exclusive. The target industries for improvements to employment self-containment are considered as part of Key Focus Area 1.

Target Industry	Alignment of Industry ⁴¹	Alignment of Infrastructure ⁴²	Alignment of Workforce ⁴³	Future Opportunity of sector ⁴⁴	Competition ⁴⁵	Category	Risks/Constraints
Mining	Medium Strong links to manufacturing and transport sectors	High ⁴⁶ Good transport links	High Surplus of resident workers	High Predicted growth	Medium High barriers to entry	High Value	Risks with boom/bust cycle and social impact of FIFO workers
Manufacturing (incl. Support for mining sector and textile, clothing and footwear)	High Strong links to transport sector	High ³⁹ Good transport links	Medium Large base of resident workers(although shortfall)	Medium/high with continued innovation	Medium Both domestic & international	High Value	Requires continual innovation to maintain advantage
Transport and Storage	High Strong links to manufacturing sector	High ³⁹ Good transport links	Medium Large base of resident workers (although shortfall)	Medium/High	Medium	Medium Value	Leveraging Region's freight network. Bottlenecks in infrastructure need resolving with growth
Clean Tech (incl. Resource Recovery)	High Strong links to manufacturing Recognised skills in Resource Recovery	High ³⁹ Existing facilities Good transport links	Medium Large base of resident workers (although shortfall)	High	High – many areas looking at this sector	High Value	Particular opportunities to leverage strengths in Waste Recovery given EMRC experience
Creative industries	Medium	Medium ³⁹ Midland Atelier	Medium	High	High (e.g. City of Perth)	High Value	Require broadband infrastructure
Health and Well Being	Medium	High ³⁹ Health Campus	High Large surplus of resident workers	High – particularly via ageing population	High (e.g. Murdoch, Joondalup)	Quick win	Leverage new Health Campus and GP Superclinic
Vocational and Tertiary Education	High Strong opportunities for industry links	High ³⁹ Raffles University	Medium Large surplus of resident workers	High	High (UWA, Curtin, Murdoch, ECU, Notre Dame)	Long term value	Leverage new Raffles investment
Home Based Business	High	Medium – good liveability	Medium	High	High – all regions	High Value	Require improved broadband

⁴¹ Availability of current supply chains to meet end-to-end needs of the sector

⁴² Availability of required infrastructure to support industry needs

⁴³ Availability of local resident workforce to meet industry needs

⁴⁴ Perceived potential for growth of the sector

⁴⁵ Extent to which other areas or organisations within the Perth Metropolitan Area compete in this industry

⁴⁶ Note that future planned projects and investments are also likely to strengthen this area (See Appendix 2 for additional data)

Objective 3.1	Increase employment opportunities in existing knowledge based industries. <i>KPI: Contribution of knowledge-based employment to Gross Regional Product.</i>
Objective 3.2	Attract new knowledge intensive businesses and industries. <i>KPI: Total number of businesses in the Region by industry sector.</i>
Objective 3.3	Encourage creativity and innovation within existing businesses. <i>KPI: Number of registered patents in Perth's Eastern Region.</i>
Objective 3.4	Maximise opportunities for knowledge based employment arising from new investment projects. <i>KPI: Measure of employment by industry sector.</i>

	Action	Activity	Links	Timeframe	Priority
3.1	Identify and support the development of new industry clusters/hubs/collocation.	Research	3.1,3.2,3.3 (KFA 2)	Short	High
3.2	Undertake pre-feasibility studies for strategic projects and developments.	Research	3.1,3.2,3.4	Ongoing	Medium
3.3	Facilitate increased knowledge sharing across existing business networks to encourage creativity and innovation (i.e. chambers of commerce, business associations, small business support services and EMICoL).	Advocate	3.3	Ongoing	Medium
3.4	Encourage creativity and innovation by showcasing examples of best practice and innovation in local industries to business networks (e.g. regional industry tours and forums).	Promote	3.3	Ongoing	Medium
3.5	Promote the support services that are available to businesses (e.g. Enterprise Connect and business enterprise centres).	Promote	3.3	Ongoing	Medium
3.6	Promote knowledge based industry and investment opportunities through promotional tools.	Promote	3.1,3.2,3.4	Ongoing	Low
3.7	Investigate and support opportunities to encourage 'head office' relocations to the Region (e.g. State government departments, mining).	Research	3.1,3.2	Ongoing	Medium
3.8	Identify infrastructure requirements for knowledge based industry and feed into Key Focus Area 4 "Joining the Dots".	Research	3.1,3.2,3.3 (KFA 4)	Short	High

9.4 KFA 4: Joining the Dots

Create world class enabling infrastructure that maximises economic productivity, creates competitive advantage for businesses in Perth's Eastern Region and resolves infrastructure bottlenecks that inhibit growth.

To facilitate economic development, it is critical for a coordinated and interlinked range of strategies to be delivered that ensure the alignment of infrastructure, workforce, and industry. The current high employment self-sufficiency level in Perth's Eastern Region is undoubtedly supported by key infrastructure investments that have been made in the past - particularly transport linkages (road, rail, air, and port), the Kewdale Intermodal Freight Terminal, Metropolitan Grain Centre, and the supply of existing industrial land in areas such as Kewdale, Welshpool and Malaga. In addition, several key government and private investment projects are planned or underway including:

- The Midland Health Campus;
- The Midland Atelier (creative industries project);
- Perth Solar City;
- The EMRC Resource Recovery Facility;
- The Perth Airport Redevelopment;
- The Morley City Centre Master Plan and the Maylands Urban Design Framework;
- The Midland GP Super Clinic; and
- The Raffles University Campus.

For additional information on these developments, please see Appendix 2.

Further to these projects, additional investment is expected for tourism initiatives within the Perth Hills, the Swan Valley and other areas. These are detailed within the Regional Tourism Strategy (RTS) as well as local economic development strategies for member Councils.

These investments are combining to build a unique environment that creates competitive advantages for the Region as they build a more supportive environment for businesses and workers. The investments will have a significant positive effect on employment and the local economy directly as well as through their potential to attract further related industries to the Region. However, the capacity for the Region to maximise the value from these investments is dependent upon the need to pre-empt and resolve capacity constraints and deteriorating enabling infrastructure, particularly communications (i.e. Broadband), transport and continued land supply. It is critical that the enabling infrastructure keeps up with economic growth. The redevelopment

and consolidation of existing 'brown field'⁴⁷ industrial sites presents particular challenges to retrofit the necessary infrastructure that is required for modern industry and often increased density. The former CSBP site is an example of this where the former Cresco site on Railway Parade in Bayswater has undergone extensive remediation works to convert the site from a Super Phosphate manufacturing site to an extension of the existing Bassendean industrial estate to the east of the site⁴⁸.

Enabling infrastructure needs to be upgraded to match the quality of the significant economic investments being made. There should be a greater apportionment of business rates to business related infrastructure rather than to community related services to support the funding of this infrastructure.

Strategic investment in enabling infrastructure will facilitate Perth's Eastern Region to leverage its advantages to create more strategic employment and will result in significant increases to the Gross Regional Product.

Transport

The strategic significance of Perth's Eastern Region as a transport and industry hub for the State is recognised by the significant transport infrastructure developments planned or underway, including the Perth Airport, upgrades to key roads such as the Great Eastern Highway, and the Kewdale Intermodal Freight Terminal. The Region already offers a number of strategic links to connect its activity centres, industrial centres and employment centres with Perth, Fremantle Port, the rest of WA, Australia and even worldwide destinations. Traffic modelling by Main Roads WA has identified a number of road congestion and safety issues which will have an impact on transport efficiency in the Region unless addressed⁴⁹. Predictions of growth that include estimates of the growth in Perth Airport's passenger movements (expected to double to 18.9 million by 2029⁵⁰), the impact of Directions 2031 (and the associated activity centres defined in the Region), as well as existing evidence from business surveys⁵¹ show that transport is a major factor that needs to be considered. It is critical that the transport network is continually reviewed to ensure it meets the needs of a growing economy. The Regional Integrated Transport Strategy (RITS) provides a framework for this to be achieved and also considers integrated transport and land use planning, and public transport.

⁴⁷ i.e. Urban renewal of former developments and areas

⁴⁸ CSBP 2007, *CSBP*, Kwinana, Western Australia, viewed 15 July 2010, <http://www.csbp.com.au/Media/Environment/ENV_CIB_0207.aspx>

⁴⁹ Eastern Metropolitan Regional Council 2010, *Regional Integrated Transport Strategy Action Plan 2010 – 2013*, report, Eastern Metropolitan Regional Council, Belmont, Western Australia, p.24

⁵⁰ Westralia Airports Corporation 2009, *Perth Airport Master Plan*, report, Westralia Airports Corporation, Cloverdale, Western Australia, p.4

⁵¹ In a survey of Malaga Businesses in 2008 by SMERC, almost 20% of respondents rated traffic issues as the aspect they liked least about Malaga.

Broadband

One of the key infrastructure shortcomings of the Region relates to communications infrastructure. In Perth's Eastern Region, 54.6% of households have no internet connection or rely on a dial-up connection, and only 37.7% have broadband connectivity⁵². This compares with 50.8% and 41.1% respectively in the Perth Statistical Division. Access to the existing broadband backhaul fibre network and the range of developments both planned and underway occurring in the Region provide significant opportunities to bundle broadband infrastructure installations with other underground servicing projects. These include road, underground power, drainage and sewerage and can be achieved through a coordinated interagency approach. In particular, a significant opportunity exists to leverage the Geraldton Regional Backbone Blackspots Program⁵³ and the National Broadband Network (NBN). In particular, the Geraldton Regional Backbone Blackspots Program offers an immediate opportunity to upgrade high speed broadband services to Perth's Eastern Region as the infrastructure is expected to be routed through the Region.

Services

Services such as energy, water and waste are important to a growing economy and therefore it is necessary to ensure that commercial and industrial land has adequate services to meet the evolving needs of industry. There are some indications that Perth's Eastern Region may have constraints in some of these areas – for example in a survey of industrial land occupiers in WA, a small number of manufacturing firms indicated that an insufficient supply of electricity was a major problem in Bayswater⁵⁴.

Land Supply

The availability of appropriately serviced commercial and industrial land is key to facilitating economic growth. This is recognised in the Department of Planning's draft Industrial Land Strategy 2009: Perth and Peel, which outlines a framework for industrial land in Perth and Peel. 'Value-add' infrastructure that provides specific advantages to key industry sectors is also increasingly important in a globalised economy. In order to maximise the opportunities of several major investment projects that are already underway in Perth's Eastern Region, and to encourage additional industry attraction, it is critical to ensure that there is appropriate land and other infrastructure surrounding these investments to support the associated supply chain. Land use planning is critical to this process and requires flexible, efficient and well-thought out planning schemes that accommodate the needs of economic development.

⁵² profile.id 2010, .id Consulting, Collingwood, Victoria, viewed 22 July 2010, <<http://www.id.com.au/profile/emrc>>

⁵³ Geraldton is one of six national priority regional blackspot locations in which the Australian Government is investing \$250 million through the national broadband network.

⁵⁴ JMG Marketing 2009, *Industrial Land Development in Western Australia: Stage 3 Report*, report, Landcorp and Department for Planning and Infrastructure, Perth, Western Australia, p.28

Objective 4.1	Increase investment for enabling infrastructure in the Region. <i>KPI: Amount of investment in the Region.</i>
Objective 4.2	Identify key capacity constraints in enabling infrastructure in the Region. <i>KPI: Feedback from Business and industry. Local employment by industry sector. (ABS Journey to work data). Main Roads Traffic Data</i>
Objective 4.3	Create consistent and aligned regional infrastructure priorities between member Councils. <i>KPI: Feedback from Member Councils</i>
Objective 4.4	Coordinate a consistent and aligned regional response to address capacity constraints in enabling infrastructure. <i>KPI: Amount of investment in the Region.</i>
Objective 4.5	Increase awareness at all levels of government of the need for enabling infrastructure renewal and development. <i>KPI: Amount of investment in the Region.</i>

	Action	Activity	Links	Timeframe	Priority
4.1	Consider results of supply chain analysis to identify infrastructure dependencies and workshop infrastructure needs and priorities with member Councils, industry and other stakeholders.	Research	4.2, 4.3, 4.4, 4.5 (KFA 2)	Medium	Medium
4.2	Conduct pre-feasibility studies for key infrastructure (including transport and communications as a priority) that meet the needs of initiatives such as Infrastructure Australia.	Research	4.2, 4.4, 4.5	Ongoing	Medium
4.3	Investigate potential frameworks and case studies for successful public private partnerships and coordinate/progress as opportunities arise.	Research	4.1,4.4	Ongoing	Low
4.4	Coordinate the development of regional submissions and funding applications for infrastructure as opportunities arise.	Funding	4.1, 4.4, 4.5	Ongoing	High
4.5	Facilitate information sharing between member Councils and other stakeholders regarding grant funding opportunities.	Advocate	4.1, 4.4	Ongoing	High
4.6	Support the development of funding applications by member Councils and Stakeholders by providing regional research tools and relevant training (ie REMPLAN, profile.id and atlas.id)	Educate	4.3, 4.5	Ongoing	High

9.5 KFA 5: Work Hard, Play Hard

Protect, improve and promote the liveability of Perth's Eastern Region through the supply and diversity of housing, education, health, culture and vibrancy to attract workers to live and enjoy the region in which they work.

Achieving sustainable economic growth requires the attraction and availability of a working population that meets the needs of local industry and also provides the capacity for growth of higher-value industries. Part of the challenge of attracting residents to Perth's Eastern Region in the past has been the lack (or a perceived lack) of some of the key attractors, which include:

- Appropriate residential housing;
- Efficient and well-connected transport networks;
- The availability of working opportunities in a range of industries;
- The availability of community infrastructure such as sporting arenas;
- The proximity of quality health and education facilities;
- The development of a vibrant culture;
- The perception of safety and security;
- An engaged and socially inclusive community;
- The availability of tourism and leisure activities, including natural attractions; and
- The availability of high speed broadband at home to support home-working and home-based businesses.

To some extent, this perception is misinformed and requires a focus on promoting the current strengths of the Region to encourage people to 'take another look' at Perth's Eastern Region. Several of the exciting new investments such as Raffles University, the Midland Health Campus, and the redevelopment of Governor Stirling Senior High School provide a great opportunity to change misconceptions and raise the attractiveness of the Region for new residents. As these developments occur it will be important to promote the Region as a great place to live and work and to ensure an adequate supply of appropriate housing to meet the demands. Meanwhile, it will also be important not to compromise the liveability of the Region as economic growth occurs.

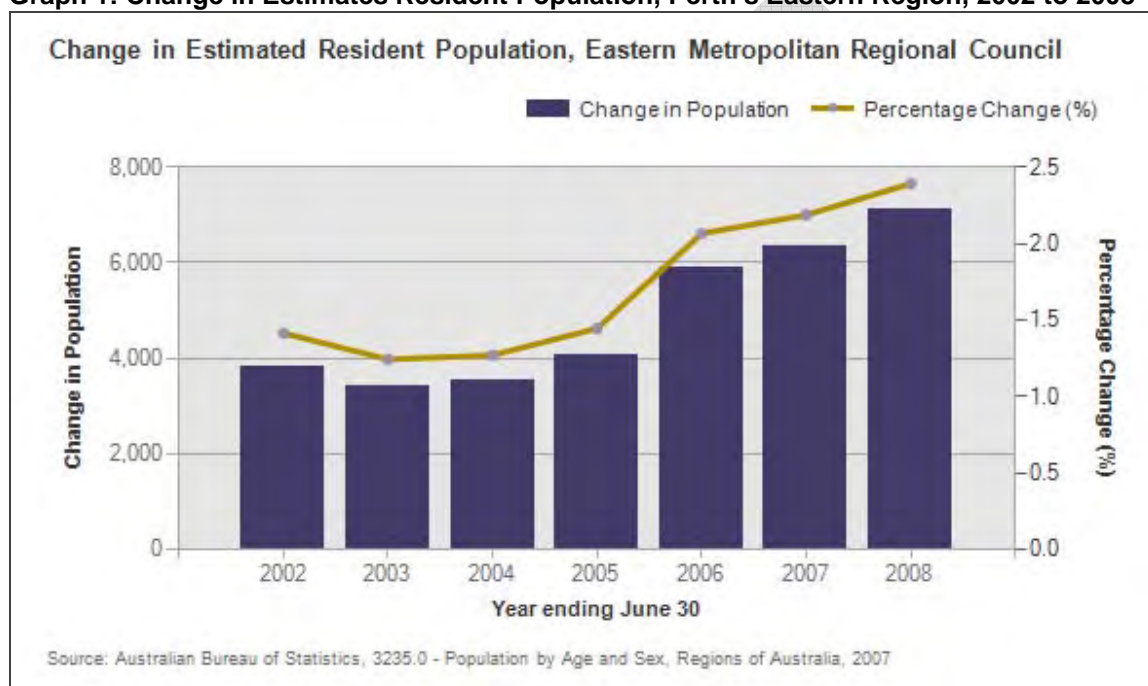
The promotion of Perth's Eastern Region is a shared responsibility between several stakeholders including member Councils and land developers. However there are expected to be opportunities for greater cooperation and collaboration to promote a positive image of the Region that encourages buy-in as a way of realising good capital growth on property decisions, local employment options and good education opportunities for families. Some of these priorities

require a regional approach that surpasses purely commercial or local interests. The Regional Tourism Strategy 2010 - 2015⁵⁵ also provides links to this objective through its Key Focus Areas and associated actions.

Regional Growth

The population of Perth's Eastern Region grew by 2.4% during the 12 months ended 30 June 2008⁵⁶, as shown in Graph 1. This is above population growth for the State (2.1%) and Nation (1.5%) in the same period.⁵⁷

Graph 1: Change in Estimated Resident Population, Perth's Eastern Region, 2002 to 2008⁵⁸



The population of Perth's Eastern Region is predicted to reach 391,700 by 2031⁵⁹, an increase of 41% from 2006.⁶⁰ Residential building approval statistics are used in both the public and private sectors as a leading indicator of the general level of economic activity, employment and investment. Perth's Eastern Region has generally experienced steady residential building approvals as shown in Graph 2, although this masks significant variances between member

⁵⁵ Eastern Metropolitan Regional Council 2010, *Regional Tourism Strategy 2010 – 2015*, report, Eastern Metropolitan Regional Council, Belmont, Western Australia

⁵⁶ Australian Bureau of Statistics 2008, *Population by Age and Sex, Regions of Australia, 2007*, Cat. no. 3235.0, Australia Bureau of Statistics, Canberra, Australian Capital Territory, viewed 17 February 2010, <<http://www.abs.gov.au>>

⁵⁷ Australian Bureau of Statistics 2009, *Population by Age and Sex, Regions of Australia, 2008*, Cat. No. 3235.0, Australian Bureau of Statistics, Canberra, Australian Capital Territory, viewed 17 February 2010, <<http://www.abs.gov.au>>

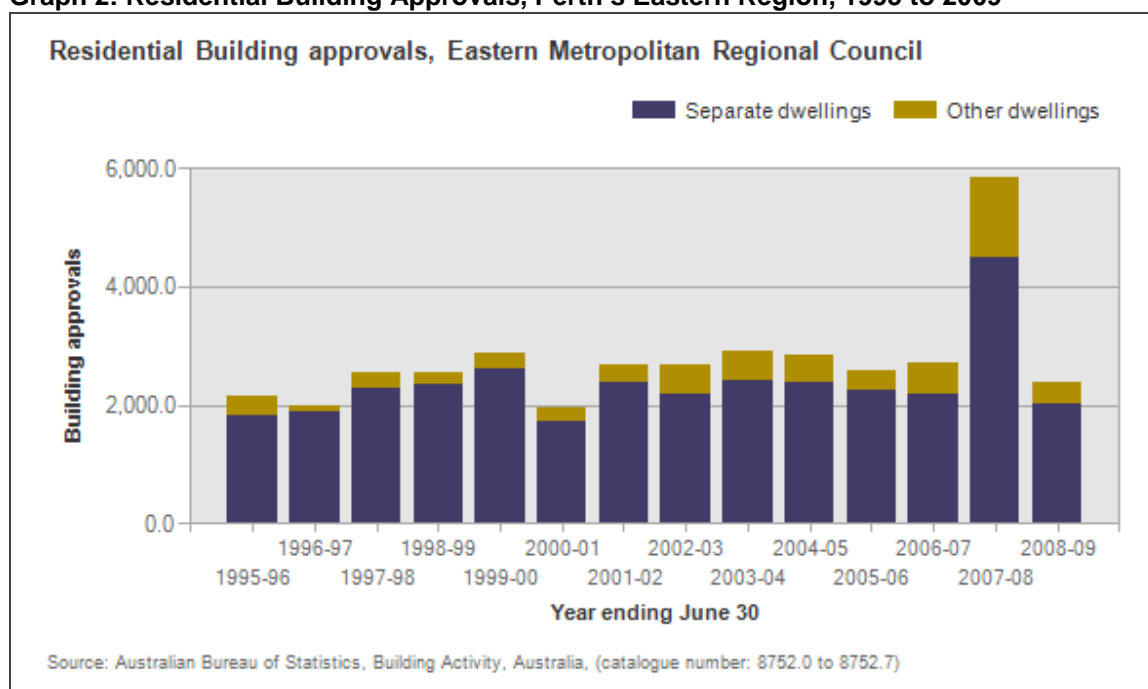
⁵⁸ profile.id 2010, *.id Consulting*, Collingwood, Victoria, viewed 22 July 2010, <<http://www.id.com.au/profiel/emrc>>

⁵⁹ Pracsys 2010, *Perth's Eastern Region Employment Characteristics*, report, Pracsys, South Perth, Western Australia

⁶⁰ Western Australian Planning Commission 2010, *Directions 2031 and Beyond – Metropolitan Planning Beyond the Horizon*, report, Western Australian Planning Commission, Perth, Western Australia

Councils over time as key development projects have occurred. The sharp increase in residential building approvals of 116% between 2007 and 2008 may have been an anomaly created by a combination of low interest rates and the Federal Governments First Home Owners' Grant. If population growth continues at its current levels, there is likely to be housing shortages as building approvals do not keep track with the increasing demand for residential housing.

Graph 2: Residential Building Approvals, Perth's Eastern Region, 1995 to 2009⁶¹



Social and environmental challenges such as residential housing supply and environmental sustainability need to be considered as they are inextricably linked to economic development. As other strategies to promote economic growth succeed, it will be important to align residential growth with employment growth. These factors will undoubtedly lead to significant challenges for the Region but they will also lead to new and exciting economic opportunities for new industries.

The EMRC recognises the management of town planning schemes and land development is the responsibility of local council authorities. However the EMRC sees opportunities to consider local developments within a broader regional context. With increased communication of local developments between stakeholders, the EMRC will be able to help to identify and understand potential synergies and opportunities for stakeholders to work together to promote the Region, manage growth, and thereby support both local and regional outcomes.

⁶¹ profile.id 2010, *id.Consulting*, Collingwood, Victoria, viewed 22 July 2010, <<http://www.id.com.au/profile/emrc>>

Objective 5.1	Match the availability of local housing with the growing economy and local workforce needs. <i>KPI: Number of building approvals.</i>
Objective 5.2	Reposition Perth's Eastern Region as a desirable place to live and work. <i>KPI: Measure of local residential population growth. Feedback from stakeholders</i>
Objective 5.3	Balance economic growth with the need to protect the environment and liveability of the Region. <i>KPI: Feedback from stakeholders (including community)</i>

	Action	Activity	Links	Timeframe	Priority
5.1	Facilitate the two-way exchange of information with member Councils regarding land development opportunities.	Advocate	5.1	Ongoing	Medium
5.2	Undertake perception research to determine how Perth's Eastern Region is viewed as a place to work, live and play.	Research	5.2	Medium	Medium
5.3	Develop promotional tools to promote the Region to potential workers as a great place to live and work.	Promote	5.2 (KFA 1, KFA 2)	Long	Low
5.4	Promote the public transport and other alternative transport options within the Region. (eg involvement in Travel Smart Initiatives, RITS).	Promote	5.2,5.3	Ongoing	Medium
5.5	Support sustainable development by providing input to planning processes (e.g. through environmental impact assessments).	Educate	5.3 (KFA 6)	Short	High
5.6	Facilitate a regional approach to ensure the local planning scheme, strategy and policies appropriately address the future supply and demand and needs and expectations of the community	Governance	5.1, 5.3	Medium	Medium
5.7	Leverage existing stakeholders to help promote the Region.	Promote	5.2	Long	Low

9.6 KFA 6: Natural Growth

Ensure that economic growth complements rather than compromises the environmental future of Perth's Eastern Region by taking an environmentally responsible and sustainable approach.

