Economic Development Strategy

city of
kalamunda

Executive Summary

Introduction

The City of Kalamunda recognises the important role an Economic Development Strategy plays in supporting and facilitating economic growth. On this basis, the purpose of this Strategy is to specify how the City can best allocate its resources to support economic development by fostering greater investment and jobs growth. The Strategy will provide an achievable, evidence-based plan for the future while responding to the challenges and opportunities presented by the current local economic environment.

Situation Analysis

The purpose of the situation analysis is to build an understanding of Kalamunda's capabilities and drivers that are likely to impact upon the regions ability to successfully grow and diversify the economy. A summary of the key factors influencing the current economic climate in Kalamunda is provided below.

Population and Demographics

Kalamunda's population reached approximately 60,000 in 2015, with an average annual growth rate of 1.6% since 2011. The region has an older average age than the State, at 38.1 years (compared to 37.1 years). Services and facilities to support this population profile are required.

Economy

Kalamunda is a relatively small economy, of $2.7 billion in 2014-15, and has expanded at an average annual pace of 4.5% since 2006/07. The key local sectors were linked to the local resources sector, with transport, postal and warehousing, mining and construction together forming more than 40% of local economic production. Manufacturing is also a key sector.

Key industries, in terms of business numbers in 2015 were construction, professional, scientific and technical services and transport postal and warehousing, which together formed 46.3% of all businesses.

The local region employed over 15,000 workers in 2011 by place of work. The industry providing the most jobs was transport, postal and warehousing. More than 27,000 residents of Kalamunda were working in 2011. The industry in which the most residents worked in was retail trade.

Kalamunda has a relatively low rate of employment self-sufficiency (49%), with only the transport, postal and warehousing and agriculture, forestry and fishing sectors having employment self-sufficiency rates at over 70%.

The City of Kalamunda is a popular day visitor destination for residents from the Perth metro area. It is also a popular visiting spot for the 55+ age group.

Over the last five years, Kalamunda welcomed an average of 295,000 visitors each year. Of these, around 75% are day visitors, and 22% are domestic overnight visitors. International visitors account for only 3% of total visitors to the City. Growth in visitation levels over the last five years has averaged at 8.7%; fuelled by an increase in day visitors by 9%, domestic overnight visitors by 26% and international visitors by 17%.

Strategic Assets

The purpose of the strategic asset assessment is to identify Kalamunda's competitive advantages by highlighting unique and specific assets in the region that can be leveraged for economic development purposes. The following have been identified for Kalamunda:

- Access to key transport infrastructure
- Emerging tourism sector
- Availability of future employment lands

Location Quotients

The purpose of the strategic asset assessment is to identify Kalamunda's competitive advantages by highlighting unique and specific assets in the region that can be leveraged for economic development purposes. The following have been identified for Kalamunda:

- Transport, postal and warehousing (LQ = 3.3)
- Mining (1.4)
- Construction (1.3)
- Manufacturing (1.3)
- Education and Training (1.3).

Cluster Mapping

Cluster mapping builds on the location quotient analysis by portraying the regional location quotients against Western Australian industry estimated employment growth over time (from 2014-15 to 2019-20). Industries that are labour specialisations for Kalamunda that are also high growth include:

- Transport, Postal and Warehousing (LQ = 3.3, Growth Expectation = 6.2%)
- Mining (LQ = 1.4, Growth Expectation = 5.3%)
- Construction (LQ = 1.3, Growth Expectation = 4.1%)
- Manufacturing (LQ = 1.3, Growth Expectation = 2.6%)
- Retail Trade (LQ = 1, Growth Expectation = 2.8%)

Import/ Export Analysis

Prominent imports into a region can represent opportunities, where skills and labour can be easily sourced. This could improve local industry supply chains and provide additional job opportunities for locals. In 2013-14, an estimated $1.0 billion worth of imports were brought into Kalamunda. As is often the case in a non-CBD area, the key imports into Kalamunda are business services, such as professional, scientific and technical services, non-residential property operators and real estate services, finance and employment, travel agency and other administrative services.

In 2013-14, an estimated $1.6 billion worth of exports left from Kalamunda. Key exports from Kalamunda align with the key sectors of the economy, with transport sectors, mining and construction sectors all forming the top five. Kalamunda also exports primary and secondary education services, indicating students come into the region to attend school.

Economic Development Strategy

Goal

"The City of Kalamunda is a business destination spoilt for choice with a diverse mix of natural assets and employment drivers that complement each other in delivering locally sustainable jobs and businesses."

Strategic Priorities

The Economic Development Strategy is designed to provide Kalamunda City with clear direction regarding priorities to be implemented that will assist in delivering the vision. There are five strategic priorities under which the action plan will be developed, which include:

- Industry expansion and attraction
- Business capacity building
- Tourism
- Strong local identity
- Create a welcoming environment

Program of Activities

The program of activities has been developed to respond to each of the strategic priorities. The below table summarises the themes of the key activities to be implemented.

Activity	
1.	**Industry Expansion & Attraction**
1.1	Facilitate New Investment & Jobs
1.2	Health & Aged Care
1.3	Agriculture
2.	**Business Capacity Building**
2.1	Events & Activities
2.2	Workforce Development
2.3	Home Based Business Support
3.	**Tourism**
3.1	Product Development
3.2	Destination Marketing
3.3	Destination Management
4.	**Strong Local Identity**
4.1	Buy Local Program
4.2	Community Pride Program
4.3	Township Activation Program
5.	**Welcoming Environment**
5.1	Supportive Regulatory Framework
5.2	Business Guidelines
5.3	Internal Decision Making Framework

Role of the City

The City needs to have a clear understanding of the role it will play in all economic opportunities identified and how they will influence the desired outcomes. The role of the City will always fall into one of the following categories:

- Advocacy
- Facilitation
- Planning and Regulation
- Provider of Services
- Stakeholder

Resources

This Economic Development Strategy and the associated Program of Activities has been developed based on an analysis of the City's issues, opportunities and a comprehensive engagement process. With this in mind the successful implementation of the Strategy will be subject to the availability of resources. Provided below is a guide on the types of resources that will be required to implement the above Program of Activities. This guide does not take into consideration existing roles and responsibilities, but simply provides a framework for what is required to deliver the program successfully.

How the City then resources this using existing or additional resources will be subject to internal discussions.

- Manager
- Tourism Project Officer
- Business Development Officer
- Investment Attraction Officer
- Administrative Support

Performance Measurement

The Program of Activities has some specific targets that will determine how successful implementation of the program has been. These targets need to be reviewed on an annual basis and amended accordingly to adjust for changes in the economy, future opportunities that appear and the success of the previous year's activities.
Any future activities should still be linked to the strategic priorities.

Progress against the targets should be communicated to the City on a six monthly basis via the usual Council meeting progress, and the outcomes of this should also be communicated to the business community and the broader community through the usual media channels.

Targets vs. Economic Indicators

In the context of the Program of Activities, the targets represent the City's activities for economic development. Economic indicators track the economic performance of the City of Kalamunda, however, specific measures have not been included because the overall influence on these goes beyond the control of the City and the implementation of this strategy.

Contents

1. Introduction

1.1 Project Background

The City of Kalamunda is located in Perth's eastern suburbs and covers an area of approximately 324 square kilometres, the majority of which is State Forest, National Parks, Regional Open Space and water catchment areas. The City of Kalamunda is made up of three distinct areas, which include:

- The Foothills
- The Escarpment or the Hills
- The Eastern Rural Districts

The City borders the City of Swan in the north, the City of Mundaring in the east, the Cities of Armadale and Gosnells in the south, and the Cities of Canning and Belmont in the