The reality that climate change will create both challenges and opportunities to Perth's Eastern Region is clearly articulated in the Regional Climate Change Adaption Action Plan 2009 - 2013 (RCCAAP). The Plan suggests the potential impacts on infrastructure, land use planning as well as the potential for changing economic viability of local industry and social dislocation. The Plan identifies "economic challenges and opportunities" as one of the top ten Priority Risk Areas for the Region. Therefore it is critical to create a formal link between the RCCAAP and this Regional Economic Development Strategy through this Key Focus Area. The vision for the RCCAAP is that: *"Perth's Eastern Region will be a leader in climate change adaptation taking advantage of the opportunities created in a carbon constrained economy and evoking a sense of security, awareness and empowerment for residents living in the Region."*

As one of the key factors often linked to climate change, sustainability is an integral part of the response. Perth was rated by the Australian Conservation Foundation (ACF) as the least sustainable city when compared to Australia's 20 largest cities in 2010^{62*}. The ACF suggests that all Australian cities would benefit immediately from increased and better targeted investment to provide efficient, affordable and healthy transport choices (reducing our oil dependence and vulnerability) and improved energy and water efficiency for both households and workplaces.

Perth's Eastern Region's leadership in climate change adaptation and sustainability must include the local economy and the associated businesses and industry. The environmental impact of economic growth must be managed in a sustainable way. Already there are examples of leadership in the Region such as the recent commission of a 60kW solar power project for the Midland Atelier as part of the Australian Government's \$94 million Solar Cities program⁶³. Regional stakeholders such as the Perth Region Natural Resource Management (NRM) provide industry support and guidance including Perth NRM's Guidelines for Industrial Development⁶⁴ that must be integrated with planning strategies. Recently, Perth NRM partnered with Jane Brook Winery to support a range of energy reducing and sustainability initiatives including the

⁶² Australian Conservation Foundation 2010, *Sustainable Cities Index: Ranking Australia's 20 largest cities in 2010*, report, Australian Conservation Fund, Carlton, Victoria

^{*} Measures 15 different indicators across three broad areas of Environmental Performance, Quality of Life and Resilience

⁶³ The project is an initiative of Perth Solar City, one of seven Solar Cities across Australia funded by the Federal Government. The Federal Government's \$94 million Solar Cities initiative encourages households, industry and the community to work together to find ways to better use and conserve energy.

⁶⁴ Blue Sands Environmental and Essential Environmental Services 2010, *Guidelines for Industrial Development*, report, Perth Region Natural Resource Management, Middle Swan, Western Australia

installation of a solar tracker aimed at improving winery energy management⁶⁵. Sustainable growth is likely to also bring its own economic opportunities for the Region to develop and attract new businesses providing clean technologies.

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⁶⁵ Jane Brook Wines 2010, *Raising a Glass to Lower Energy Use*, media release, 25 May, Jane Brook Wines, Jane Brook, Western Australia, viewed 22 July 2010, <<http://www.janebrook.com.au/media.asp?NID=181>>

Objective 6.1	Support industry with taking action to be environmentally conscious in their day-to-day activities. <i>KPI: Savings in energy costs. Savings in emissions.</i>
Objective 6.2	Encourage innovation in environmental management, clean tech industries and sustainable business practices. <i>KPI: Total number of businesses in the Region by industry sector. Savings in emissions.</i>
Objective 6.3	Support with the delivery of EMRC's Regional Climate Change Adaptation Action Plan 2009 -2013. <i>KPI: Review of RCCAAP KPI's relating to economic development.</i>
Objective 6.4	Leverage the Perth Solar City program to assist in raising awareness of energy management in Small to Medium Enterprises. <i>KPI: Number of projects undertaken as part of the Perth Solar City program. Savings in energy costs.</i>

	Action	Activity	Links	Timeframe	Priority
6.1	Support the delivery of the Regional Climate Change Adaptation Action Plan 2009 - 2013.	All	6.1,6.2,6.3,6.4 (KFA 7)	Ongoing	High
6.2	Monitor the implementation of other Key Focus Areas within the Regional Economic Development Strategy to identify opportunities to raise environmental awareness.	All	6.1,6.2,6.3,6.4 (KFA1-7)	Ongoing	Medium
6.3	Review the Supply Chain Analysis from Key Focus Area 2 to identify feasibility of new industries in clean tech sector.	Research	6.2	Medium	Medium
6.4	Facilitate information sharing about existing awards, grant funding and good business practice in industrial ecology and promote best practice examples.	Promote	6.1, 6.2	Ongoing	Low
6.5	Partner with the Perth NRM Light Industry Reference Group and other stakeholders to raise environmental awareness and leverage environmentally friendly programs to SME's in Perth's Eastern Region.	Advocate	6.1, 6.2	Ongoing	Medium
6.6	Offer fee for service energy and water auditing services to SME's in Perth's Eastern Region.	All	6.1,6.2,6.3,6.4	Medium	Medium
6.7	Support the delivery of the Regional Environmental Strategy 2010 – 2015 (currently under development)	All	6.1,6.2,6.3,6.4,6.5	Ongoing	High

9.7 KFA 7: Responsible Leadership

Provide good governance that facilitates responsible economic growth, advocates for Perth's Eastern Region, and encourages all stakeholders to work collaboratively together, equipped with the best knowledge to exercise sound leadership.

The facilitation of economic development requires an environment of responsible leadership and governance that supports, nurtures and manages growth. All too often, government can be seen as an inhibitor to growth rather than a champion of it, typically due to excessive regulation, red-tape and political influences. Particular elements of responsible leadership include:

- A clear strategy that creates a vision and framework for delivery of agreed outcomes, but which is also flexible and continually reviewed to adapt to the changes in the economy;
- An efficient and effective regulatory environment that encourages innovation and entrepreneurship;
- Clear and sensible land use planning that aligns the availability and use of land to business needs and requirements;
- A 'can do' culture;
- Advocacy to promote the needs of the Region and its businesses with government and other key stakeholders;
- The provision of a range of services that support investment attraction and business development;
- The facilitation of networking to provide business connections and collaboration;
- The identification of funding opportunities to fund investment projects that benefit the Region as a whole; and
- Education and research to ensure informed decisions, manage risks and an alignment of understanding between all stakeholders.

Whilst these elements require a whole of government approach to succeed, there is an opportunity for the EMRC to work together with member Councils to achieve positive outcomes. Even for matters that are specific to a local area, such as local planning regulations, there are expected to be opportunities to advocate, share knowledge and provide opportunities for improvement that can be explored through collaboration and cooperation. In Perth's Eastern Region, there is already strong leadership in economic development founded upon the commitment of member Councils and their economic development officers. The Chief Executive Officers Advisory Committee (CEOAC) and the Economic Development Officers' Group is a

framework for collaboration between member Councils that allows positive outcomes to be achieved in this Key Focus Area. Some specific opportunities that have been identified for further progress include:

- The facilitation of information sharing between member Council's Grants' Officers. This will enable cross-Council funding opportunities to be identified and coordinated funding submissions to be delivered; in particular to explore opportunities for public private partnerships;
- The provision of consultancy services by the EMRC to in its areas of expertise, particularly environmental management to support bringing commercial and industrial land to market; and
- Greater links to State and Federal government, industry and business groups.

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Objective 7.1	Increase the understanding of the importance and role of economic development in the Region with key stakeholders. <i>KPI: Monitor references to economic development in regional strategies and regulatory processes (including planning schemes). Increased funding of economic development.</i>
Objective 7.2	Support opportunities to create a regulatory environment that is business friendly. <i>KPI: Feedback from Business and industry</i>
Objective 7.3	Encourage collaboration between all stakeholders. <i>KPI: Feedback from stakeholders</i>

	Action	Activity	Links	Timeframe	Priority
7.1	Support member Council staff with best practice service, planning processes and economic development tools.	Educate	7.1,7.2, 7.3	Medium	Medium
7.2	Investigate processes for the EMRC to act as a service delivery agent in planning assessments (i.e. Environmental Impact Studies, Economic Analysis Studies).	Educate	7.2,7.3	Short	Medium
7.3	Provide regional profiling tools (e.g. REMPLAN) and train EMRC and member Council staff to use these tools.	Research	7.1	Ongoing	High
7.4	Facilitate regional forums to bring together key stakeholders from member Councils and industry to discuss, understand and prioritise regional issues, barriers and opportunities.	Research	7.1,7.2, 7.3	Ongoing	High
7.5	Maintain awareness of local, national and global economic trends to identify, understand and pre-empt risks and opportunities.	Research	7.1	Ongoing	Low
7.6	Facilitate shared understanding of regional advocacy priorities and the collation of key data and information to underpin a regional response to State and Federal government.	Advocate	7.1,7.2, 7.3	Ongoing	Medium
7.7	Represent Perth's Eastern Region on key boards/groups for developments of regional significance.	Promote	7.1,7.2, 7.3	Ongoing	High
7.8	Facilitate business development by providing support to business with regulatory compliance (i.e. through education and communication tools).	Educate	7.2	Ongoing	Low
7.9	Investigate regional funding opportunities and models to support economic development.	Funding	7.1, 7.3	Ongoing	Medium

10.0 IMPLEMENTATION, REVIEW AND EVALUATION

The EMRC will facilitate the delivery of the objectives in this Regional Economic Development Strategy through a structured implementation plan as well as effective and ongoing evaluation and monitoring.

10.1 Implementation Roles

The EMRC will take a central role for the delivery of this strategy and will coordinate collaboration amongst member Councils to achieve the objectives of the Strategy. In addition to this, EMRC will undertake day-to-day activities to support the actions within the Strategy. These have been defined previously and include activities such as research, analysis, review, advocating, educating, project and service management, attraction and promotion, funding support and governance.

As with all economic development teams in the Region, the EMRC is resource constrained, having only one dedicated full-time officer focused upon economic development at the time of writing. This is without doubt an ambitious strategy and therefore it is imperative that a collaborative approach is adopted between all member Councils and stakeholders to maximise the outcomes that can be achieved. In particular, the role of member Council officers over the next five years is to actively engage in implementation of regional actions that have relevance at the local level. This will involve:

- Participating in the EMRC advisory and project groups;
- Provision of economic data available at local government level
- Leveraging regional advocacy activities;
- Consulting and engaging with local industry;
- Liaising with other business units within their Council; and
- Keeping the EMRC informed of local activities and other project delivery responsibilities.

10.2 Governance

The implementation of the Strategy will be governed according to the following structure:

- The Strategy will focus the day-to-day activities of the EMRC within economic development;

- The Strategy will be used as a basis to seek funding allocations from the EMRC operating budget on an annual budget;
- The Economic Development Officers' Group (EDOG) will provide on-going feedback and review of the Strategy as part of its regular meetings and will refer actions and achievements back to the Strategy; and
- Progress against the actions and objectives of the Strategy will be reported to EMRC management and Council.

10.3 Resources

To facilitate regional economic development, the EMRC employs a dedicated Regional Development Coordinator to coordinate economic development. Supporting this role are the Manager, Regional Development, Administration Officer, and specialist consultants (as required). Some actions and outcomes of the Regional Economic Development Strategy integrate to other regional development strategies including the Regional Integrated Transport Strategy and the Regional Tourism Strategy. Actions relating to these areas will be progressed by the Strategic Projects Officer (Transport and Planning), the Strategic Projects Officer (Tourism and Community) and the Project Officer, Regional Development accordingly. Other officers of the EMRC will contribute technical assistance for advocacy, environmental management, and marketing as required.

Implementation of the Regional Economic Development Strategy is expected to be resourced through a blend of EMRC contributions, member Council contributions, and supplemented by grants for projects. Member Council contributions are asked to contribute to the maintenance of REMPLAN data. Detailed budgets for the delivery of actions within the Regional Economic Development Strategy will be developed as part of the next stage of implementation planning. At this stage, available budgets and resources will be balanced against outcome priorities.

10.4 Monitoring, Review and Evaluation

The implementation of the Regional Economic Development Strategy (REDS) will be monitored, reviewed and evaluated on an on-going basis through;

- Monthly meetings of the Economic Development Officer Group (EDOG);
- The monitoring of Key Performance Indicators (KPI's);
- The quarterly Regional Services Activity Report which is presented to the CEOAC and EMRC Council;

- A minor review of the Strategy undertaken annually, which will focus on the updating of actions. Given the expected finalisation and release of several important government strategies over the next 12 months, it will be important to review the directions of this Strategy in accordance with them (including the Directions 2031 and Industrial Land Strategy);
- A workshop with regional stakeholders (including EDOG) to review progress. This will allow the REDS to be a living document, evolving as market conditions, issues, challenges and opportunities change and actions are completed. A complete review of the Strategy will be undertaken in 2015; and
- Where appropriate, the community will be informed of significant developments through the EMRC website, media releases and newsletter.

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10.5 Key Performance Indicators

Key Performance Indicators (KPI's) have been included throughout the Strategy in association with the specific actions and objectives to which they relate. A summary of these KPI's have been repeated below to show how the EMRC will measure the extent to which its activities are meeting the objectives of this Strategy.

It should be recognised that some of these indicators are influenced by macro economic factors and as a result changes may occur irrespective of the activities of the EMRC and member Councils.

Key Performance Indicator	Objective
Completion of Objections and Actions outlines in REDS	All
Measure of employment self-containment	1.1, 1.2, 1.4
Measure of employment self-sufficiency	1.1, 1.2, 1.4
Measure of employment by industry sector.	3.4
Local employment by industry sector. (ABS Journey to work data)	1.1, 2.2, 4.2
Total number of businesses in the Region.	2.1, 2.2,
Total number of businesses in the Region by industry sector.	1.3, 2.1, 3.2, 6.2
Measure of local residential population growth	1.4. 5.2
Gross Regional Product value.	2.2, 2.3, 2.4
Feedback from stakeholders	2.4, 5.2, 5.3, 7.3
Feedback from Business and industry	2.3, 4.2. 7.2
Feedback from Member Councils	4.3
Contribution of knowledge-based employment to Gross Regional Product.	3.1
Number of registered patents in Perth's Eastern Region.	3.3
Amount of investment in the Region.	4.1, 4.4, 4.5
Main Roads Traffic Data	4.2
Number of building approvals.	5.1
Savings in energy costs.	6.1, 6.4
Savings in emissions.	6.1, 6.2
Review of RCCAAP KPI's relating to economic development.	6.3
Number of projects undertaken as part of the Perth Solar City program	6.4
Reference to economic development activities in regional strategies and regulatory processes (including planning schemes).	7.1
Increased funding of economic development.	7.1

11.0 ACKNOWLEDGEMENTS

The EMRC would like to acknowledge the valuable contributions of the following people:

The Economic Development Officers' Group (EDOG)

William Barry, Economic Development Officer, Town of Bassendean

Piero Fazio, Economic Development Officer, City of Bayswater

Jay Hardison, Manager - Property & Economic Development, City of Belmont

Ling Gaspar, Property and Economic Development Officer, City of Belmont

Kevin O'Connor, Executive Manager - Community Services, Shire of Kalamunda

Andrew Fowler Tutt, Manager of Strategic Planning, Shire of Kalamunda

Damien Martin, Economic Development Adviser, Shire of Mundaring

Stuart Thiele, Senior Planning Officer (Strategic), Shire of Mundaring

Mike Brewis, Research and Information Officer, Strategic Planning, City of Swan

Carol Catherwood, (former) Strategic Planning Coordinator, City of Swan

Anthony Kelly, Business Development Officer, City of Swan

The EMRC also acknowledges the contribution of State Government and business and industry stakeholders to the development of the Regional Economic Development Strategy. These include:

Belmont BEC

Bullsbrook & Chittering Chamber of Commerce Inc

Central Eastern Business Association

Department for Mines and Petroleum

Department of Commerce

Department of Planning

Eastern Hills Business Association

Enterprise Connect Manufacturing Centre

Engineering and Manufacturing Industry Cooperative Limited (EMICoL)

FORM

Kalamunda Chamber of Commerce

Malaga & Districts Business Association

Maylands Business Association

Metro BEC – Welshpool

Midland Redevelopment Authority

Midland Job Link
North East Metropolitan Health Service
Polytechnic West (Formerly Midland TAFE)
Pracsys
SBC East Metro
SBC Stirling
Small Business Development Corporation
Swan Chamber of Commerce
Swan Valley Tourism Council
Westralia Airports Corporation Pty Ltd

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12.0 CONTACT INFORMATION

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13.0 GLOSSARY AND DEFINITIONS

CEOAC	Chief Executive Officers' Advisory Council
EDOG	Economic Development Officers' Group
East Metropolitan Region	Region of the Perth metropolitan area defined by the Australian Bureau of Statistics to include five of the six EMRC member Councils including: Town of Bassendean, City of Bayswater, Shire of Kalamunda, Shire of Mundaring and City of Swan (excludes the City of Belmont).
Employment Self-Containment	The total number of working residents who work locally as a proportion of the total number of working residents (e.g. an ESC of 43% means that for every 100 working residents, 43 of them work locally).
Employment Self-Sufficiency	The total number of local jobs in the Region as a proportion of the total number of employed residents in the Region (e.g. an ESS of 78% means there are 78 local jobs in the Region for every 100 local working residents).
EMRC	Eastern Metropolitan Regional Council
Enabling Infrastructure	Defined as hard infrastructure that includes services (power, water, gas, waste, communications), transport and land supply.
KFA	Key Focus Area

Knowledge Capital	Knowledge resources, expertise and experience
Knowledge Worker	An individual who works primarily with information or one who develops and uses knowledge in the workplace.
KPI	Key Performance Indicator
Labour force underutilization rate	The sum of the number of persons unemployed and the number of persons in underemployment, expressed as a proportion of the labour force.
Member Councils	The six member Councils of the Eastern Metropolitan Regional Council- Town of Bassendean, City of Bayswater, City of Belmont, Shire of Kalamunda, Shire of Mundaring and City of Swan.
Participation rate	For any group, the labour force expressed as a percentage of the civilian population aged 15 years and over in the same group.
Population Driven Employment	Employment that derives primarily as a result of local population growth to service the convenience needs of those residents. Typically includes retail.
Perth's Eastern Region	The geographic area covered by the six member Councils of the EMRC: Town of Bassendean, City of Bayswater, City of Belmont, Shire of Kalamunda, Shire of Mundaring and City of Swan. Also referred to as 'the region'.
Profile.id	A research tool from .id (short for informed decisions) a company specialising in the provision of demographic data for local governments
RAS	Regional Advocacy Strategy
RCCAAP	Regional Climate Change Adaptation Action Plan 2009 - 2013
REDS	Regional Economic Development Strategy
REMPAN	Regional Economic Modelling and Planning System. A product of Compelling Economics Pty Ltd, the commercial spin-off from the Economic Research Unit (ERU) at La Trobe University
RITS	Regional Integrated Transport Strategy
RTS	Regional Tourism Strategy 2010 - 2015
The Region	Refers to Perth's Eastern Region (see above).
Supply Chain Integration	Methods of coordination and integration of processes within a traditional supply chain
Unemployed looking for full time work	Unemployed persons who: <ul style="list-style-type: none"> - actively looked for full time work; or - were waiting to start a new full time job.
Unemployment rate	For any group, the number of unemployed persons expressed as a percentage of the labour force in the same group.
Underemployed workers	Employed persons aged 15 years and over who want, and are available for, more hours of work than they currently have. They comprise: <ul style="list-style-type: none"> - persons employed part time who want to work more hours and are available to start work with more hours, either in the reference week or in the four weeks subsequent to the survey; or - persons employed full time who worked part time hours in the reference week for economic reasons (such as being stood down or insufficient work being available). It is assumed that these people wanted to work full time in the reference week and would have been available to do so.
WAPC	Western Australian Planning Commission

14.0 APPENDICES

14.1 Appendix 1: Economic Profile

INTRODUCTION

The Eastern Metropolitan Region of Perth covers 2,100 square kilometres or about one-third of the Perth metropolitan area. The Region extends from the edge of the Perth CBD, along the Swan River through urban residential, commercial and industrial areas, to the scenic Swan Valley and up into the forest and prime agricultural land of the Darling Range. The EMRC and its member Councils serve approximately 300,000 residents.

Perth's Eastern Region is a major contributor to the Western Australian economy, generating an estimated \$16,764 million⁶⁶ or 10.7% of Gross State Product (\$156,603 million in 2008/2009)⁶⁷.

The breakdown of the Gross Regional Product for the Region is shown in Table A1.1⁶⁸.

Table A1.1: Gross Regional Product, EMRC Region^{69,70}

GRP Expenditure Method	EMRC Region		
	08/09 \$M	09/10 \$M	Change %
Household Consumption	13,070.04	13,169.18	0.76
Government Consumption	4,076.30	4,034.60	-1.03
Private Gross Fixed Capital Expenditure	5,073.23	5,077.78	0.09
Public Gross Fixed Capital Expenditure	861.83	930.755	7.41
Gross regional Expenses	23,081.40	23,212.32	0.56
plus Exports	15,091.96	15,937.91	5.31
minus Domestic Imports	-15,681.08	-15,432.58	-1.61
minus Overseas Imports	-5,727.34	-6,147.19	6.83
Gross regional Product	16,764.94	17,570.46	4.58
Population (number)	277,505		
Per Capita GRP (\$'000)	60.41	63.32	4.60

⁶⁶ REMPLAN May 2009, *Compelling Economics*, Bendigo, Victoria

⁶⁷ Australian Bureau of Statistics 2009, *Australian National Accounts: State Accounts (2008-09 re-issue)*, Cat. no. 5220.0, Australian Bureau of Statistics, Canberra, Australian Capital Territory, viewed 16 February 2010, <[http://www.ausstats.abs.gov.au/Ausstats/subscriber.nsf/0/705B32D194E15754CA2576930013F3B6/\\$File/52200_2008-09%20\(reissue\).pdf](http://www.ausstats.abs.gov.au/Ausstats/subscriber.nsf/0/705B32D194E15754CA2576930013F3B6/$File/52200_2008-09%20(reissue).pdf)>

⁶⁸ Gross Regional Product (GRP) is the net measure of wealth generated by the Region and can be measured by using the incomes approach, where all incomes earned by individuals (wages and salaries), firms (gross operating surplus) and governments (taxes on products or services) are added.

⁶⁹ REMPLAN May 2009, January 2010, *Compelling Economics*, Bendigo, Victoria

⁷⁰ REMPLAN May 2009, January 2010, *Compelling Economics*, Bendigo, Victoria

INDUSTRY ACTIVITY

Key Industries

The major industry contributors to output in Perth's Eastern Region are manufacturing, transport and storage, construction, property and business services and wholesale trade. Manufacturing is by far the largest sector in terms of output representing over three times the output of the next largest sector (transport and storage). Industry sectors experiencing high growth include mining, communication services, construction, agriculture forestry fishing and government administration and defence. The financial contribution of these and other industry sectors together with their growth is shown in Table A1.2. Output data represents the gross revenue generated by businesses/organisations in each of the industry sectors in the EMRC Region. Gross revenue is also referred to as total sales or total income.

Table A1.2: Industry Sectors ranked by Output, EMRC Region ^{71,72}

Industry sector	EMRC Region				
	Output		Change	Share of Region	
	08/09	09/10		08/09	09/10
	\$M	\$M	%	%	%
Manufacturing	13,285.61	13,854.95	4.29	33.51	32.50
Transport and storage	4,046.03	4,432.86	9.56	10.20	10.40
Wholesale trade	3,739.34	3,940.25	5.37	9.43	9.24
Property and business services	3,686.15	4,040.94	9.62	9.30	9.48
Construction	3,602.37	4,172.69	15.83	9.09	9.79
Retail trade	2,283.46	2,305.41	0.96	5.76	5.41
Mining	1,953.74	2,271.71	16.27	4.93	5.33
Communication services	1,026.87	1,193.62	16.24	2.59	2.80
Health and community services	940.13	962.79	2.41	2.37	2.26
Education	936.17	950.56	1.54	2.36	2.23
Government administration and defence	902.71	1,024.92	13.54	2.28	2.40
Finance and insurance	802.73	838.58	4.47	2.02	1.97
Accommodation, cafes and restaurants	641.00	709.19	10.64	1.62	1.66
Electricity, gas and water supply	587.64	590.74	0.53	1.48	1.39
Personal and other services	542.07	597.90	10.30	1.37	1.40
Cultural and recreational services	403.21	439.90	9.10	1.02	1.03
Agriculture forestry fishing	269.80	307.71	14.05	0.68	0.72
Total	39,649.05	42,634.72	7.53		

Note: All references to 08/09 data is based upon modelling using 2008 June GSP WA (ABS), 2004/05 I/O Tables (ABS) and 2006 JTW Census data. Reference to 09/10 data is based upon modelling using June 2009 GSP WA (ABS), 2006/07 I/O Tables (ABS) and 2006 JTW Census data.

⁷¹ REMPLAN May 2009, January 2010, *Compelling Economics*, Bendigo, Victoria

⁷² REMPLAN January 2010, January 2010, *Compelling Economics*, Bendigo, Victoria

Key Industries by Value Add

Value-Added data represents the marginal economic value that is added by each industry sector in the Region. Value-Add is calculated by subtracting local expenditure and expenditure on regional imports from the output generated by an industry sector, or alternatively, by adding the wages & salaries paid to local employees, the gross operating surplus and taxes on products and production. Value-Added by industry sector is the major element in the calculation of Gross Regional Product. Table A1.3 shows that the key sectors in the Region by Value-Added are manufacturing, property and business services, wholesale trade and transport and storage. It is worth noting however that the key growth sectors between 2008/09 and 2009/10 are construction, mining, and health and community services.

Table A1.3 Industry Sectors by Value Add^{73,74}

Industry sector	Value Add		Change	Share of Region	
	08/09	09/10		08/09	09/10
	\$M	\$M	%	%	%
Manufacturing	\$3.045	\$3.008	-1.20%	20.0%	18.7%
Property & Business Services	\$1.679	\$1.825	8.70%	11.0%	11.4%
Wholesale Trade	\$1.652	\$1.676	1.50%	10.9%	10.5%
Transport & Storage	\$1.534	\$1.658	8.10%	10.1%	10.3%
Retail Trade	\$1.157	\$1.181	2.10%	7.6%	7.4%
Construction	\$1.079	\$1.229	13.90%	7.1%	7.7%
Mining	\$0.965	\$1.085	12.40%	6.3%	6.8%
Education	\$0.707	\$0.719	1.70%	4.7%	4.5%
Health & Community Services	\$0.704	\$0.779	10.70%	4.6%	4.9%
Communication Services	\$0.512	\$0.539	5.30%	3.4%	3.4%
Sub-Total	\$13.037	\$13.699		85.64%	85.35%

Note: All references to 08/09 data is based upon modelling using 2008 June GSP WA (ABS), 2004/05 I/O Tables (ABS) and 2006 JTW Census data. Reference to 09/10 data is based upon modelling using June 2009 GSP WA (ABS), 2006/07 I/O Tables (ABS) and 2006 JTW Census data.

Key Industries by Regional Imports

Regional Imports data represents the value of goods and services imported into the Region by businesses / organisations in each of the industry sectors. Another way of defining imports is as an outflow of money from the Region, i.e. a local business outsourcing accountancy services to a firm in another region which results in an outflow of money and an importation of services. This data highlights potential opportunities to attract new businesses into the Region to prevent this leakage. No distinction is made between domestic and international imports, and no indication is given as to the type of imports (to determine the types of imports by industry sector requires a process of "Gap Analysis" whereby the defined Region is contrasted with state or national averages).

⁷³ REMPLAN May 2009, January 2010, *Compelling Economics*, Bendigo, Victoria

⁷⁴ REMPLAN January 2010, January 2010, *Compelling Economics*, Bendigo, Victoria

Table A1.4 Industry Sectors by Regional Imports^{75,76}

Industry sector	Regional Imports		Change	Share of Region	
	08/09	09/10	%	08/09	09/10
	\$M	\$M		%	%
Manufacturing	\$6,806	\$7,030	3.29%	56.77%	55.37%
Transport & storage	\$1,388	\$1,281	-7.71%	11.58%	10.09%
Wholesale trade	\$760	\$735	-3.29%	6.34%	5.79%
Mining	\$727	\$650	-10.59%	6.06%	5.12%
Property & business services	\$529	\$695	31.38%	4.41%	5.47%
Construction	\$505	\$711	40.79%	4.22%	5.60%
Communication services	\$155	\$189	21.94%	1.29%	1.49%
Retail trade	\$418	\$424	1.44%	3.49%	3.34%
Accommodation, cafes and Restaurants	\$125	\$167	33.6%	1.04%	1.31%
Government administration and defence	\$106	\$172	62.26%	0.88%	1.35%
Sub-Total	\$11,519	\$12,054		96.08%	94.93%

Note: All references to 08/09 data is based upon modelling using 2008 June GSP WA (ABS), 2004/05 I/O Tables (ABS) and 2006 JTW Census data. Reference to 09/10 data is based upon modelling using June 2009 GSP WA (ABS), 2006/07 I/O Tables (ABS) and 2006 JTW Census data.

The table highlights the key sectors for regional imports are currently manufacturing, transport and storage, wholesale trade and mining. Manufacturing is by far the greatest sector for regional imports. Key sectors that are experiencing growth in regional imports include government administration and defence, construction and accommodation, cafes and restaurants although compared to the manufacturing sector, these are still very small.

Key Industries by Local Expenditure

Local Expenditure data represents the value of intermediate goods and services purchased by local industry sectors within the Region.

A high level of local expenditure on intermediate goods and services proportionate to total output is indicative of well developed local supply chains and also that any expansion in this sector would typically deliver broad based benefits for the Region's economy.

⁷⁵ REMPLAN May 2009, January 2010, *Compelling Economics*, Bendigo, Victoria

⁷⁶ REMPLAN January 2010, January 2010, *Compelling Economics*, Bendigo, Victoria

Table A1.5 Industry Sectors by Local Expenditure ^{77,78}

Industry sector	Local Expenditure		Change	Share of Region	
	08/09	09/10		08/09	09/10
	\$M	\$M	%	%	%
Manufacturing	\$3,434.29	\$3,816.94	11.14%	27.61%	27.49%
Construction	\$2,017.39	\$2,232.97	10.69%	16.22%	16.08%
Property & business services	\$1,477.35	\$1,520.57	2.93%	11.88%	10.95%
Wholesale trade	\$1,326.72	\$1,528.51	15.21%	10.67%	11.01%
Transport & storage	\$1,123.95	\$1,493.74	32.90%	9.04%	10.76%
Retail trade	\$708.59	\$700.86	-1.09%	5.70%	5.05%
Communication services	\$359.52	\$466.22	29.68%	2.89%	3.36%
Government administration & defence	\$325.24	\$317.94	-2.24%	2.62%	2.29%
Mining	\$261.23	\$536.86	105.51%	2.10%	3.87%
Accommodation, cafes & restaurants	\$258.49	\$265.43	2.68%	2.08%	1.91%
Sub-Total	\$11,292.75	\$12,880.04		90.80%	92.75%

Note: All references to 08/09 data is based upon modelling using 2008 June GSP WA (ABS), 2004/05 I/O Tables (ABS) and 2006 JTW Census data. Reference to 09/10 data is based upon modelling using June 2009 GSP WA (ABS), 2006/07 I/O Tables (ABS) and 2006 JTW Census data.

The key sectors in Perth's Eastern Region for regional expenditure include manufacturing, construction, property and business services and wholesale trade, although there is major growth within the mining, communication and transport and storage sectors.

Major Propulsive Sectors

The industry sectors which are the key drivers of the Perth's Eastern Region's economy in terms of regional exports, employment, value-added and local expenditure on goods and services (backward linkages) are detailed below. The industry sectors highlighted by a ☑ in the table below are amongst the top 5 (of 17 sectors) contributors to economic activity in the EMRC Region in relation to backward linkages, exports, employment, and value-added. Where:

- Value-Added represents the marginal economic value that is added by each industry sector in a defined region. Value-Added is calculated by subtracting local expenditure and expenditure on regional imports from the output generated by an industry sector. Value-Added by industry sector is the major element in the calculation of Gross Regional Product.
- Employment is the key social outcome of economy development; employment data represents the number of people employed by businesses / organisations in each of the industry sectors in the EMRC Region.
- Regional Exports represents the value of goods and services exported outside of the EMRC Region that have been generated by local businesses / organisations. Another way of defining exports is as an inflow of money into the Region, i.e. Motels have an inflow of money from people who live outside the Region's boundaries thus they are earning export equivalent dollars.

⁷⁷ REMPLAN May 2009, January 2010, *Compelling Economics*, Bendigo, Victoria

⁷⁸ REMPLAN January 2010, January 2010, *Compelling Economics*, Bendigo, Victoria

- Backward Linkages details the industry sectors which spend the most on locally sourced intermediate goods and services per dollar of output. These industry sectors may not necessarily make the largest contributions to the Region's economy at present however due to well developed local supply chains these sectors have a significant capacity to deliver broad based economic benefits for the Region.

Table A1.6 Major Propulsive Sectors ^{79,80}

	Backward Linkages	Exports	Employment	Value-Added	Total
Agriculture Forestry Fishing					0
Mining		☑			1
Manufacturing		☑	☑	☑	3
Electricity, gas & water supply					0
Construction	☑	☑		☑	3
Wholesale trade	☑	☑	☑	☑	4
Retail trade			☑		1
Accommodation, cafes & restaurants					0
Transport & storage		☑	☑	☑	3
Communication services	☑				1
Finance & insurance					0
Property & business services	☑		☑	☑	3
Government administration & defence					0
Education					0
Health & community services					0
Cultural & recreational services	☑				1
Personal & other services					0

From the table it can be seen that the key sectors include wholesale trade, manufacturing, construction, transport and storage, and property and business services.

Industry Concentration

Employment concentration factors (ECF) show the comparative concentration of industries within Perth's Eastern Region comparative to the Perth and Peel Metropolitan area average. If an industry's ECF is greater than 1.0, it can be assumed that Perth's Eastern Region contains a comparatively large concentration of a particular industry. A score of two represents double the metropolitan average concentration.

Table A1.7 below shows the employment concentrations for Perth's Eastern Region based upon Census 2006 data. . The concentration figures should be interpreted carefully as they do not take into account absolute employment figures, hence some sectors with large concentrations may not be particularly significant for the Region however at a broad level, this analysis shows a predominance of logistics and freight-related industries that align with the logistics infrastructure located in the area (Perth Airport International Terminal and Kewdale Intermodal Freight Terminal). Heavier industrial activity including fabrication and manufacturing also is shown to be

⁷⁹ REMPLAN May 2009, January 2010, *Compelling Economics*, Bendigo, Victoria

⁸⁰ REMPLAN January 2010, January 2010, *Compelling Economics*, Bendigo, Victoria

highly concentrated within the area. Both of these areas are primarily classified as producer services.

Finally, exploration-related resources activity is strongly represented as a number of junior resource-sector firms have chosen to locate their offices within Perth's Eastern Region.

A high ECF provides an indication of industries that are potentially realising a comparative advantage by locating within Perth's Eastern Region. It therefore offers direction to planners as to areas of focus that may be leveraged through horizontal and vertical integration of supply chains to achieve economic development objectives.

Table A1.7: Industry Concentration ⁸¹

#	ANZSIC Industry 2006- 3 digit	Perth's Eastern Region ECF	South West Sub-Region ECF	North West Sub-Region ECF
1	Museum Operation	5.98	18.42	8.50
2	Other Transport Support Services	5.09	0.99	1.14
3	Other Transport, nfd	5.06	-	-
4	Structural Metal Product Manufacturing	4.79	142.46	63.85
5	Cement, Lime, Plaster and Concrete Product Manufacturing	3.95	4.35	1.63
6	Rail Passenger Transport	3.52	0.26	0.31
7	Other Transport Equipment Manufacturing	3.06	13.33	0.48
8	Grain Mill and Cereal Product Manufacturing	3.04	4.58	3.05
9	Agriculture, Forestry and Fishing Support Services, nfd	2.99	-	-
10	Amusement and Other Recreation Activities	2.93	0.95	0.58
11	Warehousing and Storage Services	2.93	2.01	0.16
12	Grocery Liquor and Tobacco Product Wholesaling	2.83	1.84	1.28
13	Sheep, Beef Cattle and Grain Farming	2.78	0.88	0.50
14	Other Machinery and Equipment Manufacturing	2.75	0.67	0.08
15	Pipeline and Other Transport	2.74	0.12	0.11
16	Exploration	2.66	69.59	59.19
17	Furniture and Other Manufacturing, nfd	2.65	0.05	0.04
18	Non-Metallic mineral product Manufacturing, nfd	2.64	1.90	2.43
19	Agricultural Product Wholesaling	2.59	88.29	117.64
20	Aquaculture	2.52	0.69	0.14

Knowledge Intensive / Export Oriented
Producer Services

⁸¹ Pracsys 2010, *Perth's Eastern Region Employment Characteristics*, report, Pracsys, South Perth, Western Australia

EMPLOYMENT

Employment Growth

Perth's Eastern Region is identified as one of twenty regions across Australia emerging from the economic downturn that "could lead Australia out of the Global Financial Crisis".⁸² At 13%; the Eastern Metropolitan Region of Perth, was identified as having the strongest employment growth since November 2007, on par with lower Northern Sydney (13%) and South Eastern NSW (11%).⁸³

Employment Self Sufficiency

Perth's Eastern Region experiences a high Employment Self Sufficiency (number of local Jobs/employed residents) of 78.17% as shown in Table A1.8.

Table A1.8: Employment Self Sufficiency, Perth's Eastern Region ^{84,85}

Local Government Authority	Local Jobs number	Employed Residents number	Net Employment number	Employment Self Sufficiency %
Town of Bassendean	5,161	6,584	-1,423	78.39
City of Bayswater	17,608	28,020	-10,412	62.84
City of Belmont	27,525	14,072	13,453	195.60
Shire of Kalamunda	11,051	25,379	-14,328	43.54
Shire of Mundaring	7,026	16,857	-9,831	41.68
City of Swan	37,242	44,185	-6,943	84.29
Perth's Eastern Region	105,611	135,097	-29,486	78.17

Employment Self Containment

Perth's Eastern Region experiences a low Employment Self Containment (Employed local workforce working locally/employed residents) of 43.33% as shown in Table A1.9.

Table A1.9: Employment Self Containment, Perth's Eastern Region, 2006 ⁸⁶

Local Government Authority	Employed Residents working locally number	Employed Residents Number	Employment Self Containment %
Perth's Eastern Region	58,537	135,091	43.33

⁸² Bankwest 2009, *Jobs Winners - Report Identifies WA regions to Emerge from GFC*, media release, 07 September, Bankwest, Perth, Western Australia, viewed 21 April 2010, <[http://www.bankwest.com.au/library/scripts/objectifyMedia.aspx?file=pdf/54/05.pdf&str_title=Employment Growth WA.pdf](http://www.bankwest.com.au/library/scripts/objectifyMedia.aspx?file=pdf/54/05.pdf&str_title=Employment%20Growth%20WA.pdf)>

⁸³ Bankwest 2009, *Jobs Winners - Report Identifies WA regions to Emerge from GFC*, media release, 07 September, Bankwest, Perth, Western Australia, viewed 21 April 2010, <[http://www.bankwest.com.au/library/scripts/objectifyMedia.aspx?file=pdf/54/05.pdf&str_title=Employment Growth WA.pdf](http://www.bankwest.com.au/library/scripts/objectifyMedia.aspx?file=pdf/54/05.pdf&str_title=Employment%20Growth%20WA.pdf)>

⁸⁴ profile.id 2010, *.id consulting pty ltd*, Collingwood, Victoria, viewed 16 February 2010, <<http://www.id.com.au/profile/emrc>>

⁸⁵ REMPLAN January 2010, *Compelling Economics*, Bendigo, Victoria

⁸⁶ profile.id 2010, *.id consulting pty ltd*, Collingwood, Victoria, viewed 16 February 2010, <<http://www.id.com.au/profile/emrc>>

Employment by Industry

The major industry contributors to employment in Perth's Eastern Region are manufacturing, retail trade, wholesale trade, and transport and storage. The number of jobs in these and other industry sectors is shown in Table A1.10.

Table A1.10: Industry Sectors ranked by Employment, EMRC Region⁸⁷

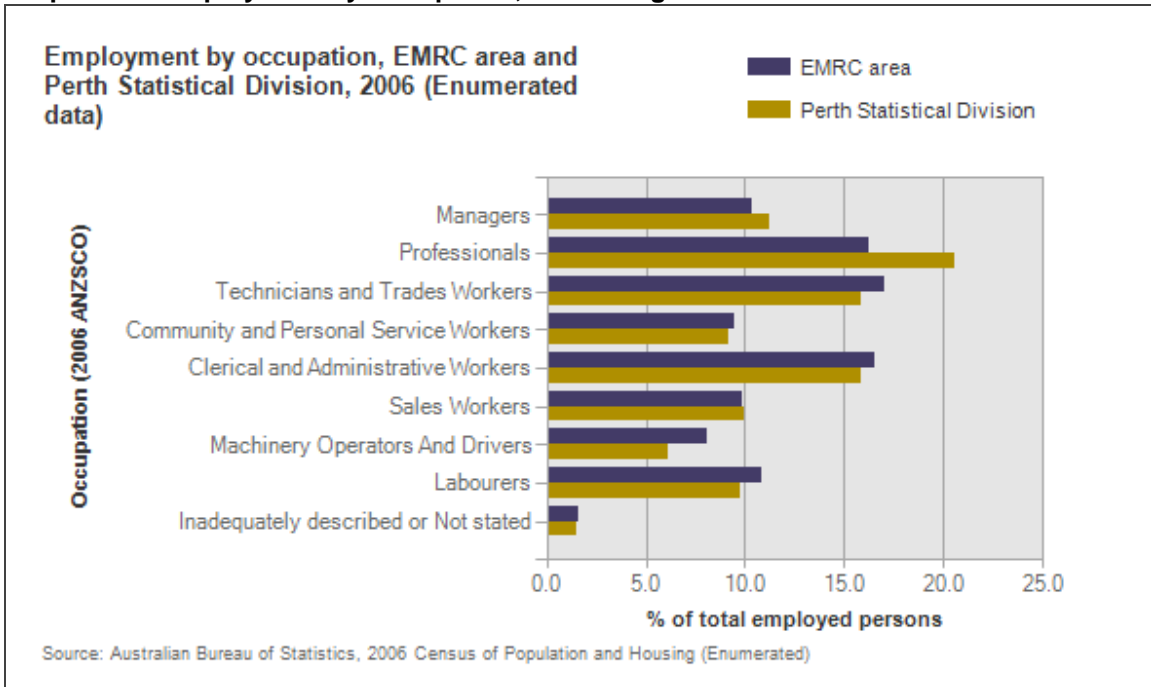
Industry Sector	EMRC Region	
	Jan 2010 Jobs	%
Manufacturing	18,336	17.36
Retail trade	17,377	16.45
Wholesale trade	9,115	8.63
Transport and storage	8,925	8.45
Property and business services	8,335	7.89
Health and community services	8,301	7.86
Construction	8,143	7.71
Education	6,910	6.54
Personal and other services	4,202	3.98
Government administration and defence	3,935	3.73
Accommodation, cafes and restaurants	3,415	3.23
Communication services	2,125	2.01
Cultural and recreational services	1,711	1.62
Finance and insurance	1,559	1.48
Mining	1,473	1.39
Agriculture Forestry Fishing	1,161	1.10
Electricity, gas and water supply	588	0.56
Total	105,611	

Occupations

Analysis of the occupations held by the resident population in the EMRC Region in 2006 shows the three most common occupations as: Technicians and Trades Workers (22,573 persons or 17.0%); Clerical and Administrative Workers (21,872 persons or 16.5%) and Professionals (21,520 persons or 16.2%). These three occupations accounted for 65,965 people in total or 49.8% of the employed resident population. Comparison of the EMRC Region with the Perth Statistical Division is shown in Graph A1.1.

⁸⁷ REMPLAN May 2009, *Compelling Economics*, Bendigo, Victoria

Graph A1.1: Employment by Occupation, EMRC Region and Perth Statistical Division⁸⁸



Employment Vulnerability

The Employment Vulnerability Index⁸⁹ identifies suburbs that have higher proportions of the types of jobs considered to be most at risk during periods of economic uncertainty.

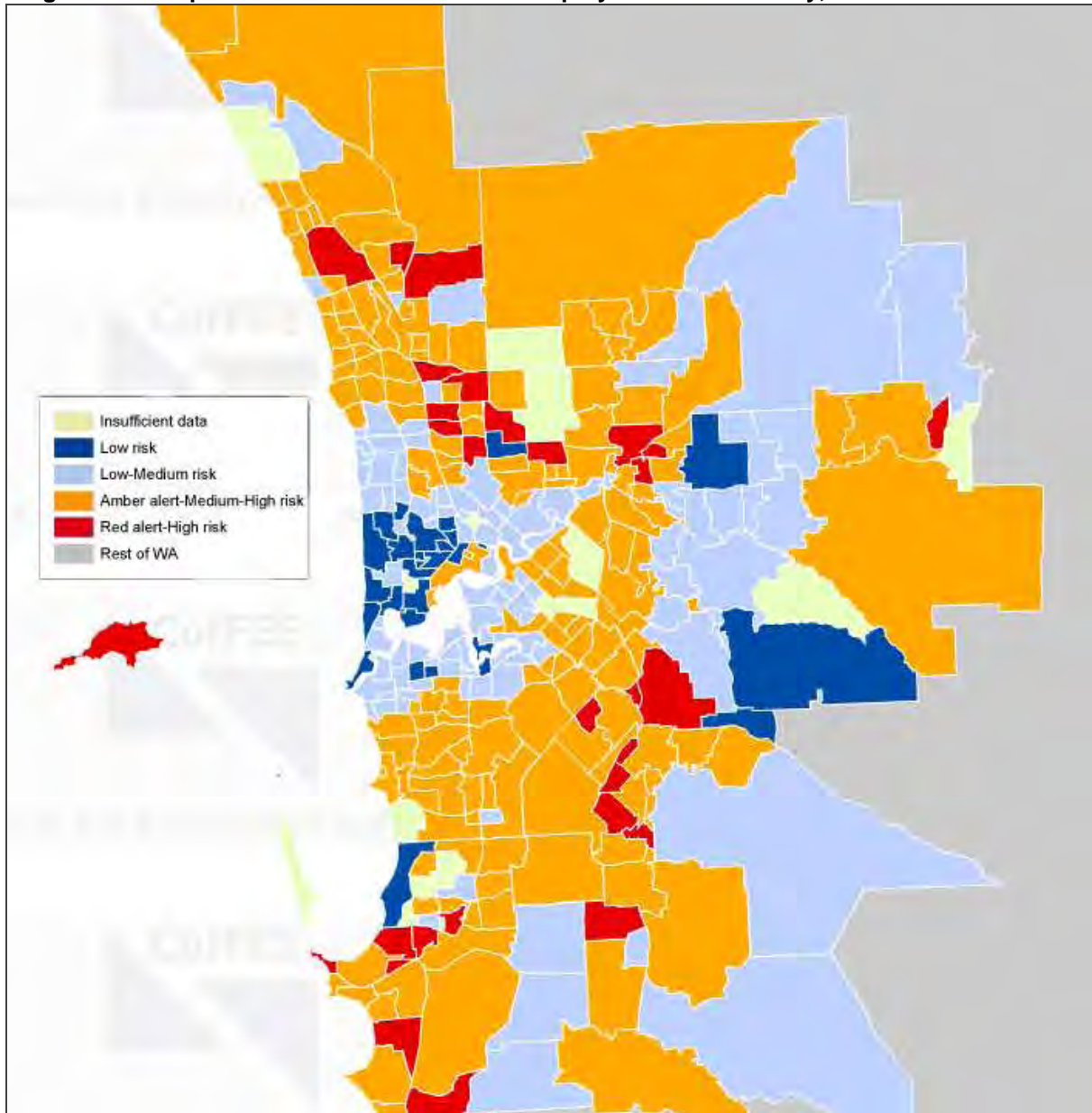
Perth's Eastern Region is clearly an at risk area with 60.3% of suburbs rated as Red Alert (high risk) or Amber Alert (medium risk); compared to the study area which has only 42.5% of suburbs rated high or medium risk. The study area includes all capital cities and over 75% of the total Australian population.

The spatial distribution of these areas in Perth is shown in Diagram A1.1.

⁸⁸ profile.id 2010, .id consulting pty ltd, Collingwood, Victoria, viewed 16 February 2010, <<http://www.id.com.au/profile/emrc>>

⁸⁹ Centre of Full Employment and Equity 2010, *The University of Newcastle Australia*, Callaghan, Melbourne, viewed 16 February 2010, <http://e1.newcastle.edu.au/coffee/indicators/job_loss_index/index.cfm>

Diagram A1.1: Spatial Distribution and Rated Employment Vulnerability, Perth⁹⁰



⁹⁰ Centre of Full Employment and Equity 2010, *The University of Newcastle Australia*, Callaghan, Melbourne, viewed 16 February 2010, <http://e1.newcastle.edu.au/coffee/indicators/job_loss_index/index.cfm>

Workforce Participation

Analysis of the labour force participation rate⁹¹ of the population in Perth's Eastern Region in 2006 indicates that there is a slightly higher proportion in the labour force (63.2%) compared with the Perth Statistical Division (62.8%). It also experiences a lower unemployment rate.⁹²

Table A1.11 Employment status (persons aged 15 years and over)⁹³

Perth's Eastern Region							
2006			2001				
Enumerated data	number	%	Perth Statistical Division		Perth Statistical Division		Change 2001 to 2006
			%	number	%		
Employed full time	85,047	61.9	60.7	74,483	59	57.8	10,564
Employed part time	43,461	31.6	32.9	39,003	30.9	32.1	4,458
Employed not stated	4,041	2.9	2.7	3,243	2.6	2.5	798
Total employed	132,549	96.4	96.3	116,729	92.4	92.3	15,820
Total unemployed	4,889	3.6	3.7	9,586	7.6	7.7	-4,697
Total labour force	137,438	100	100	126,315	100	100	11,123
Total in labour force	137,438	63.2	62.8	126,315	62.6	62.5	11,123
Total not in labour force	66,789	30.7	30.7	68,876	34.1	33.9	-2,087
Not stated	13,160	6.1	6.5	6,751	3.3	3.6	6,409
Total	217,387	100	100	201,942	100	100	15,445

Analysis of Western Australia labour force in July 2010 shows that it experiences the highest participation rate of the states (68.9%), the lowest under-employment⁹⁴ rate (4.0%), the lowest labour force utilisation rate⁹⁵ (7.7%) and the lowest looking for full time work⁹⁶.

Table A1.12 Labour Force Status (Aged 15 Years and Over) States and Territories⁹⁷

	Unemployment Rate			Labour Utilisation		
	Looking for f/t work	Total	Participation rate	Under-employment rate	Labour force under-utilisation rate	
	%	%	%	%	%	
July 2010						
New South Wales	5.2	5.1	63.2	5.6	11.0	
Victoria	5.2	5.2	65.2	5.4	11.1	
Queensland	5.4	5.1	67.5	5.1	10.5	
South Australia	5.0	4.6	62.9	6.0	11.5	
Western Australia	4.1	4.3	68.9	4.0	7.7	
Tasmania	6.9	6.1	61.3	6.6	12.6	
Northern Territory	2.1	2.4	73.6	2.5	5.2	
ACT	2.9	3.2	72.6	4.4	8.3	
Australia	5.1	5.0	65.3	5.3	10.5	

⁹¹ See glossary for definition of participation rate

⁹² See glossary for definition of unemployment rate

⁹³ profile.id 2010, .id consulting pty ltd, Collingwood, Victoria, viewed 16 February 2010, <<http://www.id.com.au/profile/emrc>>

⁹⁴ See glossary for definition of under-employed workers

⁹⁵ See glossary for definition of labour force underutilisation rate

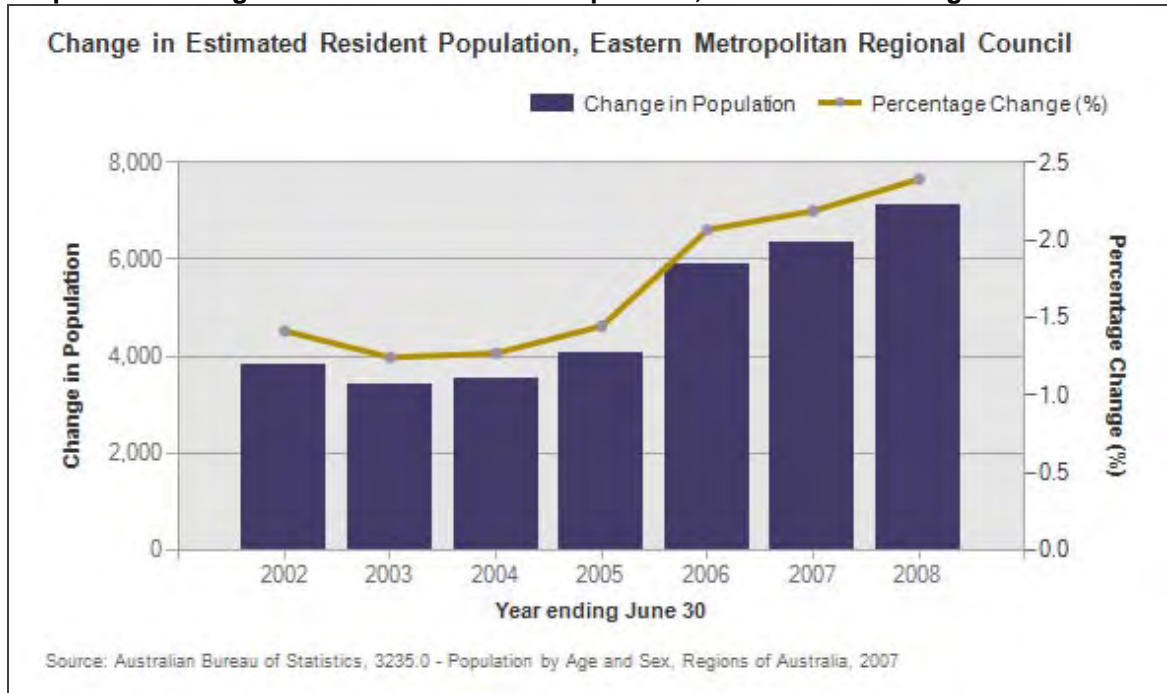
⁹⁶ See glossary for definition of Unemployed looking for full time work

⁹⁷ profile.id 2010, .id consulting pty ltd, Collingwood, Victoria, viewed 16 February 2010, <<http://www.id.com.au/profile/emrc>>

POPULATION GROWTH

The population of Perth's Eastern Region grew by 2.4% during the 12 months ended 30 June 2008⁹⁸. This is above population growth for the State (2.1%) and Nation (1.5%) in the same period.⁹⁹ The change in estimated resident population in Perth's Eastern Region is shown in Graph A1.2.

Graph A1.2: Change in Estimated Resident Population, Perth's Eastern Region¹⁰⁰



⁹⁸ Australian Bureau of Statistics 2008, *Population by Age and Sex, Regions of Australia, 2007*, Cat. no. 3235.0, Australia Bureau of Statistics, Canberra, Australian Capital Territory, viewed 17 February 2010, <<http://www.abs.gov.au>>

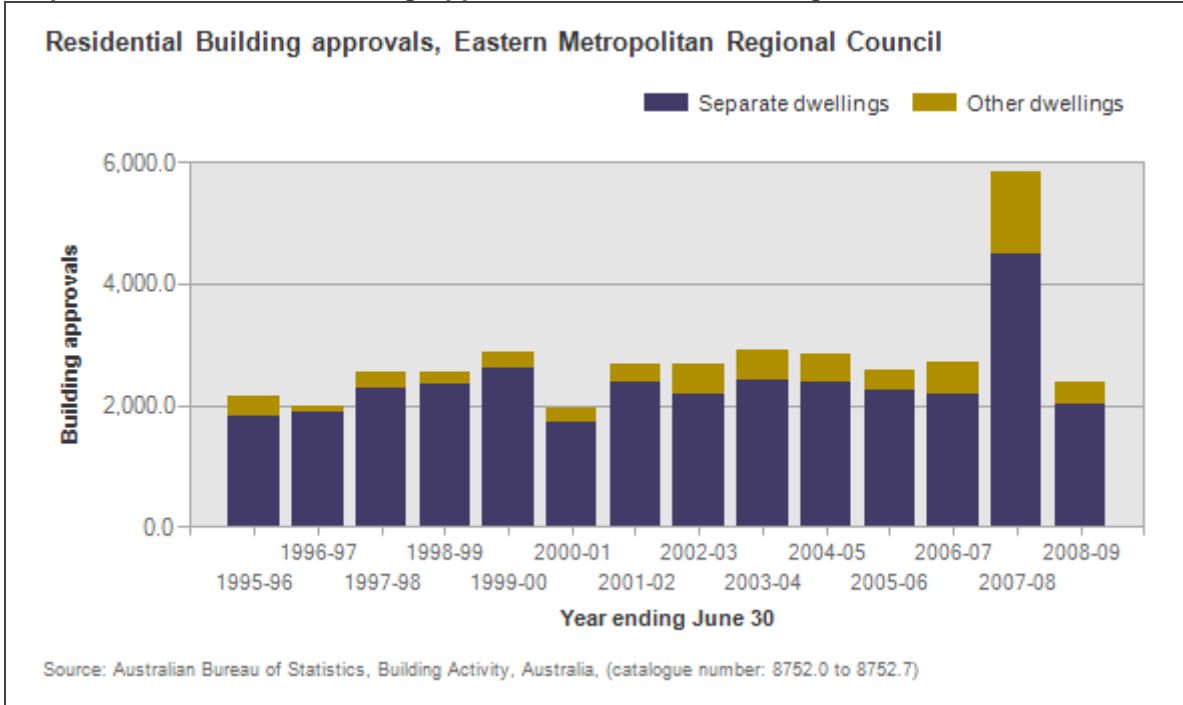
⁹⁹ Australian Bureau of Statistics 2009, *Population by Age and Sex, Regions of Australia, 2008*, Cat. No. 3235.0, Australian Bureau of Statistics, Canberra, Australian Capital Territory, viewed 17 February 2010, <<http://www.abs.gov.au>>

¹⁰⁰ profile.id 2010, *.id consulting pty ltd*, Collingwood, Victoria, viewed 16 February 2010, <<http://www.id.com.au/profile/emrc>>

RESIDENTIAL BUILDING APPROVALS

Residential building approval statistics are used in both the public and private sectors as a leading indicator of the general level of economic activity, employment and investment. Perth's Eastern Region is experiencing a steady growth in residential building approvals as shown in Graph A1.3.

Graph A1.3: Residential Building Approvals, Perth's Eastern Region ¹⁰¹



¹⁰¹ profile.id 2010, .id consulting pty ltd, Collingwood, Victoria, viewed 16 February 2010, <<http://www.id.com.au/profile/emrc>>

LEVEL OF DISADVANTAGE

SEIFA Index of Disadvantage

Four of the six Councils in Perth's Eastern Region are amongst the ten most disadvantaged Local government areas in the Perth Statistical Division as identified by the 2006 Index of Relative Socio-Economic Disadvantage (SEIFA).¹⁰²

SEIFA is derived from attributes such as low income, low educational attainment, high unemployment, jobs in relatively unskilled occupations and variables that reflect disadvantage rather than measure specific aspects of disadvantage, such as Indigenous people. The SEIFA Index for the EMRC Region and member Councils are shown in Table A1.13.

Table A1.13: SEIFA Index, Local Government Areas, Perth Statistical Division¹⁰³

Local Government Areas in the Perth Statistical Division (ranked from greatest to least disadvantaged)	2006 SEIFA index of disadvantage
Kwinana (T)	958.1
Belmont (C)	964.7
Armadale (C)	985.8
Bassendean (T)	987.1
Fremantle (C)	997.6
Victoria Park (T)	1002.4
Gosnells (C)	1003.5
Swan (C)	1004.4
Bayswater (C)	1010.2
EMRC Region	1014.1
Rockingham (C)	1014.2
Cockburn (C)	1019.0
Wanneroo (C)	1019.4
Stirling (C)	1020.4
Canning (C)	1037.6
Perth (C)	1045.9
Kalamunda (S)	1047.9
Serpentine-Jarrahdale (S)	1048.2
Vincent (T)	1049.7
Mundaring (S)	1051.8
Mosman Park (T)	1059.5
South Perth (C)	1065.5
Subiaco (C)	1074.6
Melville (C)	1080.0
East Fremantle (T)	1081.2
Joondalup (C)	1085.6
Claremont (T)	1090.4
Nedlands (C)	1118.5
Cambridge (T)	1119.0
Cottesloe (T)	1125.5
Peppermint Grove (S)	1139.3

¹⁰² profile.id 2010, .id consulting pty ltd, Collingwood, Victoria, viewed 16 February 2010, <<http://www.id.com.au/profile/emrc>>

¹⁰³ profile.id 2010, .id consulting pty ltd, Collingwood, Victoria, viewed 16 February 2010, <<http://www.id.com.au/profile/emrc>>

EDUCATION LEVELS

Highest Qualification Achieved

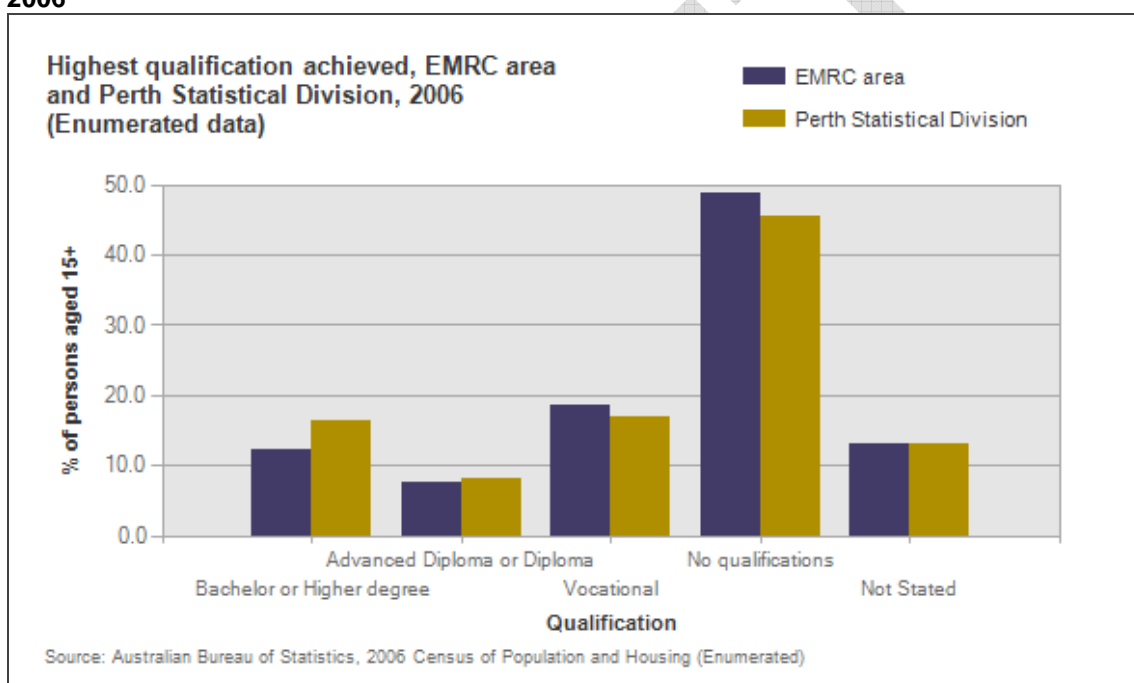
Analysis of the qualifications of the population in the EMRC Region in 2006 compared to the Perth Statistical Division shows that there was a smaller proportion of people holding formal qualifications of all types as shown in Graph A1.4.

Overall, 38.2% of the Region's population held educational qualifications, and 48.9% had no qualifications. This compares with 41.2% and 45.5% respectively for the Perth Statistical Division.

The major and significant difference between the qualifications held by the population in the EMRC Region and the Perth Statistical Division was:

- A smaller percentage of people with Bachelor or Higher degrees (12.2% compared to 16.4%).

Graph A1.4: Highest qualification achieved, EMRC Region and Perth Statistical Division, 2006¹⁰⁴



Level of Schooling

Analysis of the highest level of schooling attained by the population in the EMRC Region in 2006 compared to the Perth Statistical Division shows that there was a larger proportion of people who had left school at an early level (Year 10 or less) and a smaller proportion of people who completed Year 12 or equivalent, as shown in Graph A1.5.

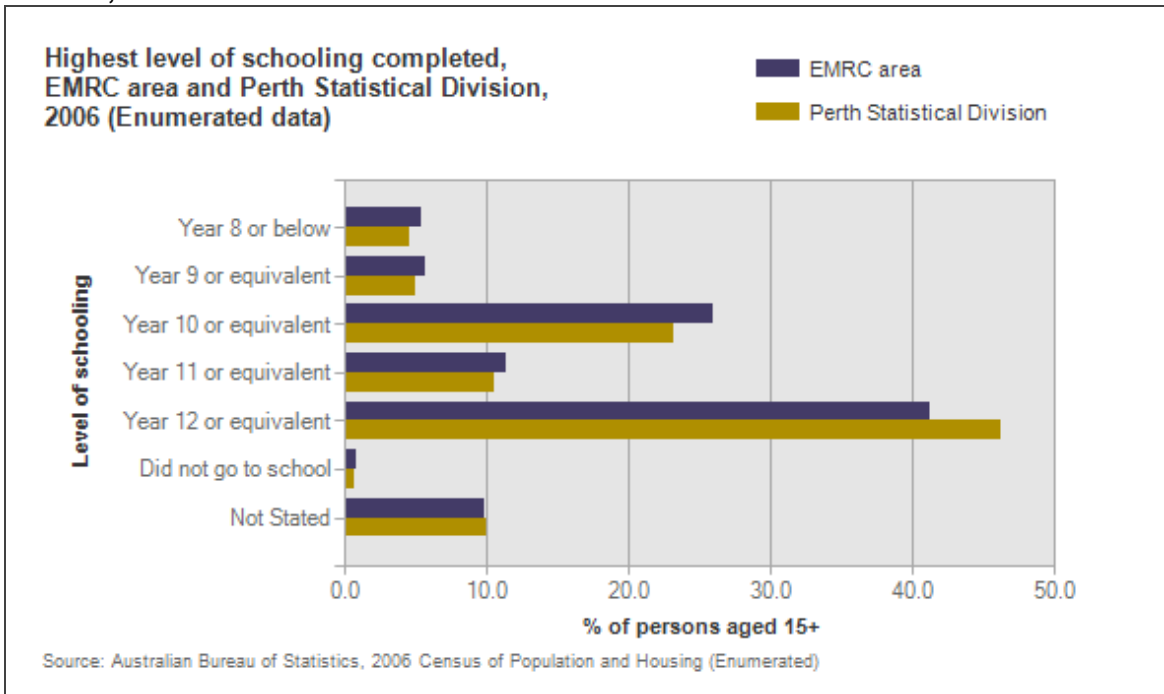
Overall, 36.9% of the population left school at Year 10 or below, and 41.1% went on to complete Year 12 or equivalent. This compares with 32.5% and 46.3% respectively for the Perth Statistical Division.

¹⁰⁴ profile.id 2010, .id consulting pty ltd, Collingwood, Victoria, viewed 16 February 2010, <<http://www.id.com.au/profile/emrc>>

The major differences between the level of schooling attained by the population in the EMRC Region and the Perth Statistical Division were:

- A larger percentage of people who left school at Year 10 or equivalent (25.9% compared to 23.1%), and;
- A smaller percentage of people who left school at Year 12 or equivalent (41.1% compared to 46.3%).

Graph A1.5: Highest Level of Schooling Completed, EMRC Region and Perth Statistical Division, 2006¹⁰⁵



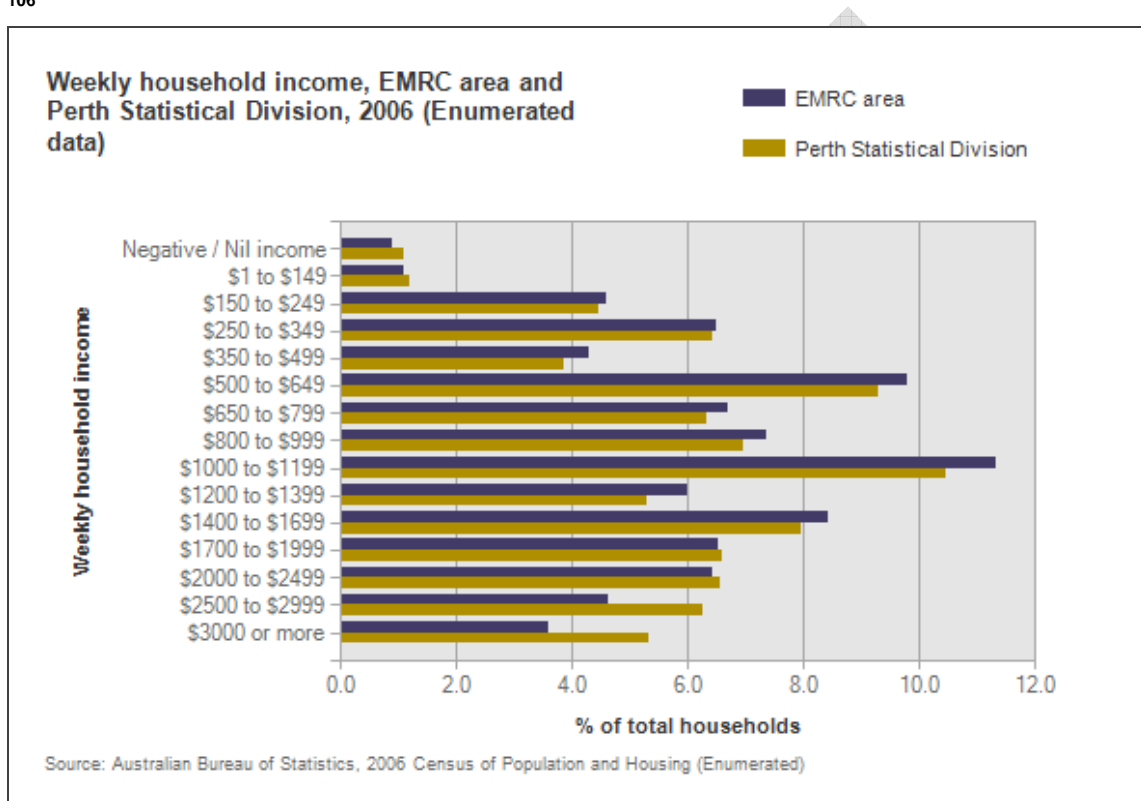
¹⁰⁵ profile.id 2010, .id consulting pty ltd, Collingwood, Victoria, viewed 16 February 2010, <<http://www.id.com.au/profile/emrc>>

INCOME LEVELS

Analysis of weekly household income levels in the EMRC Region in 2006 compared to the Perth Statistical Division shows that there was a smaller proportion of high income households (those earning \$1,700 per week or more) but a similar proportion of low income households (those earning less than \$500 per week) as shown in Graph A1.6.

Overall, 21.1% of households in the Region earned a high income, and 17.4% were low income households, compared with 24.8% and 17.0% respectively for the Perth Statistical Division.

Graph A1.6: Weekly Household Income, EMRC Region and Perth Statistical Division, 2006



¹⁰⁶ profile.id 2010, .id consulting pty ltd, Collingwood, Victoria, viewed 16 February 2010, <<http://www.id.com.au/profile/emrc>>

INDIGENOUS POPULATION

Analysis of the population characteristics for the population in the EMRC Region in 2006 when compared to the Perth Statistical Division shows that there is a significantly larger proportion of Indigenous Australians residing in the EMRC Region.

Overall, 2.3% of residents in the Region are Indigenous Australians compared with 1.5% for the Perth Statistical Division as shown in Table A1.14.

Table A1.14: Population Characteristics, EMRC Region and Perth Statistical Division, 2001 to 2006¹⁰⁷

Population Characteristics	2006			2001			Change 2001 to 2006 number
	EMRC Region		Perth Statistical Division	EMRC Region		Perth Statistical Division	
	number	%	%	number	%	%	
Indigenous population	6,203	2.3	1.5	5,709	2.2	1.5	494
Australian born	177,208	64.8	61.7	169,580	65.8	63.6	7,628
Overseas born	78,085	28.6	31.4	75,963	29.5	31.6	2,122
Australian citizens	233,066	85.2	82.8	224,933	87.3	85.5	8,133

The indigenous population living in Perth's Eastern Region represents 29.1% of the indigenous population living in the Perth Statistical Division or 10.5% of Western Australia's total indigenous population, as shown in Table A1.15.

Table A1.15: Indigenous Population, Perth's Eastern Region, Perth Statistical Division, Western Australia and Australia, 2006¹⁰⁸

Indigenous Population	Number	2006	
		% of Total Population	% of EMRC Region's Indigenous Population
Perth's Eastern Region	6,203	2.3	100.0
Perth Statistical Division	21,325	1.5	29.1
Western Australia	58,711	3.0	10.5
Australia	455,031	2.3	1.3

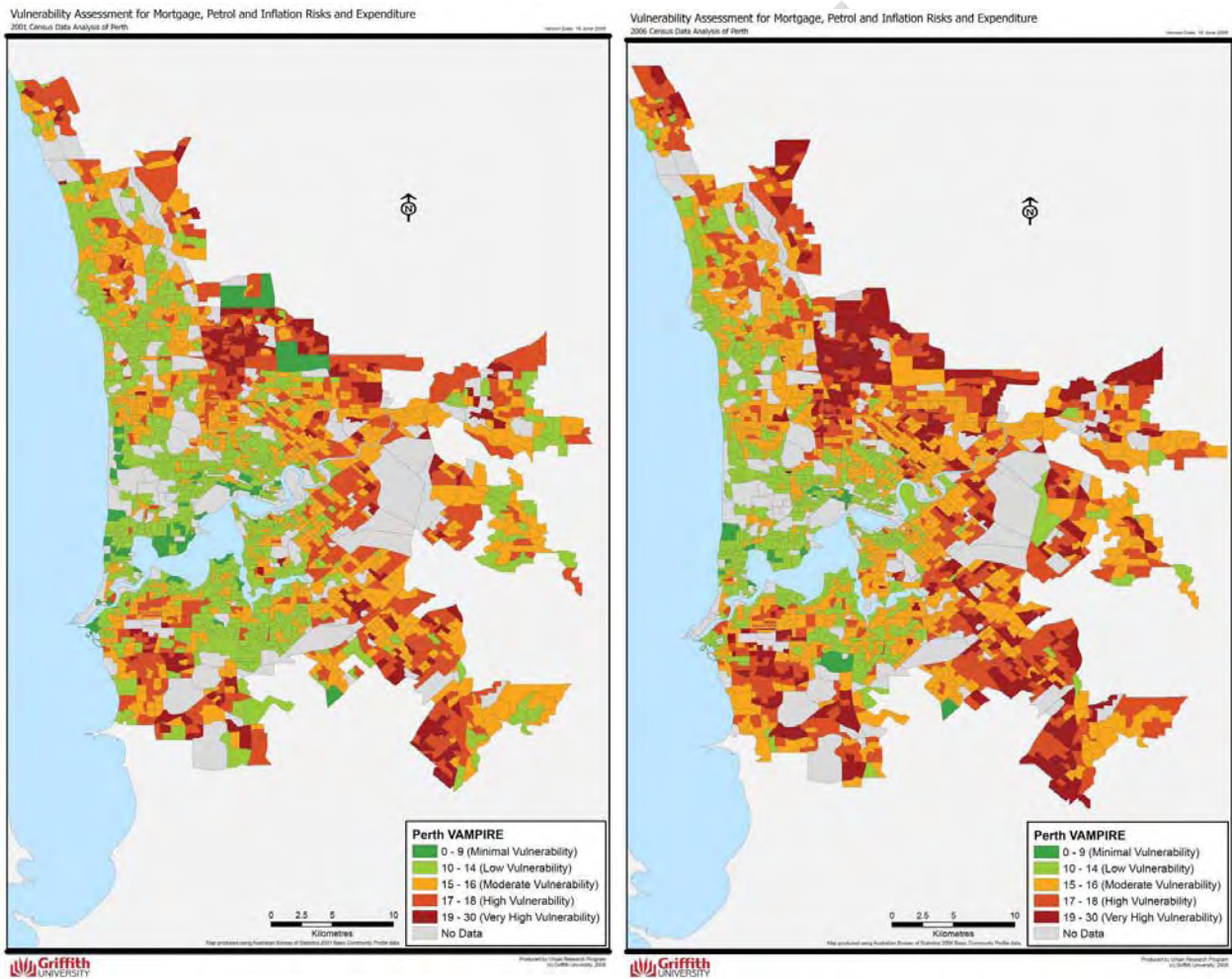
¹⁰⁷ profile.id 2010, .id consulting pty ltd, Collingwood, Victoria, viewed 16 February 2010, <<http://www.id.com.au/profile/emrc>>

¹⁰⁸ profile.id 2010, .id consulting pty ltd, Collingwood, Victoria, viewed 16 February 2010, <<http://www.id.com.au/profile/emrc>>

TRANSPORT VULNERABILITY

Perth became more oil and mortgage vulnerable between 2001 and 2006 according to the Vulnerability Assessment for Mortgage, Petrol and Inflation Risks and Expenditure (VAMPIRE) study¹⁰⁹. This index calculates the level of household vulnerability at the local level by combining Australian Census data on car dependence, mortgages and incomes at the collection district level. Diagram A1.2 rates Ballajura, Beechboro, Morley and Gooseberry Hill as 'Very High' vulnerability and Bassendean as 'High' vulnerability in 2001 and 2006.

Diagram A1.2: Vulnerability Assessment for Mortgage, Petrol and Inflation Risks and Expenditure, Perth, 2001 and 2006¹¹⁰



Reliance on private car to travel to work exacerbates vulnerability for residents in outer suburbs of the Region as shown in Table A1.16.

¹⁰⁹ Dodson, J & Sipe, N 2008, *Unsettling Suburbia: The New Landscape of Oil and Mortgage Vulnerability in Australian Cities*, report, Urban Research Program, Griffith University, Nathan, Queensland, p. 34 - 35

¹¹⁰ Dodson, J & Sipe, N 2008, *Unsettling Suburbia: The New Landscape of Oil and Mortgage Vulnerability in Australian Cities*, report, Urban Research Program, Griffith University, Nathan, Queensland, p. 34 - 35

Table A1.16: Dependence of Residents on Private Car, Shire of Kalamunda, Shire of Mundaring, City of Swan and Perth Statistical Division, 2006 ¹¹¹

Local Government Authority	2006	
	Public Transport %	Private Car %
Shire of Kalamunda	5.4	71.6
Shire of Mundaring	5.7	69.8
City of Swan	5.9	72.1
Perth Statistical Division	8.5	68.8

Analysis of the method of travel to work by residents in the suburbs of Kalamunda, Mundaring and Swan in 2006 when compared to the Perth Statistical Division shows that;

Shire of Kalamunda:¹¹²

- A larger percentage of car - as driver commuters (66.3% compared to 63.0%);
- An increase of 2,080 persons driving to work since 2001;
- A smaller percentage of train commuters (1.4% compared to 4.3%); and
- An increase of only 235 persons in 6 years travelling to work via bus.

Shire of Mundaring¹¹³

- A larger percentage of car - as driver commuters (64.8% compared to 63.0%);
- An increase of 767 persons driving to work by car since 2001;
- A smaller percentage of bus commuters (1.3% compared to 4.2%); and
- An increase of only 41 persons travelling to work via bus since 2001.

City of Swan¹¹⁴

- A larger percentage of car - as driver commuters (65.6% compared to 63.0%); and
- An increase of 5,072 persons driving to work since 2001.

¹¹¹ profile.id 2010, .id consulting pty ltd, Collingwood, Victoria, viewed 16 February 2010, <<http://www.id.com.au/profile/emrc>>

¹¹² profile.id 2010, .id consulting pty ltd, Collingwood, Victoria, viewed 16 February 2010, <<http://www.id.com.au/profile/kalamunda>>

¹¹³ profile.id 2010, .id consulting pty ltd, Collingwood, Victoria, viewed 16 February 2010, <<http://www.id.com.au/profile/mundaring>>

¹¹⁴ profile.id 2010, .id consulting pty ltd, Collingwood, Victoria, viewed 16 February 2010, <<http://www.id.com.au/profile/swan>>

14.2 Appendix 2: Significant Developments

The State of Western Australia is predicted to enter another economic boom underpinned by major resource sector projects such as the Gorgon Gas project and Oakajee mid west port and rail development. The resource sector of Western Australia also produces royalties that the Federal Government relies on to support the social needs of all Australians. In the macro context it should be noted that Perth's Eastern Region is the industrial hub that provides the logistical support and the supply chain required by the resource sector to effectively function. Large multinational companies such as WesTrac and Schenker Australia have their headquarters located in this Region. Other notable developments occurring in this Region are outlined as follows:

Transport and Logistics

- *Perth Airport* - \$2.4 billion is being invested in the airport site by Westralia Airports Corporation to consolidate domestic and international terminals and associated roads and facilities. The intrastate terminal will be operational by 2011.¹¹⁵
- *Kewdale Intermodal Freight Terminal* - \$17.9 million is being invested by the State government and private sector to redevelop the site including power, water, sewerage, drainage and roads.¹¹⁶
- *Forrestfield Container Depot* - \$14 million is being invested by Australia Western Railway Pty Ltd (AWR) to developing a container depot in Forrestfield for the transfer of freight containers between rail and road transport. It will include rail connections to the adjoining main rail lines for access for trains to and from the Eastern States.¹¹⁷

Education

- *Tertiary Education Campus* - Approximately \$200 million will be invested by Raffles Education Corporation to establish the Region's first university campus which will commence operation in 2011 servicing an estimated 5,000 students by 2021 through learning programmes linked to industry opportunities in design, commerce, nursing and education.¹¹⁸
- *Governor Stirling Senior High School* - \$63 million is being invested by the State government to redevelop Governor Stirling Senior High School in Guildford, creating specialist centres in engineering and arts/media programmes.¹¹⁹

Health

- *Midland Health Campus* - \$360.2 million has been committed by the Federal and State governments to establish a state-of-the-art facility in Midland replacing the Swan Districts Hospital Campus.¹²⁰

¹¹⁵ Westralia Airports Corporation 2009, *Perth Airport Master Plan 2009*, Westralia Airports Corporation, Cloverdale, Western Australia, p. 22

¹¹⁶ Public Transport Authority of Western Australia 2009, *Annual Report 2008-09*, Public Transport Authority of Western Australia, Perth, Western Australia, p. 46, viewed 17 February 2010, <<http://www.pta.wa.gov.au/Portals/0/annualreports/2009/pdf/pta-ar09-web.pdf>>

¹¹⁷ Fowler-Tutt, A 2010, email, 16 March, Andrew.FowlerTutt@kalamunda.wa.gov.au

¹¹⁸ Weigall, F 2010, phone call, 19 January

¹¹⁹ Governor Stirling Senior High School 2009, *Govo News*, newsletter, Volume 34: Issue 4, December 2009, Governor Stirling Senior High School, Woodbridge, Western Australia, viewed 16 February 2010, <<http://www.govo.wa.edu.au/newsevents/Govo%20News%20Flyer%20Dec%202009.pdf>>

¹²⁰ Constable, E (Minister for Education; Tourism) State Budget 2009-10: Record asset investment program for schools, media release, *Government of Western Australia: Ministerial Media Statements, Perth, Western Australia*, viewed 16 February 2010,

<<http://www.mediastatements.wa.gov.au/Pages/WACabinetMinistersSearch.aspx?ItemId=131838&minister=Constable&admin=Barnett>>

¹²⁰ Roxon, N (Minister for Health and Aging) & Jackson, S (Member for Hasluck) 2009, *GP Super Clinic for Midland*, media release, 08 September, Government of Western Australia: Department of Health, East Perth, Western Australia, viewed 17 February 2010, <<http://www.health.gov.au/internet/ministers/publishing.nsf/Content/mr-yr09-nr-nr147.htm>>

- *Midland GP Super Clinic* - \$10 million has been committed by the Federal and State governments to establish a clinic for practicing GPs, practice nurses, nurse practitioners and a range of allied health professionals.¹²¹
- *Private Health Precinct* - Planning is underway to develop a seven centre health research precinct located near the future Midland Health Campus.¹²²
- *Midland Satellite Dialysis Unit* - \$2.5 million has been invested by Baxter Healthcare and WA Health to provide critical health services locally to almost 100 patients. An additional \$21 million is being committed by the State Government to support services for five years.¹²³
- *Kalamunda Hospital Campus* - \$3.2 million has been committed to the redevelopment of Kalamunda Hospital surgical theatres. In addition \$482,000 is being invested to re-open Kalamunda's maternity service. It is planned to continue Kalamunda Hospital in a supportive role to the new Midland Health Campus.¹²⁴

Creative Industries

- *Midland Atelier* - \$10.5 million is currently being sought to extend the existing Midland Atelier creative design facility.¹²⁵

Energy Management

- *Perth Solar Cities* - \$73.5 million has been committed by industry, State and Federal governments to develop and monitor solar generation, energy efficiency and energy demand management initiatives delivered to approximately 106,000 residential households in Perth's Eastern Region from 2009 to 2013.¹²⁶

Waste Management

- *Resource Recovery Facility* - between \$50 and \$100 million will be invested by the EMRC on behalf of its member Councils to develop a state-of-the-art Resource Recovery Facility and a Resource Recovery Park in Perth's Eastern Region.¹²⁷

Defence

- *RAAF Base Pearce Redevelopment Stage One* - \$154 million will be invested by the Department of Defence to increase training output functions by replacing aging infrastructure and facilities to ensure the Base can support pilot training, as well as operational deployments and exercises.¹²⁸

¹²¹ Roxon, N (Minister for Health and Aging) & Jackson, S (Member for Hasluck) 2009, *GP Super Clinic for Midland*, media release, 08 September, Government of Western Australia: Department of Health, East Perth, Western Australia, viewed 17 February 2010, <<http://www.health.gov.au/internet/ministers/publishing.nsf/Content/mr-yr09-nr-nr147.htm>>

¹²² Tucker, G 2010, email, 19 January, graemelighthouse@gmail.com

¹²³ McGinty, J (Minister for Health) 2008, *Eastern suburbs dialysis centre doubles patient capacity*, media release, 17 July, Government of Western Australia: Ministerial Media Statements, Perth, Western Australia, viewed 07 April 2010, <<http://www.mediastatements.wa.gov.au/ArchivedStatements/Pages/CarpenterLaborGovernmentSearch.aspx?ItemId=130530&minister=McGinty&admin=Carpenter>>

¹²⁴ Barnett, C (Premier, Treasurer) 2010, *Budget 2010-11: Strong foundations. Working together (East Metropolitan)*, media release, 20 May, Government of Western Australia: Ministerial Media Statements, Perth, Western Australia, viewed 22 July 2010, <<http://www.mediastatements.wa.gov.au/Pages/RecentStatements.aspx?ItemId=133545&>>

¹²⁵ Karnovsky, C 2010, email, 14 January, Carolyn@form.net.au

¹²⁶ Western Power 2009, *Western Power joins the Government to launch Perth's Solar City*, media release, 05 November, Western Power, Perth, Western Australia, viewed 20 April 2010, <http://www.westernpower.com.au/subContent/aboutUs/mediaCentre/mediaReleases/Western_Power_joins_the_Australian_Government_to_launch_Pert.html>

¹²⁷ Eastern Metropolitan regional Council 2009, *Start on the Biggest Investment Decision in the EMRC's History*, media release, 16 March, Eastern Metropolitan regional Council, Belmont, Western Australia

¹²⁸ John Holland 2008, *John Holland*, Abbotsford, Melbourne, viewed 21 April 2010, <<http://www.johnholland.com.au/Documents.asp?ID=6037&Title=John+Holland+Contracted+to+Deliver+%24154M+in+Works+at+RAAF+Base+Pearce>>

Industrial and Commercial Land Developments

- The proposed industrial area in Forrestfield and High Wycombe represents a key development for the Shire of Kalamunda and its Economic Development Strategy. The location of the site adjacent to Perth Airport and Forrestfield Marshalling Yards and key road freight routes makes the site of strategic importance to both the Local and State Government in providing suitably located land for transport and logistic related industries. Stage 1 and 2 are expected to be ready for subdivision in early 2012 and Stage 3 in 2015-17;¹²⁹
- Other important areas for development that have been included in the Draft Industrial Land Strategy 2009 are Bullsbrook Townsite, Whiteman and South Forrestdale (as Priority Industrial Sites), Hazelmere South (as an extension industrial site), and Bullsbrook townsite precinct, North Ellenbrook and Forrestfield (as possible future industrial sites);¹³⁰
- The Morley City Centre Master Plan and the Maylands Urban Design Framework will facilitate the development of a vibrant and sustainable city centre that responds to the needs of families, local businesses and the community to create a central hub of activity. In particular, it will generate ideas for improving landscaping, traffic-flow on city streets and access to public spaces to help build a community-friendly city centre.^{131,132}

¹²⁹ CAM Management Solutions 2010, *Economic Development Strategy 2010*, Shire of Kalamunda, Kalamunda, Western Australia, p. 46

¹³⁰ Western Australian Planning Commission 2009, *Industrial Land Strategy 2009: Perth and Peel*, draft, report, Western Australian Planning Commission, Perth, Western Australia, p. 15

¹³¹ City of Bayswater 2009, *Hames Sharley to Master Plan a Vibrant and Sustainable Future for Morley City Centre*, media release, December, City of Bayswater, Morley, Western Australia, viewed 15 September 2010, <<http://www.bayswater.wa.gov.au/scripts/viewarticle.asp?NID=5904>>

¹³² Bayswater Business Bulletin 2010, 'City of Bayswater Green Lights Maylands Urban Design Plan', *Bayswater Business Bulletin*, March, p.7



9.2 PROPOSED ILLEGAL DUMPING SERVICE

REFERENCE: COMMITTEES-11248

PURPOSE OF REPORT

To review the proposal for a Regional Illegal Dumping Service in Perth's Eastern Region.

KEY ISSUES AND RECOMMENDATION(S)

- A regional approach to illegal dumping has been under consideration since at least 2006.
- During 2009 a survey was conducted to gauge the extent of illegal dumping in Perth's Eastern Region.
- On the basis of the survey results, Council resolved in December 2009 that a Project Plan be prepared for a Regional Illegal Dumping Service, with an indicative annual budget of \$285,000 to be funded by a surcharge on member Council waste disposal fees at Red Hill.
- The Project Plan was prepared and presented to the February 2010 round of meetings. A number of fundamental concerns were raised with the Project Plan, suggesting that the overarching need for a regional approach to illegal dumping is generally not supported at this time.

Recommendation(s)

That a Regional Illegal Dumping Service not proceed at this time.

SOURCE OF REPORT

Director, Waste Services
Manager: Engineering/Waste

BACKGROUND

Illegal dumping was incorporated into the Strategic Waste Management Plan ("SWMP"), and at its meeting on 4 December 2008 (COMMITTEES-8623 refers), Council resolved:

"THAT:

- 1. COUNCIL ENDORSE THE DRAFT STRATEGIC WASTE MANAGEMENT PLAN IN ATTACHMENT 1.*
- 2. THE ENDORSED STRATEGIC WASTE MANAGEMENT PLAN BE SUBMITTED TO EACH MEMBER COUNCIL FOR APPROVAL, WITH NOTIFICATION OF APPROVAL TO BE RECEIVED BY THE END OF FEBRUARY 2009."*

The SWMP was subsequently approved by each member Council during early 2009. Actions 5.1-5.3 of the SWMP refer to the investigation by the EMRC of a regional approach to illegal dumping, starting with action 5.1: Determine the scope of illegal dumping across the Region.

A survey of member Councils was conducted during 2009 to understand the extent of illegal dumping in the Region. Based on the data collected in the survey, Council considered a report at its meeting on 3 December 2009 (COMMITTEES-10109 refers), and resolved:



Item 9.2 continued

“THAT:

- 1. A PROJECT PLAN FOR A REGIONAL ILLEGAL DUMPING SERVICE BE PREPARED FOR CONSIDERATION BY COUNCIL AT ITS MARCH 2010 MEETING.*
- 2. THE REGIONAL ILLEGAL DUMPING SERVICE BE FUNDED BY A SURCHARGE ON WASTE DISPOSAL.*
- 3. THE TARGET BUDGET FOR THE REGIONAL ILLEGAL DUMPING SERVICE BE IN THE ORDER OF \$285,000.”*

The Project Plan was subsequently developed along the lines of the December 2009 resolution and presented to the Council on 18 February 2010. The Project Plan proposed a service run by the EMRC but fully funded by member Councils through a surcharge on member Council waste disposal at Red Hill.

Concerns with the Project Plan were raised at the CEOAC, TAC and Council meetings, and at its meeting on 18 February 2010 (COMMITTEES-10447 refers), Council resolved:

“THAT THE PROJECT PLAN FOR THE REGIONAL ILLEGAL DUMPING SERVICES FORMING THE ATTACHMENT TO THIS REPORT BE REFERRED TO THE TECHNICAL ADVISORY COMMITTEE FOR ADVICE AND COMMENT BEFORE BEING REFERRED BACK TO THE CHIEF EXECUTIVE OFFICERS ADVISORY COMMITTEE FOR CONSIDERATION.”

REPORT

A number of comments and concerns were raised by CEOs, Technical Advisory Committee members and Councillors in relation to the proposed Regional Illegal Dumping Service (RIDS). These can be summarised as:

1. The severity of the problem. It was considered that the problem is not sufficiently serious to warrant a regional solution, and that member Councils could best deal with their own concerns;
2. The cost of the service in dealing with 400 tonnes of waste. It was considered that the proposed budget of \$328,829.06 was excessively expensive;
3. The need for response times to be set out in the Project Plan. It was expected that reports of illegal dumping would be responded to within a day;
4. The adequacy of a single truck to deal with illegal dumping across the Region;
5. The threshold of one cubic metre before it would be dealt with under the proposed service. This threshold was considered to be too high, and would mean that little waste was dealt with;
6. The action taken when a reported incident was below the RIDS threshold. The threshold could lead to RIDS staff inspecting a report of illegally dumped waste and deciding it was too small for the RIDS to deal with. This would create a duplication of service;
7. Not incorporating the Water Corporation, Department of Environment and Conservation or Main Roads in the project from the outset limited the scope of action of the RIDS;
8. How the service would deal with a member Council not wishing to participate; and
9. The rationale for a regional approach to illegal dumping is set out in the British research as summarised in the initial Project Plan. This research made it clear that the circumstances under which illegal dumping might be expected to be exacerbated are where collection and disposal agencies are separated. This is the case within the Region, with member Councils managing waste collection and the EMRC managing waste disposal. Decisions made by either party in isolation may worsen illegal dumping, and tight coordination is required to manage this risk.

All of these comments suggested that the original approach did not meet the expectations of member Councils. Thus, rather than amending the Project Plan, the need for a regional approach to illegal dumping needs to be considered, and the form that such a regional approach might take be agreed upon before any future Project Plan is developed.



Item 9.2 continued

After consideration at the Technical Advisory Committee, at its meeting held on 4 February 2010, it was recommended that a report be prepared for the Chief Executive Officers Advisory Committee recommending that consideration of a Regional Illegal Dumping Service be deferred and that the project be reconsidered in 2012.

STRATEGIC/POLICY IMPLICATIONS

Improved management of illegal dumping will assist with Key Result Area 1 of the EMRC Strategic Plan for the Future, specifically Objective 1.2: To improve regional waste management.

FINANCIAL IMPLICATIONS

Nil

SUSTAINABILITY IMPLICATIONS

Illegal dumping presents a challenge to the appropriate management of waste, and can pose significant threats to human health and the environment.

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Nil
City of Bayswater	
City of Belmont	
Shire of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

Regional Illegal Dumping Service Project Plan (Ref: Committees – 11457)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That a Regional Illegal Dumping Service not proceed at this time.

Discussion ensued

The Chief Executive Officer of the EMRC provided an overview of the history of the project including comments provided by the Technical Advisory Committee who had reported that illegal dumping was currently not a major problem however the matter could be reconsidered in the future if status of the illegal dumping issue change adversely.

The approach was supported by the Chief Executive Officers Advisory Committee.



Protecting Perth's Eastern Region 

Regional Illegal Dumping Service



Project Plan



TEL (08) 9424 2222 FAX (08) 9277 7598 EMAIL mail@emrc.org.au WEB www.emrc.org.au

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1 Introduction

Illegal dumping is currently a problem for all member Councils. A survey conducted during 2009 indicated that over 400 tonnes of illegally dumped waste is collected each year, and more than \$285,000 is spent on managing illegal dumping annually. The number of Full Time Equivalent (FTE) staff employed to manage illegal dumping waste reported as 14 FTE's. Limited enforcement is undertaken, and very limited data is available on the specific locations and types of waste dumped.

The number of FTE's reported as managing illegal dumping suggests that the estimated expenditure is an underestimate. If each FTE had a total employment cost of \$40,000, the cost of the programme would be \$560,000 before any expenditure on plant and waste disposal. Furthermore, the estimate of costs for the Region does not include dumped waste on land not owned or managed by member Councils (such as highways or State Forests).

At its meeting on 3 December 2009, Council resolved that:

1. *A PROJECT PLAN FOR A REGIONAL ILLEGAL DUMPING SERVICE BE PREPARED FOR CONSIDERATION BY COUNCIL AT ITS MARCH 2010 MEETING.*
2. *THE REGIONAL ILLEGAL DUMPING SERVICE BE FUNDED BY A SURCHARGE ON WASTE DISPOSAL.*
3. *THE TARGET BUDGET FOR THE REGIONAL ILLEGAL DUMPING SERVICE BE IN THE ORDER OF \$285,000.*

The Project Plan is presented below, and is preceded by research into illegal dumping conducted internationally (specifically the UK). This research enables the Project Plan to be targetted in a manner that will maximise the effectiveness and efficiency of the Regional Illegal Dumping Service.

Whilst it is noted that the project is covered under the Continuing Services section of the Establishment Agreement, the Project Plan in section 3 has been prepared as if the project were a New Service and structured in accordance with clause 10.3 of the Establishment Agreement, with each point of clause 10.3 forming a separate section to the Project Plan.



2 Research into Illegal Dumping

2.1 Causes of illegal dumping

Research conducted by the Jill Dando Institute of Crime Science in the UK into illegal dumping (called “fly-tipping” in the UK) analysed the causes for illegal dumping, and confirmed the two primary drivers as understood by waste authorities:

- The costs of legitimate disposal; and
- The availability of civic amenity and other waste disposal sites.

The research analysed these drivers further, and considered the key influences for traders, householders, and serial and opportunistic offenders. Each of these is considered in more detail below.

A further finding from the research is that so-called “two-tiered authorities”, where a County Council looks after disposal and the Local Authority manages collection, are particularly prone to the creation of “perverse incentives”. This is where the actions of the waste disposal authority exacerbates the illegal dumping problem which is managed by the waste collection authority. In this case, the two authorities need to work together to minimise the problem. The EMRC and its member Councils can be considered a two-tiered authority.

2.1.1 Traders

Costs were important for traders in terms of the actual quantum, but also the differences in costs in different areas. These cost variations impact on competition. This is important within the Region where the costs to of waste vary substantially (detailed in the table below, correct at January 2009, inclusive of GST).

Site	Car	6 x 4 trailer	Per tonne
Red Hill	\$16.00	\$33.00	\$99.50
Mundaring	Free*	Free*	Not available
Chidlow	Free*	Free*	Not available
Walliston**	\$14.00	\$26.00	Not available
Bayswater	\$38.85	\$71.60	\$133.60

* Free disposal at Mundaring transfer stations requires a Mundaring tip-pass and the waste must be, or appear to be, residential.

** Shire of Kalamunda fees are under review, and expected to be the same as Red Hill fees after the first Council meeting in 2010.

Traders also found the opening hours of waste disposal sites a concern, and particularly early closing hours during winter when daylight hours restricted operations. Short days are not such a problem in the Region, and no site closes early because of restricted daylight. The opening hours for all sites are:



Site	Mon	Tue	Wed	Thu	Fri	Sat	Sun
Red Hill	7:00-4:00	7:00-4:00	7:00-4:00	7:00-4:00	7:00-4:00	8:00-4:00	10:00-4:00
Mundaring	8:00-4:00	8:00-4:00				8:00-4:00	8:00-4:00
Chidlow				8:00-4:00	8:00-4:00	8:00-4:00	8:00-4:00
Walliston						9:00-5:00	9:00-5:00
Bayswater	7:30-4:00	7:30-4:00	7:30-4:00	7:30-4:00	7:30-4:00	10:00-4:00	10:00-4:00

As can be demonstrated, all residents have access to two waste disposal sites on all days except for three public holidays. Residents of Mundaring have access to four waste disposal sites on weekends, and three on all other days except for Wednesdays and certain public holidays.

With the exception of Walliston, all sites close at 4:00 pm. There may be some argument that the sites should close later, however customer records indicate that few customers arrive between 3:00 pm and 4:00 pm, and that early opening hours are more important than a late close.

A final factor for traders to engage in illegal dumping is a lack of information in relation to the locations of waste disposal facilities.

2.1.2 *Householders*

The emphasis for householders was on access to waste disposal facilities, primarily for householders without access to vehicles, or where they arrive at site after it has closed. The lack of access to vehicles underscores the importance of providing sufficient waste disposal capacity (for general household waste) and vergeside collection days (for bulky waste). Both services contribute significantly to reducing illegal dumping; the UK research found that 1% of householders surveyed admitted to having dumped waste illegally, but 3% of those surveyed had been tempted. A key reason for not yielding to temptation is the availability of waste disposal services. A lack of access to vehicles is not likely to be a significant problem for the Region.

Strong correlation was found between “areas of multiple deprivation” and illegal dumping. Specifically, overcrowding (such as in high density housing) and poverty are well correlated with instances of illegal dumping. The high representation of the Region in the most disadvantaged areas of Perth (as indexed by the SEIFA index) suggests that illegal dumping might be worse in the Region than elsewhere in Perth.

2.1.3 *Serial and opportunistic offenders*

The analysis indicated two types of offenders: opportunistic offenders who take advantage of an opportunity to make or save some money, and persistent offenders who account for a substantial proportion of offences. The UK data indicated that 39% of offenders had only been convicted once, whereas 6% of offenders accounted for 22% of all offences.

Opportunistic offenders are more likely to be dissuaded by measures that make it harder or less rewarding. Persistent offenders require more focused enforcement measures.



2.2 Addressing illegal dumping

The research indicated that there are a large number of tools that can be adopted to combat illegal dumping, but the key to their effectiveness is integration across local governments. The research was very clear that a strategic approach is essential, with this approach advancing beyond simple reactive site clean-up and enforcement to include “situational crime prevention techniques”, data collection and analysis, and securing external support.

2.2.1 Situational crime prevention techniques

Situational crime prevention techniques can be grouped under five main headings:

- Increasing the effort for the potential offender
- Increasing the risks to the potential offender
- Reducing the rewards to the potential offender
- Reducing provocations of potential offenders
- Removing the excuses available to potential offenders

Each of these techniques has a series of tactics, enabling a more nuanced approach than simple enforcement (noted to be “not seen as terribly effective and penetrates the illegal dumping community very little”).

2.2.2 Strategic thinking

The importance of a more strategic response was highlighted throughout the research. Some of the suggested measures in the UK research include:

- Collection and disposal services to work together as well as other organisations such as planning authorities
- Neighbouring authorities to work together to ensure their strategies align
- Better data collection and analysis, aimed at better understanding problems and local patterns
- More evaluation and the development of a knowledge base of what works or what might work
- Ability to recognise and pass upwards higher level problems for action, for example State mandated recycling or landfill targets

All of the above measures indicate how a Regional Illegal Dumping Service is timely and a sound approach for the Region. In the absence of such a Strategy, the response to illegal dumping is likely to remain ad-hoc and largely ineffective whilst the problem increases with increasing landfill levies.

2.3 References

Defra (2006). *Fly-tipping: Causes, Incentives and Solutions: A good practice guide for Local Authorities*. Jill Dando Institute of Crime Science, UCL. Available: <http://www.defra.gov.uk/environment/quality/local/flytipping/documents/flytipping-goodpractice.pdf>

Webb, B., Marshall, B., Czarnomski, S. & Tilley, N. (2006). *Fly-tipping: Causes, Incentives and Solutions*. Jill Dando Institute of Crime Science, UCL. Available: <http://www.defra.gov.uk/environment/quality/local/flytipping/documents/flytipping-causes.pdf>



3 Project Evaluation

An evaluation of the project in accordance with the EMRC Project Plan template has been completed. This template ensures that key factors have been considered in the project planning process.

3.1 Project Title:

Regional Illegal Dumping Service (RIDS)

3.2 Background

Detailed in section 1 above.

3.3 Project Objectives

3.3.1 Goal

To improve the efficiency and effectiveness of dealing with illegal dumping in the Region by adopting a regional approach.

3.3.2 Benefits

1. Reduced resources from member Councils in the management of illegal dumping.
2. A strategic approach to reduce the problem of illegal dumping.

3.3.3 Key deliverables

Plant, equipment and staff to collect illegally dumped waste in the Region, and develop education and enforcement capabilities to reduce the incidence of illegally dumped waste.

3.3.4 Key Performance Indicators

1. Costs within 10% of member Council expenditure as ascertained at the commencement of the RIDS.
2. No increase in illegal dumping incidents notwithstanding increasing landfill fees.

3.4 Project Scope

Detailed in section 4.1 below.

3.5 Stakeholder Management

Key stakeholders in the project are member Councils, the Keep Australia Beautiful Council and residents of the Region.

Potential additional stakeholders are State government instrumentalities with large land holdings in the Region, and neighbouring Councils.



3.5.1 Member Councils

The RIDS is being run on behalf of member Councils, and so must at least provide an equivalent service to the current member Council service. The most appropriate fora for discussions in relation to the RIDS are the Regional Waste Educators Steering Group (RWESG) and Technical Advisory Committee (TAC). At a minimum, progress on the RIDS will be included as an agenda item for the RWESG, and reported every quarter at the TAC through the Information Bulletin.

3.5.2 Keep Australia Beautiful Council

The RIDS may attract funding support from the Keep Australia Beautiful Council (KABC), as the KABC has previously sought to work with the EMRC to deal with illegal dumping on a regional basis. The EMRC will advise the KABC of the commencement of the project, and the RIDS team will meet with the KABC every six months to encourage harmonisation of the RIDS with the KABC's programme.

3.5.3 Residents

Most reports of illegal dumping will come direct from residents, and they need to be made aware of how to report dumping. This will require extensive advertising of the hotline number.

3.5.4 State government instrumentalities and neighbouring Councils

Instrumentalities with large landholdings potentially subject to illegal dumping include Department of Environment and Conservation, Swan River Trust, Water Corporation and Main Roads WA. The EMRC may negotiate an extension of the RIDS to their land subject to agreement being reached on a cost plus basis. The same applies to neighbouring Councils.

3.6 Project Team

The Project Team will be established upon approval by Council to initiate the project. The RIDS will report to the Operations Manager, and planning around the initiation of the project will be undertaken by the Operations Manager and Manager Engineering with guidance by the Director Waste Services.

3.7 Risk Assessment

	Risk	Likelihood	Consequence	Mitigation Strategy	Responsibility
1	Cost over-run – existing scope	Low	Medium	Monitor costs Report changes in scope to TAC	Operations Manager
2	Cost over-run – scope creep	Medium	High	Monitor costs Seek Council approval for increasing scope and budget	Director Waste Services

3.8 Project Schedule

	Task	Start	Finish	Responsibility
1.	Prepare Project Plan for endorsement	Dec 09	Feb 10	Director Waste Services
2.	Purchase plant and equipment	Feb 10	Jun 10	Operations Manager
3.	Hire staff	Jun 10	Aug 10	Operations Manager
4.	Prepare work procedures	Mar 10	Aug 10	Operations Manager, Manager Engineering
5.	Commence RIDS	Sep 10		Operations Manager
6.	Review RIDS	Nov 11	Dec 11	Director Waste Services



3.9 Reporting & Communication

Upon commencement of the RIDS, the RIDS hotline will be advertised in all local papers. This will be accompanied by a media release highlighting the problem of illegal dumping and the establishment of a new taskforce to deal with it. The hotline will be reinforced by inclusion in the Waste & Recycle Guide, inclusion in regular EMRC and member Council columns in local papers, and periodic follow-up advertising.

Reporting to member Councils will be by a standing agenda item for the RWESG, and quarterly reporting at the TAC through the Information Bulletin.

3.10 Budget:

Detailed in section 4.2.1 below.

DRAFT



4 Project Plan

4.1 Definition of New Project or Service

The New Service is for the EMRC to operate a Regional Illegal Dumping Service (RIDS) on behalf of Member Councils. The RIDS will encompass:

1. Providing a hotline for illegal dumping, as well as receiving referrals from member Councils. Each report will be assigned an incident number, tracked and closed out once the report has been investigated.
2. Clearing all dumped waste in excess of one cubic metre. Waste smaller or less than one cubic metre will be considered littering rather than illegal dumping, and handled by member Council rangers.
3. The land to be covered will be primarily Council owned and maintained land, however land owned or maintained by the Department of Environment and Conservation, Swan River Trust, Water Corporation and Main Roads WA may also be included in the programme subject to a Memorandum of Understanding between the EMRC and the relevant landholder to cover charges and responsibilities.
4. Reusing, recycling and recovering energy from dumped waste where appropriate.
5. Providing a service for the safe clearing of dumped asbestos. Other hazardous waste will be referred to the Department of Environment and Conservation for action.
6. Working with partner organisations, such as the Keep Australia Beautiful Council and custodians of large parts of land within the Region.
7. Sourcing and obtaining grants for the enhanced provision of the service.
8. Collecting data on the quantity, type and location of waste collected.
9. Gathering evidence where possible for civil actions to recover the costs of clean-up.
10. Advocacy for legislation that reduces the risk of illegal dumping.
11. Establishing and maintaining a community awareness and education programme in relation to illegal dumping.

The plant required for the RIDS will be limited to a truck with a crane grab and a supervisor's 4WD utility. The RIDS will be staffed by two operators and a supervisor. All staff will be trained in the initial identification and handling of asbestos.



4.2 Expected costs and benefits for the Participants

4.2.1 Costs

A preliminary annual operational budget has been developed based on:

- A second hand truck being purchased from the City of Swan
- Two operators and a supervisor working weekdays only
- Waste disposal costs at member Council rates

IE code	Description	Budget
PB	Advertising Expenses	\$1,000.00
KA	Catering/Food/Beverage Expenses	\$500.00
JF	Consulting Fee Expenses	\$0.00
JG	Contract Labour Expenses	\$5,000.00
JH	Contract Material and Labour Expenses	\$0.00
SB	Cost Allocations - Corporate Services	\$1,000.00
SF	Cost Allocations - Plant	\$33,411.91
SH	Cost Allocations - Risk Management	\$2,000.00
SJ	Cost Allocations - Salary On Costs	\$32,405.76
SZ	Cost Allocations - Within Business Unit	\$0.00
QA	Depreciation Expense - General	\$2,500.00
JI	External Equipment Hire Expenses	\$500.00
JJ	External Plant Hire Expenses	\$5,000.00
IA	Fringe Benefits Tax Expenses	\$0.00
MA	Fuel Expenses - Distilate	\$35,100.00
KC	Material Expenses - General	\$0.00
KD	Material Expenses - Protective Clothing	\$2,100.00
KG	Minor Equip Purchased not Capitalised (Under \$300)	\$500.00
PZ	Other Expenses	\$25,200.00
KH	Printing Expenses	\$2,000.00
GC	Salary Employer Superannuation Expenses	\$14,582.59
GA	Salary Expenses	\$162,028.80
KK	Stationery Expenses	\$0.00
LD	Telephone Expenses - Mobile	\$1,000.00
PT	Training Course Fee Expenses	\$2,000.00
IB	Workers Compensation Premium Expenses	\$1,000.00
	Total	\$328,829.06

The budget for capital items to be purchased is:

Description	Budget
Second hand truck from City of Swan	\$70,000
Supervisor utility	\$45,000
Personal Digital Assistant and other IT equipment	\$5,000
Total	\$120,000

The capital plant will be funded by EMRC Reserves and purchased in the 2010/2011 financial year.



4.2.2 Benefits

The benefits to the EMRC, and the Region in general, as a result of providing the RIDS include:

- More strategic and focused approach to illegal dumping
- Improved illegal dumping service across the Region, including a hotline, rapid response, improved capacity for enforcement
- Better access to grant funding and partnership with support organisations, including large regional landholders
- High quality data capture and analysis
- Development of a regional knowledge base and best practice to address illegal dumping
- Improved ability for advocacy on the factors driving illegal dumping
- Additional services provide for increased flexibility in EMRC staffing

4.3 Project Participant contributions

The Project is proposed to be primarily funded by a surcharge on the disposal of municipal waste from member Councils and the Western Metropolitan Regional Council. Based on projected tonnages to landfill for 2010/2011 and the estimated RIDS budget, the surcharge for 2010/2011 is proposed to be \$2.00 per tonne of waste to landfill.

During the course of each year of operations, the costs are likely to vary depending upon the extent of work done to manage illegal dumping. The shortfall between surcharge funding and RIDS costs will be met by the EMRC through Waste Services operating surpluses.

The annual RIDS contribution from Project Participants based on projected 2010/2011 tonnages is summarised below:

Member Council	Tonnes	Income
Bassendean	6,449	\$12,898
Bayswater	28,715	\$57,430
Belmont	22,019	\$44,038
Kalamunda	24,553	\$49,106
Mundaring	18,270	\$36,540
Swan	49,028	\$98,056
Total	149,034	\$298,068

A further \$40,000 will be provided to the RIDS project as contribution from municipal waste disposed of by the Western Metropolitan Regional Council, making the total RIDS income in 2010/2011 an estimated \$338,068.

Where the EMRC enters into agreement with major land custodians in the Region in return for managing illegal dumping on their land, the EMRC will seek to recover costs on a cost plus basis. The EMRC will also seek and apply for grants to manage illegal dumping.

4.4 Manner of payment of Project Participant contributions

4.4.1 EMRC contribution

The EMRC contribution of capital items will be funded through EMRC Reserves, and charged to the project through a plant utilisation rate.



4.4.2 *Project Participant contributions*

Project Participants will contribute through waste disposal fees.

4.5 Project Participant entitlement and liability in the event that the New Project or Service is wound up

As detailed in the Establishment Agreement for winding up of a Continuing Service.

4.6 The manner of payment of entitlement and liability referred to in paragraph 4.5

As detailed in the Establishment Agreement for winding up of a Continuing Service.

4.7 Procedure for Project Participant to withdraw from the New Project or Service

Not applicable. The project will be provided for all member Councils.

4.8 Entitlement or liability of a withdrawing Project Participant

Not applicable

4.9 The manner of payment of entitlement and liability referred to in paragraph 4.8

Not applicable

4.10 The amount of interest payable where contributions are not made on the due date for payment

The interest payable on overdue contributions will be the same as that established by Council for overdue payments on disposal charges at the Red Hill Waste Management Facility. There is currently no interest charged on overdue payments.

4.11 The entitlement of a Participant which is not a Project Participant to join the New Project or Service

Not applicable



**15.2 RESOURCE RECOVERY COMMITTEE MEETING HELD 7 OCTOBER 2010
(REFER TO MINUTES OF COMMITTEE - ORANGE PAGES)
REFERENCE: COMMITTEES-11470**

The minutes of the Resource Recovery Committee meeting held on **7 October 2010** accompany and form part of this agenda – (refer to orange section of 'Minutes of Committees' for Council accompanying this Agenda).

QUESTIONS

The Chairman invited general questions from members on the report of the Resource Recovery Committee.

RECOMMENDATION

That with the exception of items, which are to be withdrawn and dealt with separately, the recommendations in the Resource Recovery Committee report (Section 15.2) be adopted.

COUNCIL RESOLUTION

MOVED CR CUCCARO

SECONDED CR FÄRDIG

THAT THE RECOMMENDATIONS IN THE RESOURCE RECOVERY COMMITTEE REPORT (SECTION 15.2) BE ADOPTED.

CARRIED UNANIMOUSLY

RESOURCE RECOVERY COMMITTEE

MINUTES

7 October 2010

(REF: COMMITTEES-11470)

A meeting of the Resource Recovery Committee was held at the EMRC Administration Office, 1st Floor, 226 Great Eastern Highway, BELMONT WA 6104 on **Thursday, 7 October 2010**. The meeting commenced at **5.00pm**.

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1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Chairman opened the meeting at 5.00pm.

Cr Godfrey entered the meeting at 5.03pm.

2 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

Committee Members

Cr Tony Cuccaro (Chairman)	EMRC Member	Shire of Mundaring
Cr Gerry Pule	EMRC Member	Town of Bassendean
Cr Alan Radford	EMRC Member	City of Bayswater
Cr Glenys Godfrey	EMRC Member	City of Belmont
Mr Simon Stewert-Dawkins	Director Operational Services	Town of Bassendean
Mr Doug Pearson	Director Technical Services	City of Bayswater
Mr Kevin Davidson (Deputising for Mr Lutey)	Manager Health & Ranger Services	City of Belmont
Mr Shane Purdy	Director Infrastructure Services	Shire of Mundaring
Mr Colin Pumphrey (Deputising for Mr Coten)	Manager Fleet and Waste Services	City of Swan
Mr Peter Schneider	Chief Executive Officer	EMRC

Apologies

Cr Frank Lindsey (Deputy Chairman)	EMRC Member	Shire of Kalamunda
Mr Ric Lutey	Director Technical Services	City of Belmont
Mr Mahesh Singh	Director Engineering Services	Shire of Kalamunda
Mr Jim Coten	Executive Manager Operations	City of Swan

Deputy Committee Members - Observers

Cr Graham Pittaway	EMRC Member	City of Bayswater
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EMRC Officers

Mr Stephen Fitzpatrick	Manager, Project Development
Mr Brian Jones	Director Waste Services
Ms Mary-Ann Winnett	Personal Assistant to the Director Corporate Services

3 DISCLOSURE OF INTERESTS

Nil

4 ANNOUNCEMENT BY THE CHAIRMAN OR PERSON PRESIDING WITHOUT DISCUSSION

Nil



5 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

5.1 MINUTES OF THE RESOURCE RECOVERY COMMITTEE MEETING HELD ON 5 AUGUST 2010

That the Minutes of the Resource Recovery Committee meeting held on 5 August 2010, which have been distributed, be confirmed.

RRC RESOLUTION(S)

MOVED CR GODFREY SECONDED CR RADFORD

THAT THE MINUTES OF THE RESOURCE RECOVERY COMMITTEE MEETING HELD ON 5 AUGUST 2010, WHICH HAVE BEEN DISTRIBUTED, BE CONFIRMED.

CARRIED UNANIMOUSLY

6 PRESENTATIONS

Nil

7 ANNOUNCEMENT OF CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

Nil

8 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

Nil



9 REPORTS OF OFFICERS

9.1 RESOURCE RECOVERY FACILITY - PROGRESS REPORT

REFERENCE: COMMITTEES-11468

PURPOSE OF REPORT

To update Council on the progress of the Resource Recovery Facility (RRF) project.

KEY ISSUES AND RECOMMENDATION(S)

- The EPA have set the level of assessment for the proposed RRF at Public Environmental Report (PER) with a four week public review period. Appeals against this level of assessment closed on 28 September 2010.
- Cardno are completing a report on the preferred location for the RRF at Red Hill Waste Management Facility (RHWMF).
- The first meeting of the Community Task Force (CTF) was held on 24 August 2010.
- A Community Forum on the Resource Recovery Project was held on Saturday 18 September 2010.

Recommendation(s)

That the report be received.

SOURCE OF REPORT

Manager Project Development

BACKGROUND

On 30 April 2009, Council resolved to proceed with the Expression of Interest process.

At the 27 August 2009 meeting of Council it was resolved:

- "1. THE FOLLOWING RESPONDENTS TO THE EXPRESSION OF INTEREST ARE LISTED AS ACCEPTABLE TENDERERS:
 - A. ENERGOS AS;
 - B. EVERGREEN ENERGY CORPORATION PTY LTD;
 - C. GRD MINPROC LIMITED;
 - D. MOLTONI ENERGY PTY LTD;
 - E. SITA ENVIRONMENTAL SOLUTIONS;
 - F. TRANSPACIFIC CLEANAWAY LIMITED; AND
 - G. WSN ENVIRONMENTAL SOLUTIONS.
2. THE FOLLOWING RESPONDENTS TO THE EXPRESSION OF INTEREST ARE NOT LISTED AS ACCEPTABLE TENDERERS:
 - A. ANAECO LIMITED; AND
 - B. THIESS SERVICES PTY LTD.
3. THE RESPONDENTS TO EXPRESSION OF INTEREST 2009-10 BE ADVISED OF THE OUTCOME OF THE ASSESSMENT.
4. THE ATTACHMENT REMAINS CONFIDENTIAL AND BE CERTIFIED BY THE ACTING CHIEF EXECUTIVE OFFICER AND THE EMRC CHAIRMAN.
5. THE TENDER EVALUATION COMMITTEE BE ACKNOWLEDGED FOR THE SIGNIFICANT EFFORT PUT INTO EVALUATING THE EOI SUBMISSIONS."



Item 9.1 continued

On 24 September 2009, Council resolved that:

- "1. THE FOLLOWING PRELIMINARY RECOMMENDATIONS OF THE RESOURCE RECOVERY COMMITTEE FORM THE BASIS OF CONSULTATION BETWEEN THE EMRC AND THE MEMBER COUNCILS AND THE COMMUNITY WITH THE INTENTION OF REPORTING BACK TO COUNCIL IN APPROXIMATELY MARCH 2010 WITH A FINAL RECOMMENDATION.
 - A RED HILL WASTE MANAGEMENT FACILITY IS THE PREFERRED SITE FOR THE RRF BASED ON ENVIRONMENTAL, ECONOMIC AND PLANNING CONSIDERATIONS, COMMUNITY RESEARCH AND THE POTENTIAL VALUE OF THE EMRC HAZELMERE SITE AS A RESOURCE RECOVERY PARK.
 - B THE DESIGN & CONSTRUCT CONTRACT OWNERSHIP MODEL IS PREFERRED TO A BUILD OWN OPERATE CONTRACT MODEL.
 - C THE RRF TECHNOLOGY OPTIONS INCLUDING ANAEROBIC DIGESTION, GASIFICATION AND PYROLYSIS ARE RANKED HIGHER THAN COMBUSTION AND PLASMA AT THIS STAGE BUT MORE INFORMATION IS REQUIRED BEFORE A FINAL PREFERENCE CAN BE DETERMINED.
 - D A THIRD BIN FOR HOUSEHOLD ORGANIC WASTE COLLECTION IS CONSIDERED IN CONJUNCTION WITH ANAEROBIC DIGESTION TECHNOLOGY."

Further, on 4 December 2009, Council resolved that:

- "1. COUNCIL APPROVE A VISIT TO EASTERN STATES AND OVERSEAS RESOURCE RECOVERY REFERENCE FACILITIES TO BE UNDERTAKEN BY THE CHAIRMAN, RESOURCE RECOVERY COMMITTEE, MR JOHN KING, PROJECT DIRECTOR FOR CARDNO LIMITED AND THE MANAGER PROJECT DEVELOPMENT.
2. INFORMATION GAINED FROM THE VISIT BE REPORTED TO THE RRC AND COUNCIL IN EARLY 2010 AS PART OF THE FINAL RECOMMENDATION ON THE PREFERRED RESOURCE RECOVERY FACILITY OPTIONS."

On 22 April 2010, Council resolved in relation to the reference facility visits that:

- "1. THE REPORT BE RECEIVED.
2. INFORMATION GAINED FROM THE RESOURCE RECOVERY FACILITY VISITS BE APPLIED TO THE ANALYSIS OF THE PROJECT OPTIONS ON TECHNOLOGY, CONTRACT MODEL AND BIN COLLECTION SYSTEM.
3. THAT THE ATTACHMENT TO THIS REPORT REMAIN CONFIDENTIAL AND BE CERTIFIED BY THE CHIEF EXECUTIVE OFFICER AND CHAIRMAN."

On 20 May 2010, Council resolved that:

- "1. THE FOLLOWING OPTIONS ARE CONFIRMED AS THE PREFERRED OPTIONS FOR THE RESOURCE RECOVERY FACILITY:
 - A) RED HILL WASTE MANAGEMENT FACILITY IS THE PREFERRED SITE FOR THE RRF.
 - B) THE DESIGN & CONSTRUCT CONTRACT OWNERSHIP MODEL IS PREFERRED TO A BUILD OWN OPERATE CONTRACT MODEL AT THIS STAGE OF THE PROJECT.
 - C) THE RRF TECHNOLOGY OPTIONS INCLUDE ANAEROBIC DIGESTION, GASIFICATION, PYROLYSIS AND COMBUSTION. PLASMA TECHNOLOGY WILL ONLY BE CONSIDERED IF IT IS AN INTEGRAL PART OF ONE OF THESE TECHNOLOGIES.
 - D) A THIRD BIN FOR HOUSEHOLD ORGANIC WASTE COLLECTION BE CONSIDERED IN CONJUNCTION WITH ANAEROBIC DIGESTION TECHNOLOGY, OTHERWISE A TWO BIN SYSTEM IS RECOMMENDED FOR THE THERMAL TECHNOLOGY OPTIONS.
2. COUNCIL PROCEEDS WITH THE ENVIRONMENTAL AND PLANNING APPROVALS TASK FOR THE RESOURCE RECOVERY PROJECT BASED ON THE PREFERRED SITE AND TECHNOLOGY OPTIONS."



Item 9.1 continued

By way of explanation, the two contract ownership models being considered for the RRF are as follows:

Build Own Operate (BOO)

Under a Build Own Operate (BOO) contract delivery model, the Contractor will be required to build, finance, own and operate the facility for a fixed period of time (the economical life of the facility and anticipated to be for 20 years). Under this contract model, some of the Project risks, and in particular, the risk associated with the design, construction and performance of the RRF, are transferred to the Contractor.

Design and Construct (D&C)

Under a Design and Construct (D&C) contract delivery model, the Contractor would design and construct a facility that conforms to agreed standards and performance requirements. If the D&C model were adopted by the EMRC, the Contractor would also be required to operate the facility for a minimum of 12 months and up to two years after the completion of wet commissioning. Under this contract model, the operational and ownership risks would be assumed by the EMRC, particularly following transfer of operational responsibilities to the EMRC and expiry of warranties and defects liability periods. The EMRC may operate the facility using its own staff or let a separate contract for the operation of the facility under this D&C contract delivery model.

REPORT

Referral of proposal to Environmental Protection Authority (EPA)

The Environmental Protection Authority (EPA) have set the level of assessment on the proposed RRF at Public Environmental Report (PER) with a 4 week public review period. This was advertised in The West Australian newspaper on 13 September 2010 and appeals against this level of assessment closed on 28 September 2010. It is understood that some appeals have been lodged with the EPA.

Copies of the referral document were made available to attendees at the Community Forum and posted on the EMRC website after requests from community members for copies.

Environmental monitoring for the PER

Cardno have been preparing information required for the Environmental Scoping Document (ESD) on the proposed RRF. The ESD sets out the framework for the scope of the PER.

Once the ESD has been agreed by the EPA then the PER document can be prepared and will include modelling of air quality, odour and noise from the various RRF technology options being considered. Cardno have been obtaining quotations from suitably qualified consultants to undertake background air quality, odour and noise monitoring at Red Hill Waste Management Facility together with establishment of a weather monitoring station. The data will be collected over several months and then used for modelling of predicted levels of air quality, odour and noise for the various RRF technology options.

Site Location Study

Cardno are preparing a final report on the preferred site location at RHWMF to facilitate the environmental impact assessment process and to aid the development planning for Red Hill. The recommendations from this study will be reported to the next meeting of the Resource Recovery Committee.

Community Engagement

The first meeting of the CTF was held on 24 August 2010 and the eight community representatives were welcomed by the EMRC CEO, Peter Schneider. A copy of the unconfirmed minutes of the meeting are attached (Attachment 1).

Of note was that the meeting agreed that:

- Observers would be allowed to attend the meeting if a member could not attend, provided that the observer was fully briefed and that they had no formal role in discussion or decision making and that the CTF member did not relinquish their role as a conduit back to the community.
- A website has been developed for CTF members only as a forum for discussion and sharing of documents.



- The draft agenda for the Community Forum was discussed and suggestions noted on the four topics.

Item 9.1 continued

The Community Forum on the Resource Recovery Project was held on 18 September 2010 at Rosehill Lodge in South Guildford and was attended by 61 community members. During the four hour forum, attendees received presentations, participated in facilitated table discussions, viewed and discussed information on the project and enjoyed lunch and afternoon tea. Key points from the community forum were:

- A welcome by the EMRC Chairman;
- A presentation from the Manager Project Development on the overall project;
- Closing thanks from the EMRC CEO;
- Attendees viewed and discussed display boards on the major issues on the project including sites, technologies and tender evaluation criteria.
- Table facilitators (mostly EMRC staff) led participants through a series of 4 topics, for which they were provided additional information. The topics were;
 - Topic 1 - Community benefits of the EMRC Resource Recovery Facility;
 - Topic 2 - Draft Tender Evaluation Criteria for the Resource Recovery Facility;
 - Topic 3 - What are some of the things that you would like to see in EMRC's Community Partnership Agreement?
 - Topic 4 - Technology Options for the RRF - benefits, disadvantages, concerns, what would you like to know more about.
- Technical advice was available to each table through the Manager Project Development and Mr Robert Sim from Cardno.
- The output from the forum - butchers paper sheets of comments and feedback sheets are being documented and themed.
- The Topic 3 output will go to the Community Task Force for consideration as part of the development of the community partnership agreement.
- Valuable feedback was received and will help EMRC target the community education process and issues to be considered in the development of the tender evaluation criteria.
- A report on the outcomes of the Community Forum will be provided to Council later this year and then to the community.

STRATEGIC/POLICY IMPLICATIONS

The Resource Recovery Project contributes to Key Result Area 1 - Environmental Sustainability of EMRC's Strategic Plan for the Future, specifically Objective 1.3:

- 1.3 To provide resource recovery and recycling solutions in partnership with member Councils

FINANCIAL IMPLICATIONS

The cost of using consultants Cardno is budgeted at approximately \$250,000 in the 2010/2011 Budget under – Resource Recovery – Implement Resource Recovery Project Plan. This includes budget provisions for the tasks related to the environmental approval process and community engagement.

SUSTAINABILITY IMPLICATIONS

The Resource Recovery Facility and/or Resource Recovery Park will contribute toward minimising the environmental impact of waste by facilitating the sustainable use and development of resources.



Item 9.1 continued

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Nil
City of Bayswater	
City of Belmont	
Shire of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

Unconfirmed minutes of Community Task Force Meeting, 24 August 2010 (Ref: Committees-11487)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That the report be received.

The Manager Project Development provided an update on the environmental approval process for the Resource Recovery Facility (RRF), the preparations for the environmental monitoring for the Public Environmental Review (PER), the site location study at the Red Hill Waste Management Facility (RHWMF) and the Community Task Force (CTF) progress.

RRC RECOMMENDATION(S)

MOVED CR GODFREY SECONDED CR PULE

That the report be received.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)

MOVED CR CUCCARO SECONDED CR FÄRDIG

THAT THE REPORT BE RECEIVED.

CARRIED UNANIMOUSLY

Community Task Force - Meeting Notes

Date: 24th Aug 2010

Venue: EMRC office



Attendee		Attendee		Attendee	
Martin Chape	✓	Peter Jensen	✓	Stephen Fitzpatrick	✓
Jan Foster-Hawkings	✓	Greg Jones	✓	Prapti Mehta	✓
Noel Hales	✓	Peter Pearson	✓	Joel Levin	✓
Max Jamieson	✓	Noelene Wigmore	✓	Other: Peter Schneider	o
Other:		Other:		Other:	
Present ✓ Apology = x Observer = O					

Meeting Opened: 6:10pm

Meeting Chair: Joel Levin

Item	Issue/Topic	Discussion
1.	Previous Minutes	<i>Not required as it is the inaugural meeting</i>
no action arising		

2.	Welcome	<p>Joel Levin, Independent facilitator for the Community Task Force (CTF) welcomed the group and invited Mr Peter Schneider, CEO of the Eastern Metropolitan Regional Council (EMRC) to make a formal welcome to the group.</p> <p>Mr Schneider welcomed the group and thanked them for their nominations and willingness to be part of the CTF. He provided an overview of the EMRC functions and history with recycling and reduction of waste going to landfill. He talked about the EMRC vision for this facility and the importance of the CTF in helping to ensure this facility meets the social and environmental expectations of local and wider residents.</p> <p>CTF members were then asked to introduce themselves and why they are on the committee.</p> <p>Mr Schneider thanked the group once again and excused himself to allow the CTF to deliberate on their own.</p>
No action arising		

<p>3. Committee Objectives and timelines</p>	<p>The objectives (as described in the CTF terms of Reference)of the CTF were reviewed and three primary objectives identified:</p> <ol style="list-style-type: none"> 1) Being a conduit for community opinion and views 2) Drawing on community views and opinions and shaping a CPA that would guide the long term operations and performance of the facility 3) Assisting with the development of the Tender Evaluation Criteria. These criteria will be used by the EMRC in the selection of the successful tenderer for the plant. <p>There was some discussion about objective 3. Some CTF members wanted to have a broader discussion about the various technology options and the various impacts. There was concern that if the discussion was limited, the outcome would be compromised.</p> <p>It was clarified that the CTF and community would be having a broader discussion about technology options at the community forum but the decision and selection of the option would be made by the EMRC. As such the CTF has a critical role to distil the learning from the discussion about technology options so that the EMRC can address concerns and adjust the tender evaluation criteria if needed.</p>
<p>Action/Resolution 1.</p>	<p>CTF Objectives, as described in the CTF terms of reference were endorsed Who 1 All</p>
<p>4. Terms of Reference</p>	<p>The CTF reviewed and endorsed the rest of the Terms of Reference with the following clarification:</p> <ol style="list-style-type: none"> 1) Decision making: The CTF would operate using a formal consensus process for decision making. (See attached document) 2) Visitors: The meetings of the CTF are closed unless guests were invited by the CTF to provide specific information or background. 3) EMRC Staff: After some discussion it was agreed that EMRC staff would be part of the CTF to enable the formation of the partnership agreement (ie: you need the partners around the table to have an agreement) 4) Quorum: Half of the CTF membership plus one was deemed sufficient to have a quorum (ie: 6 of the 10 CTF members) 5) Observers: Some concern was expressed about the use of proxies and the potential impact on the group process and decision making. However, the CTF also acknowledge the importance of maintaining a clear information flow back to community. As such the CTF endorsed the use of an appointed 'observer' should a CTF member not be able to attend. Observers attended on the understanding that: <ol style="list-style-type: none"> a) The CTF member that appointed the observer to fully brief them prior to the meeting to minimise disruption to the decision making process and timelines b) The observers had no formal role in discussion or decision making. c) The CTF member did not relinquish their role as a conduit back to the community. ie: The observer would report back the CTF member and the CTF member would then clarify with other CTF members and communicate with the community. 6) Vacancies/resignation: If a member of the CTF needed to step down the EMRC would call for nominations for this seat. <p>All members of the CTF agreed that while there has been discussion about quorums and the appointment of an observer, each member of the CTF has made a commitment to the whole process as part of their nomination, which included attendance at meetings.</p>
<p>Action/Resolution 2.</p>	<p>Amended Terms of Reference to be circulate to CTF and EMRC for approval Who 2 Joel</p>

<p>5. Communication</p>	<p>The CTF discussed how it would communicate with each other between meetings and how it would fulfil its role as conduit to the wider community.</p> <p>Communication with each other:</p> <p>A website has been developed for CTF members only as a “virtual filing cabinet and meeting room”. Documents can be loaded onto the site for all CTF members to access and any CTF member can start a discussion topic on the site for other members to respond to. Other correspondence would occur as required.</p> <p>Individual CTF member contact details are confidential.</p> <p>Communication with the community:</p> <ul style="list-style-type: none"> • Minutes from CTF meetings would be ratified by the CTF prior to them being made public. Advertisements would be placed in local newspapers to inform the community these minutes are available. • An email address will be created to give the community direct access to the CTF. Emails will be sent to the facilitator who will forward to all (or relevant) CTF members. • Public website/pages will be established for the CTF that will have CTF minutes, profile of CTF members and other item relating to the CTF. • All CTF members also undertook to promote the CTF and inform other of meeting outcomes etc <p>Confidentiality: It was reiterated throughout the evening that items that have yet to be resolved by the CTF or individual opinions of various members of the CTF are confidential.</p>	
<p>Action/Resolution 3.</p>	<p>CTF member contact details are confidential. Contact with the community will be through personal networks or the CTF email address</p>	<p>Who 3 All</p>
<p>Action/Resolution 4.</p>	<p>Create public website or pages and email for the CTF</p>	<p>Who 4 Steve</p>
<p>Action/Resolution 5.</p>	<p>CTF members agree to review meeting minutes within three business days of receipt to enable prompt circulation to the community.</p>	<p>Who 5 All</p>
<p>Action/Resolution 6.</p>	<p>CTF members to send photo and a one paragraph bio to Joel for inclusion on the website</p>	<p>Who 6 All</p>

6. Community Forum	<p>The draft agenda for the community forum was circulated and feedback provided on the proposed structure and questions.</p> <ul style="list-style-type: none"> • Members were keen to ensure the process is not 'steering' people to just think about the positives. There needed to be enough room to talk about concerns. • Members felt people may need more time to 'sit with' and consider the draft tender evaluation criteria before commenting • Some layout changes to question 3 were suggested • Members felt there would be value in including a project overview at the forum for community members who may not have much background. <p>Members also considered how the workshop might be promoted. EMRC's current planned promotion;</p> <ul style="list-style-type: none"> • Local newspapers • CTF member promotion • Website • Letterbox drop to residents within 1km of the Red Hill site • Advertising through the respective progress associations • Contact to the existing database of interested people • Greenpage newsletter. <p>The role of the CTF at this forum will be to interact and listen to as many people as possible and encourage people to make contact with them. The CTF will also stay behind after the forum to discuss their findings.</p>
Action/Resolution 7.	EMRC to review session question and timing in light of CTF feedback Who 7 Prapti

7.	Other items	<ul style="list-style-type: none"> • Other promotion: It was suggested EMRC consider a stall at the Gidgegannup show as a way of profiling the project. • Meeting location: members decided to hold meetings at the EMRC office, with the option to move to other locations if required • Site tour: Members recommended the EMRC open day and Red Hill Site tour as a way for other members to further familiarise themselves with the site. • Meeting Date: Meeting to remain on Tuesday and occur every 6-7 weeks
Action/Resolution 8.		EMRC to review timing and potentials of a stall at the Gidgegannup show Who 8 Steven
Action/Resolution 9.		Draft schedule of meetings for members to book into diaries. Who 9 Joel

8.	Meeting Closed	8:10pm
9.	Next meeting	TBA

These minutes have been ratified by ALL members of the CTF as a true and accurate record of the meeting
 Signed on behalf of CTF Members:  Joel Levin (Independent Facilitator) Date: 31st Aug 2010

ACTION LIST

Action/Resolution 1.	Objectives Agreed	Who 1 All
Action/Resolution 2.	Amended Terms of Reference to be circulate to CTF and EMRC for approval	Who 2 Joel
Action/Resolution 3.	CTF member contact details are confidential. Contact through personal networks or the CTF email address	Who 3 All
Action/Resolution 4.	Create public website and email for CTF	Who 4 Steve
Action/Resolution 5.	CTF members agree to review meeting minutes within three business days of receipt to enable prompt circulation to the community.	Who 5 All Who 6 All
Action/Resolution 6.	CTF members to send photo and one paragraph bio to Joel for inclusion on the web site	Who 7 Prapti
Action/Resolution 7.	EMRC to review session question and timing in light of CTF feedback	Who 8 Steven
Action/Resolution 8.	EMRC to review timing and potentials of a stall at the Gidgegannup show	Who 9 Joel
Action/Resolution 9.	Draft schedule of meetings for members to book into diaries.	



9.2 WASTE AND RECYCLE CONFERENCE 2010

REFERENCE: COMMITTEES-11489

PURPOSE OF REPORT

To report on the outcomes from the 2010 Waste and Recycle Conference held in Fremantle as it relates to EMRC.

KEY ISSUES AND RECOMMENDATION(S)

- Four EMRC Councillors, several EMRC officers and four Waste Management Community Reference group (WMCRG) members attended the four day conference and exhibition in Fremantle held between 14 and 17 September 2010.
- Presentations from keynote speakers were generally good, particularly the West Sussex County Council keynote speakers.
- The standard of conference papers presented on a wide range of waste management and resource recovery topics was generally good.
- Current information and trends in waste management and resource recovery technologies from overseas were presented.
- Good networking opportunities were available throughout the conference.

Recommendation(s)

That the report be received and conference information be used where relevant in the development of the EMRC's Resource Recovery Project and associated waste education and community engagement programs.

SOURCE OF REPORT

Manager Project Development

BACKGROUND

At the 22 July 2010 meeting of Council, it was resolved that:

- "1. COUNCILLORS AND OFFICERS NOTE THE DATES OF THE FORTHCOMING CONFERENCE.*
- 2. COUNCILLORS GODFREY, PULE, LINDSEY CUCCARO AND PITTAWAY BE AUTHORISED TO ATTEND THE WASTE AND RECYCLE 2010 CONFERENCE.*
- 3. FOUR PLACES BE OFFERED TO THE WASTE MANAGEMENT COMMUNITY REFERENCE GROUP IN THE EVENT THAT SOME MEMBERS MAY WISH TO ATTEND."*

REPORT

Four EMRC Councillors, several EMRC officers and four WMCRG members attended the annual Waste & Recycle Conference in Fremantle, the theme for which was "Our Generation: How does it measure up?"

The Minister for Environment and Youth, the Honourable Donna Faragher MLC officially opened the conference and announced that the Waste Authority had funded the Colmax glass recycling facility in Kewdale but made no mention of the State Waste Strategy.



Item 9.2 continued

The pre-conference workshop on “*Decision-makers on Change Management and Community Engagement*” was interesting and noted the differences between the situation in the UK and in Western Australia. Of note was:

- Shared joint vision.
- The key message for the West Sussex County’s waste strategy is – “By working in partnership West Sussex local authority will reduce landfill by being leaders in waste prevention and recycling by turning rubbish into resources”.
- They used a Public Finance Initiative (PFI) scheme for the delivery of their waste services - an output driven contract with a recycling target and it has courtesy and polite customer service at the heart of the contract.
- A team of trained volunteers go out and show people how to segregate, compost, etc.
- Looked at advanced thermal treatment (gasification) ahead of incineration.
- Moving towards using biogas for transport.
- Use a 3 bin system – fortnightly recyclables and greenwaste, weekly/fortnightly residuals.
- 100,000 tonnes per year of compost from the greenwaste is going to organic farms.
- Local government not good at explaining why.
- Too many rules and regulations.
- Need to demonstrate you are going to be a good neighbour.
- The strategy developed was adopted by all waste authority councils in the County.
- Need a timeline, key message, create a culture of achievement, branding, use of media and media training, information.
- Use staff debriefings – make them champions, use intranet, payslip adverts, internal newspapers.
- They used a contact centre, staff were briefed all the way through, MORI polls (like Gallop polls) to test scenarios, County Council magazines and member Council magazines.

There were five keynote speakers including:

1. Peter Gemell (Director, Everything Infrastructure Australia) – “Public Agencies and the Private Sector – Harnessing the Differences”.

- The key message was the need to recognize differences between private and government organizations involved in procurement projects. While every effort is often made to align the organizations through things like relationship contracts (eg alliances) there are inevitable differences that will not go away. For example, these might include governance requirements of the government organisation, or the shareholder interests of private companies. Other examples given were the fact that for big projects where a consortium is involved, members of the consortium may otherwise be competitors. This may introduce significant pressures in getting a united position between the consortium members. This is important regarding the distribution of risk. Members of the consortium would be trying to push risk onto other members, as well as back to the government.
- The role that banks play (particularly with PPP’s) is also very important and can influence behavior of the parties. The key is to get the banks committed to the process as early as possible and not have them come in after the ‘deal has been done’, as they will inevitably change the deal.
- The key is to work to understand these differences and pressures, and to work together to accommodate them in the project process. This might amount to no more than allowing time for the other parties to get their act together – i.e. to have their tug of war, on the part of the private party, or to get approvals for the government agency.



Item 9.2 continued

- 2. Juliana Mansvelt (Senior Lecturer, School of People, Environment and Planning, Massey University, New Zealand – “Waste Not, Want Not? Consumption Geographies and Generational Change.”**
 - Ms Mansvelt contrasted the differences in consumption and waste disposal behaviours of the different generations in her own family.
- 3. Chris Darwin (Great-great-grandson of Charles Darwin, BSc in Psychology and Physical Geography) – “Charles Darwin and how he thought”.**
- 4. Philip Russell (Head of Wastes Management Services, West Sussex County Council, England) – “Delivering an effective wastes management service”.**
 - Have a 55-60% aspirational target for recycling.
 - Philosophy of ten commandments:
 - Waste treatment services take a long time to implement (typically 8 to 10 years);
 - You can have the best technology but if the community doesn’t want it, it is a dead deal;
 - Have a strategy that is owned by the community through community engagement;
 - Know your waste composition;
 - Do not covert your neighbours waste or their treatment plants;
 - Passing on risk costs you money;
 - Do you and the funders share the same understanding of the proposed deal;
 - Avoid challenge on bids – have good advisors;
 - Have the widest remit in the advert for your service; and
 - Practice what you preach.
- 5. Julie Wilkinson (Strategy and Services Manager, Wastes Management Services, West Sussex County Council, England) – “Waste Prevention and Behaviour Change”.**
 - Waste reduction is better than recycling.
 - Waste prevention isn’t recycling.
 - Benefits of waste prevention – meets demands of EU legislation, reduces demands on finite resources, reduces transport impacts, reduces costs of waste management, encourages social inclusion.
 - Social marketing techniques - not one behaviour but many e.g. purchase of recycled toilet paper versus recycled notepaper.
 - Resident/customer/audience centred - ensure always customer focused, focus on perceived benefits.
 - Action will only occur if benefits outweigh the costs.
 - Motivations to change behaviour – moral, charitable personal responsibility, skill and knowledge.
 - Community driven – over 80 trained and active volunteers attend over 100 events per year.
 - They provide business waste advisers for small businesses.
 - “Better tomorrows” campaign.
 - Mission and targets.
 - Boards need a mix of people.



Item 9.2 continued

Key issues noted from the various concurrent sessions attended were as follows:

Giles Perryman, ASK Waste Management, The Development of AWT Guidelines – A Summary of the WMAA Project.

- The WMAA received grant funding from the Waste Authority to develop guidelines for AWT projects.
- Report highlights the gaps in policy, regulations, standards, definitions, etc that need to be filled before AWT guidelines can be produced.
- A number of issues were identified relevant to AWT facility development including community consultation, facility siting, financial viability, emissions, risk, products and residues.
- A copy of the paper is attached (Attachment 2).

Brendan Doherty, SMRC – “The Second Wave – Exceeding 90% Resource Recovery”

- SMRC member Councils deliver 160,000 tonnes of recyclables, green waste and MSW per year to the RRRC, with 66% of the material diverted from landfill, 54,000 tonnes per annum of residual waste requiring landfill disposal or some other form of further processing.
- SMRC strategic plan for diversion of kerbside collected MSW, recyclables and green waste from landfill targets a 95% reduction in waste to landfill.
- SMRC research and development projects have identified new technologies and operating approaches that may achieve target landfill diversion rates exceeding 90%. These include weekly collection of recyclables, pyrolysis of compost screening residuals and other waste to energy applications such as gasification and production of biodiesel from depolymerisation of plastics residuals.
- In conjunction with waste to energy facilities, maximum recovery rates exceeding the SMRC target of 95% could be achieved by broadening the markets and alternative disposal opportunities for residual wastes such as textiles, clothing and household junk, general mixed and thin film plastics (other than containers), inert wastes such as concrete, masonry and sand etc; and char and bottom ash from waste to energy processes.

Peter Dyson, Moltoni Energy, “Waste to Energy: Is it a Waste Issue or an Energy Issue?”

- Commented on projected population increase for Perth to 2,056 of another 1.8 million people, 820,000 new households, 1.8 million tonnes waste to landfill, another 4,000 GWh of electricity required.
- 600 KWh electricity capable of being generated from waste to energy plants.
- A lot of European countries and the US achieving sustainable waste management with waste to energy as an integral part of the waste strategy.
- Also gaining heat energy for steam, heating, cooling, water purification.
- Examples of Hitachi Metals in Japan (plasma gasification of MSW and auto-shredder waste), Edogawa and Ariake plants, Japan.
- Modelling shows gate fees of \$70 to \$100 per tonne achievable in Australia for MSW.
- Plant life greater than 50 years, can reduce waste to landfill by up to 95%.

Pablo Perez-Reigosa, Coffey Environments, “Energy from Waste across Europe – Current Statistics and Trends.”

- 420 energy from waste (EfW) plants across Europe treating 71 million tonnes of household and other waste
- Supplied electricity for 8 million households and heat for 15.3 million households



Item 9.2 continued

- Contributes towards greenhouse gas reduction.
- 5 step waste hierarchy in sustainable waste management in EU.
- State of the art EfW saves between 100 to 350 Kg CO₂ per tonne of waste.
- Drivers for capacity growth in EfW in Europe include the landfill ban and future transport requirements if there are not EfW plants.
- Energy efficiency factors being applied in EfW plants.
- Average capacity of EfW plants varies from country to country (ranges from 600,000 tonnes per annum (tpa) in Netherlands to 200,000 tpa in Spain, 100,000 tpa in Italy down to 50,000 tpa in Finland and Norway.

Julie Wilkinson, West Sussex County Council, “*Building and Maintaining (and /or repairing) the trust touching on the Political Interface.*”

- Opposition – how much are you willing to put up with? If outside groups join in they can defeat the proposal.
- Active communication and early engagement is best.
- Face to face involvement is better than impersonal methods.
- Find supporters who can help you.
- Being in touch with the right people with the information they need at the right time.
- Technology opposition – sell the benefits, choose the right site.
- Officers need to support members.

Papers presented by EMRC staff included:

“Creating a Generation of Battery Recyclers” - Ms Tania Wells, EMRC Waste Education Officer; and
“The role for community engagement in alternative waste treatment development” - Mr Steve Fitzpatrick, Manager Project Development.

Both presentations were well received.

The EMRC also set up a display in the trade exhibition section featuring EMRC products and services.

Overall the conference provided current information on trends in waste management and resource recovery, some good advice on successful community engagement processes and good networking opportunities. The conference organisers need to look at reducing the number of concurrent streams as some sessions were poorly attended and there are often conflicts for participants with several relevant papers being presented at the same time.

The WMCRG members will report on their conference experience at their 8 November 2010 meeting.

STRATEGIC/POLICY IMPLICATIONS

Two of the host organisations are WALGA and the WMAA. The EMRC supports both of the organisations by participating in their activities and by cooperating and sharing information with others.

FINANCIAL IMPLICATIONS

The expenditures for councillor and officer attendance at conferences are budgeted each year. Similarly, an allowance of \$4,500 is made each year in the Resource Recovery Budget for WMCRG members to attend local conferences and seminars.



Item 9.2 continued

SUSTAINABILITY IMPLICATIONS

Nil

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Nil
City of Bayswater	
City of Belmont	
Shire of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

Paper by Giles Perryman, ASK Waste Management, "The Development of AWT Guidelines-A Summary of the WMAA Project (Ref: Committees-11494)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That the report be received and conference information be used where relevant in the development of the EMRC's Resource Recovery Project and associated waste education and community engagement programs.

The Chairman advised that he had attended the Waste and Recycle Conference 2010 and had been very impressed with the speeches given by EMRC's Waste Education Coordinator and Manager Project Development and he congratulated everyone involved in the conference.

RRC RECOMMENDATION(S)

MOVED CR PULE

SECONDED CR RADFORD

That the report be received and conference information be used where relevant in the development of the EMRC's Resource Recovery Project and associated waste education and community engagement programs.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)

MOVED CR CUCCARO

SECONDED CR FÄRDIG

THAT THE REPORT BE RECEIVED AND CONFERENCE INFORMATION BE USED WHERE RELEVANT IN THE DEVELOPMENT OF THE EMRC'S RESOURCE RECOVERY PROJECT AND ASSOCIATED WASTE EDUCATION AND COMMUNITY ENGAGEMENT PROGRAMS.

CARRIED UNANIMOUSLY

The Development of AWT Guidelines— A Summary of the WMAA Project

PRESENTER:

Mr Giles Perryman
ASK Waste Management

CONTACT DETAILS:

Phone: +61 (8) 9759 1418
Email: giles@askwm.com
Postal Address: 33 Windlemere Drive, Dunsborough, WA 6281

Introduction

Five Alternative Waste Treatment (AWT) facilities have already been approved and established in Western Australia under the current regulations and available guidance. However, to move towards best practice for the assessment of proposals the development of guidelines will assist both project proponents and regulatory assessors.

During the initial stages of this project it was apparent that there are a number of measures relating to the production of AWT facility guidelines that are yet to be determined. This report highlights the gaps in policy, regulations, standards, definitions, etc that need to be filled before guidelines can be produced.

Methodology

The report's findings are applicable to both metropolitan and regional areas in Western Australia and the key AWT technologies included are:

Biological technologies:

- Anaerobic Digestion (AD).
- Composting.

Thermal technologies:

- Gasification.
- Incineration.
- Pyrolysis.

The project has considered the treatment of a number of waste streams, including:

- Municipal Solid Waste (MSW);
- Commercial and Industrial (C&I) waste; and
- Some specific waste stream fractions, such as waste wood, etc.

The project included several stages; initially several AWT facility operators in Western Australia were contacted to gather feedback about their experience of the environmental approvals process and on-going operational monitoring, with the aim to determine any issues that needed to be addressed.

The consultation stage was then widened to include Eastern States and international jurisdictions to determine both issues arising from the assessment and operation of AWT facilities and any measures adopted to overcome or manage the issues. The data collected was analysed and potential measures that could be used in Western Australia to address existing and likely issues have been recommended.

The report has been peer reviewed by members of the Western Australian branch of the Waste Management Association of Australia (WMAA)—AWT Working Group to verify that the report is comprehensive, accurate and balanced.

Project Outcomes

The issues highlighted by overseas jurisdictions mirrored the Australian findings, but were more wide ranging. While not all of the issues identified may be relevant to facility assessment, they are relevant to operations and economic viability; therefore they are included in the list of issues below.

1. Community consultation; sufficient level of consultation with the local community.
2. Facility siting; land zoning and buffer zones, etc.
3. Financial viability; ensuring the long-time financial viability of a facility.
4. Risk; management of unknowns/changes in the operating environment (i.e. regulatory, social, political factors, etc).
5. Energy recovery; the efficiency of energy recovery and the use of 'waste' heat from the process.
6. Reducing recycling; concern that AWT facilities utilise material that could be recycled, i.e. adherence to the waste hierarchy.
7. Facility emissions; all gaseous emissions, including odours, to the atmosphere.
8. AWT residues; the status of residues from an AWT facility.
9. AWT products; the status of products from AWT facilities and their use.

Conclusion

Following the review and analysis completed for this report, while considering the specific factors faced by Western Australia (e.g. geographic size, remote location from markets, a relatively small population, etc), the following conclusion can be drawn.

- There are a number of regulatory/policy areas that need to be determined before complete AWT guidelines can be produced;
- There are a number of methodologies or measures that need to be determined prior to the production of AWT guidelines;
- There is a lack of awareness in the wider community about waste management, State strategies and future developments. While a number of regional and local governments are very active in this arena, a State-wide approach is required under solid leadership;
- There appears to be a lack of awareness in the political community, particularly at a State level. Without a good level of understanding, the waste industry and regulators may not receive the political support required to develop a 21st century approach to waste management in Western Australia;
- It is unlikely that any non-MSW processing facilities will be established in Western Australia given the current regulatory and economic environment (i.e. the low cost of waste disposal);

- Western Australia has a number of specific factors generally due to its geographic size, relatively small population and distance from interstate and international markets, that mean measures adopted by other jurisdictions may not be directly applicable;
- There is little difference in the guidance required for an AWT facility based in the Perth metropolitan area or in regional Western Australia. However, due to the additional challenges relating to economies of scale and distance from markets for regional areas, careful consideration must be made when developing policy and regulation to ensure significant barriers are not inadvertently created that could inhibit resource recovery;
- There is a range of wider issues relating to AWT facilities that needs to be addressed in order to create an environment that will foster the establishment of AWT infrastructure in Western Australia;
- The cost and process required to achieve connection to any of the electricity grids in Western Australia is expensive and complex, this is a barrier to energy generating technologies, especially smaller scale systems that could be utilised in regional areas;
- Due to the very low cost of waste disposal in regional and rural areas of Western Australia the processing of the majority of wastes for recycling and recovery is uneconomic when compared to disposal; and
- Undetermined policy, regulation and standards can result in uncertainty for the AWT industry, which can manifest itself as higher fees to allow for potentially 'unfavourable' decisions in the future. This uncertainty can mean a higher cost of processing or a reluctance to proceed with projects.

Recommendations

In order to achieve the waste recycling and recovery targets proposed in the State's draft Waste Strategy a number of additional AWT facilities are likely to be required throughout the State. The first six recommendations relate to the production of AWT facility guidelines, while the following ten recommendations enhance the likelihood of more AWT facilities being established in the foreseeable future.

Energy recovery

1. The State Government, in liaison with the waste management industry should determine the benchmark for minimum net energy conversion efficiencies [for thermal and anaerobic digestion (AD) facilities], including potential heat recovery. The standards need to include a 'developmental stage' for facilities and consideration must be made for the lower efficiency of smaller scale facilities in regional areas.
2. The Waste Authority to fund research into the composition and calorific values of Western Australian waste streams. This data will assist in the establishment of efficiency standards and provide an indication of the potential energy that could be generated.
3. The State Government to ensure that as part of the assessment process the potential markets for heat (or cooling via trigeneration) have been properly considered and assessed for any proposed energy generation AWT facility. If there are no current opportunities to use the heat, facilities should be designed for easy retrofitting of heat capture equipment, in case an opportunity does present itself in the future.

Waste Hierarchy

4. The State Government to develop a process for proponents to show that the waste hierarchy has been adhered to, where practical, while ensuring the economic viability of an option, so that an AWT facility will not have a negative impact on higher tiers of the hierarchy. The development of this process must allow for the specific factors faced by Western Australia (distance from markets, population, etc) and particularly regional areas.

Facility emissions (to air)

5. The State Government to determine an air emission standard for AWT facilities and to determine the existing baseline air quality levels across the Perth metropolitan area.

Diversion rates

6. The State Government to develop a methodology and 'scorecard' for the reporting of AWT facility diversion rates. This would be used to assess planned facilities and during the operation of established facilities.

The following recommendations do not relate directly to the production of AWT facility guidelines, but would assist in providing an environment that would enable the AWT industry and in some cases the wider waste management industry, to flourish.

Community concerns/perceptions

7. A significant effort is required to provide education and awareness within the State's wider community about waste management, strategies and targets for the future. The details required for such a programme are beyond the scope of this report, but are likely to start with the lobbying of the State Government to gain support for the need for waste management to be viewed as an essential service.
8. The State Government to support the development of reference sites that could be used to demonstrate the use of AWT technologies to the community.
9. The State Government needs to recognise waste management as an 'essential service' for the State and consider its importance alongside other key issues such as water and energy use.

Facility siting

10. State Government need to liaise with the waste management industry to determine a future strategy for the siting of waste infrastructure within the State.

Economic viability

11. To provide an economic environment that will foster the development of recycling and recovery of waste (other than MSW) in Western Australia, the cost of waste disposal will need to increase or the disposal of certain targeted waste streams banned. The State Government should implement regulatory and/or economic measures to ensure that waste disposal becomes the 'expensive' option of last resort, rather than the easy 'cheap' option. This is exacerbated in regional Western Australia where disposal fees are generally significantly lower than in the Perth metropolitan area.



10 CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

Nil

11 GENERAL BUSINESS

Nil

12 FUTURE MEETINGS OF THE RESOURCE RECOVERY COMMITTEE

The next meeting of the Resource Recovery Committee will be held on **Thursday, 18 November 2010 (if required)** at the EMRC Administration Office, 1st Floor, Ascot Place, 226 Great Eastern Highway, Belmont WA 6104 commencing at 5.00pm.

Future Meetings 2010

Thursday 18 November (if required) at EMRC Administration Office

The Chairman advised that the 18 November meeting would be required.

13 DECLARATION OF CLOSURE OF MEETING

There being no further business, the Chairman closed the meeting at 5.35pm.



16 REPORTS OF DELEGATES

Nil

17 MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil



18.1 RESOURCE RECOVERY BUDGET AMENDMENT

REFERENCE: COMMITTEES-11544

PURPOSE OF REPORT

To advise Council of a proposed adjustment to the Resource Recovery budget for 2010/2011 related to the projected cost of the environmental approval process.

KEY ISSUES AND RECOMMENDATION(S)

- Provision of \$220,000 was made in the 2010/2011 budget for the projected costs of the environmental approval process for the Resource Recovery Facility (RRF). This includes estimates of Cardno's costs and sub-consultant costs for specialist noise, odour and air quality modelling.
- Recently the project team decided to include baseline monitoring for noise, odour and air quality into the scope of the sub-consultants work to provide a reference point for these parameters to compare to the modelled air quality impacts of the RRF options.
- The cost estimates obtained for baseline monitoring at Red Hill Waste Management Facility and modelling of emissions from the RRF options are considerably higher than anticipated at the time the budget was developed. Also Cardno's budget for the task is projected to be higher because of additional work being undertaken.
- The cost estimates obtained for some of the baseline monitoring work will require tenders to be called before this work can be undertaken.
- Approval is sought to increase the budget allocation for obtaining Environmental Approval (Task 15) for the RRF by \$305,000 which can be funded from the Secondary Waste Treatment Reserve.
- The amended budget will be reflected in the half year budget review.

Recommendation(s)

That the budget for Seek Environmental Approvals (Task 15) in the Annual Budget under Resource Recovery be increased from \$220,000 to \$525,000 and that this increase be funded from the Secondary Waste Reserve.

SOURCE OF REPORT

Manager Project Development

BACKGROUND

On 20 May 2010, Council resolved that:

- "1. THE FOLLOWING OPTIONS ARE CONFIRMED AS THE PREFERRED OPTIONS FOR THE RESOURCE RECOVERY FACILITY:
 - A) RED HILL WASTE MANAGEMENT FACILITY IS THE PREFERRED SITE FOR THE RRF.
 - B) THE DESIGN & CONSTRUCT CONTRACT OWNERSHIP MODEL IS PREFERRED TO A BUILD OWN OPERATE CONTRACT MODEL AT THIS STAGE OF THE PROJECT.
 - C) THE RRF TECHNOLOGY OPTIONS INCLUDE ANAEROBIC DIGESTION, GASIFICATION, PYROLYSIS AND COMBUSTION. PLASMA TECHNOLOGY WILL ONLY BE CONSIDERED IF IT IS AN INTEGRAL PART OF ONE OF THESE TECHNOLOGIES.



Item 18.1 continued

- D) A THIRD BIN FOR HOUSEHOLD ORGANIC WASTE COLLECTION BE CONSIDERED IN CONJUNCTION WITH ANAEROBIC DIGESTION TECHNOLOGY, OTHERWISE A TWO BIN SYSTEM IS RECOMMENDED FOR THE THERMAL TECHNOLOGY OPTIONS.
2. COUNCIL PROCEEDS WITH THE ENVIRONMENTAL AND PLANNING APPROVALS TASK FOR THE RESOURCE RECOVERY PROJECT BASED ON THE PREFERRED SITE AND TECHNOLOGY OPTIONS.”

REPORT

A budget provision of \$220,000 was made in the annual budget for 2010/2011 under Seek Environmental Approval (Task 15) at 72889/15. This included a provision of \$190,000 for consulting fee expenses (Cardno and sub-consultants) plus advertising costs (\$20,000) and printing expenses (\$10,000). Within the consulting fee provision there was an \$80,000 allowance for sub-consultants to undertake modelling of emissions from the proposed RRF options.

After discussion with Cardno and EMRC environmental staff and on the recommendation of experienced environmental monitoring consultants, it was decided to include baseline monitoring of odour, noise and air quality in the scope of work for the sub-consultants. This was based on the limited data available at Red Hill and on the need to demonstrate to community groups the low impact of the RRF through the environmental modelling and it will enable the modelling to show the cumulative impact of emissions, taking into account baseline levels.

Cardno have now obtained estimates from consultants to undertake baseline monitoring of the Red Hill Waste Management Facility and modelling of projected emissions from the RRF options including noise, odour and various air quality parameters (including odour, dust, NO_x, SO₂, CO and air toxics). These estimates total \$266,000 compared to the budget allowance of \$80,000. Also two of the sub-consultant tasks for the odour monitoring/modelling and the air quality monitoring/modelling are above the EMRC purchasing policy threshold for quotations and tenders will now have to be called.

Cardno's costs so far on the environmental approval task have gone over budget due to additional work incurred during the development of the referral document to the EPA, preparation of the Environmental Scoping Report and preparation of a response to appeals on the level of assessment, the latter item being unbudgeted. These overruns are still subject to variation requests but will add to the Task 15 budget requirements for 2010/2011.

It is recommended that the Resource Recovery budget provision for Seek Environmental Approval (Task 15) in the annual budget for 2010/2011 be increased by an amount of \$305,000 to provide for the additional costs of baseline monitoring and modelling work by sub-consultants (this includes a 20% contingency allowance and an additional amount of \$65,000 for additional Cardno fees). The additional budget can be funded from the Secondary Waste Treatment Reserve. The amended budget provision for Seek Environmental Approval (Task 15) will be:

	Current Budget	Proposed Budget
Advertising expenses	\$20,000	\$20,000
Consulting fee expenses	\$190,000	\$495,000
Printing expenses	\$10,000	\$10,000
Total	\$220,000	\$525,000

STRATEGIC/POLICY IMPLICATIONS

The Resource Recovery Project contributes to Key Result Area 1 - Environmental Sustainability of EMRC's Strategic Plan for the Future, specifically Objective 1.3:

- 1.3 To provide resource recovery and recycling solutions in partnership with member Councils



Item 18.1 continued

FINANCIAL IMPLICATIONS

The cost of using consultants Cardno is budgeted at approximately \$376,000 in the 2010/2011 Budget under – Resource Recovery – Implement Resource Recovery Project Plan. This includes budget provisions for the tasks related to the environmental approval process and community engagement.

SUSTAINABILITY IMPLICATIONS

The Resource Recovery Facility and/or Resource Recovery Park will contribute toward minimising the environmental impact of waste by facilitating the sustainable use and development of resources.

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Nil
City of Bayswater	
City of Belmont	
Shire of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

Nil

VOTING REQUIREMENT

Absolute Majority

RECOMMENDATION(S)

That the budget for Seek Environmental Approvals (Task 15) in the Annual Budget under Resource Recovery be increased from \$220,000 to \$525,000 and that this increase be funded from the Secondary Waste Reserve.

In response to Cr Pule's request for more details on what the increased funding would be applied to the CEO advised that \$65,000 related to anticipated additional work to be undertaken by Cardno on the environmental approval task including work on baseline monitoring at Red Hill to address community concerns about how the proposed Resource Recovery Facility (RRF) would affect noise and air quality. The CEO advised that indicative quotes for the additional work would be close to tender limits so the EMRC needed to know that funds could be allocated before proceeding. The CEO further advised that the additional work from Cardno would be subject to a variation notice and hadn't as yet been agreed to by the EMRC.

The Manager Project Development advised that the baseline monitoring of odour, air quality and noise would add to the veracity of the environmental report as the modeling undertaken at Red Hill on the emissions for the technology options would then include the background noise and air quality. The Manager Project Development advised also that the amount of \$65,000 included the additional work Cardno undertook to respond to the appeals lodged with the Minister of Environment against the level of assessment for the RRF.



Item 18.1 continued

The CEO advised that the baseline data costs hadn't been anticipated at the time the budget was developed but it was recommended to ensure there was rigour in the environmental modelling for the RRF and it would add to the community confidence.

Cr McKechnie referred to the original tender for the Resource Recovery Project (RRP) and asked what arrangements had been made about payment rates for the consultants. The Manager Project Development advised that there had been 23 tasks involved in the tender specifications and consultants were asked to specify the time required to complete the tasks and hourly rates. Provision was made for indexation of hourly rates and this was an industry type index rather than a CPI. If there were any variations to the contract, either at EMRC's request or Cardno's request, they would be subject to a variation request.

In response to Cr Zannino's query on whether there were any guarantees of no further increases if Council approved of the increase in funding at this meeting, the Manager Project Development advised that he was not expecting further increases for Task 15 (Seek Environmental Approvals) but if there were unplanned costs above the budget they would have to be brought back to Council.

Cr Godfrey asked if baseline monitoring would be undertaken on water as it was one of the issues of concern raised by the community at the Community Forum. The Manager Project Development advised that water monitoring was undertaken at Red Hill on an ongoing basis and if there were any discharges of effluent from the RRF then the PER would have to address the impact on the receiving environment.

In response to Cr Pule's query on the appeals lodged by the community the Manager Project Development advised that the EMRC submitted a response to the community appeals and offered to extend the public review period to up to 8 weeks.

COUNCIL RESOLUTION(S)

MOVED CR FÄRDIG

SECONDED CR CUCCARO

THAT THE BUDGET FOR SEEK ENVIRONMENTAL APPROVALS (TASK 15) IN THE ANNUAL BUDGET UNDER RESOURCE RECOVERY BE INCREASED FROM \$220,000 TO \$525,000 AND THAT THIS INCREASE BE FUNDED FROM THE SECONDARY WASTE RESERVE.

CARRIED UNANIMOUSLY



19 CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

RECOMMENDATION (Closing meeting to the public)

That with the exception of, the meeting be closed to members of the public in accordance with Section 5.23 (2) (c) of the Local Government Act for the purpose of dealing with matters of a confidential nature.

COUNCIL RESOLUTION

MOVED CR MCKECHNIE SECONDED CR PULE

THAT WITH THE EXCEPTION OF THE CHIEF EXECUTIVE OFFICER, THE DIRECTOR WASTE SERVICES AND THE PERSONAL ASSISTANT TO THE DIRECTOR CORPORATE SERVICES, THE MEETING BE CLOSED TO MEMBERS OF THE PUBLIC IN ACCORDANCE WITH SECTION 5.23 (2) (A) (B) (C) AND (E) OF THE LOCAL GOVERNMENT ACT FOR THE PURPOSE OF DEALING WITH MATTERS OF A CONFIDENTIAL NATURE.

CARRIED UNANIMOUSLY

The doors of the meeting were closed at 6.39pm and members of the public departed the Council Chambers.

The Chief Executive Officer, the Director Waste Services and the Personal Assistant to the Director Corporate Services remained in the Council Chambers.

19.1 DISPOSAL FEES FOR LOCAL GOVERNMENT ENTITIES

REFERENCE: COMMITTEES-11510

This item is recommended to be confidential because it contains matters of a commercial-in-confidence nature.

The Council considered the Confidential Item circulated with the Agenda under Separate Cover.

RECOMMENDATION [Meeting re-opened to the public]

That the meeting be re-opened, the public be invited to return to the meeting and the resolutions passed behind closed doors be recorded.

COUNCIL RESOLUTION

MOVED CR POWELL SECONDED CR PULE

THAT THE MEETING BE RE-OPENED, THE PUBLIC BE INVITED TO RETURN TO THE MEETING AND THE RESOLUTIONS PASSED BEHIND CLOSED DOORS BE RECORDED.

CARRIED UNANIMOUSLY

Members of the public returned to Council Chambers at 7.35pm.



Recording of the resolutions passed behind closed doors, namely:

19.1 DISPOSAL FEES FOR LOCAL GOVERNMENT ENTITIES

REFERENCE: COMMITTEES-11510

COUNCIL RESOLUTION(S)

MOVED CR ZANNINO

SECONDED CR FÄRDIG

THAT:

1. COUNCIL APPROVES A FEE FOR NON-MEMBER LOCAL GOVERNMENTS OF \$92.00 PER TONNE (EX GST) EFFECTIVE 1 NOVEMBER 2010.
2. COUNCIL APPROVES FURTHER NEGOTIATIONS ON THE FEE FOR NON-MEMBER LOCAL GOVERNMENTS AND THAT PROGRESS REPORTS AND DRAFT AGREEMENTS BE REFERRED TO THE CHIEF EXECUTIVE OFFICER ADVISORY COMMITTEE.
3. THE REPORT AND ATTACHMENTS REMAIN CONFIDENTIAL AND BE CERTIFIED BY THE CHIEF EXECUTIVE OFFICER AND CHAIRMAN.

CARRIED UNANIMOUSLY

20 FUTURE MEETINGS OF COUNCIL

The next meeting of Council will be held on **Thursday 2 December 2010** at the EMRC Administration Office, 1st Floor, Ascot Place, 226 Great Eastern Highway, Belmont WA 6104 commencing at 6.00pm.

Future Meetings 2010

Thursday 2 December at EMRC Administration Office
January 2011 (recess)

21 DECLARATION OF CLOSURE OF MEETING

There being no further business, the meeting was closed at 7.36pm.
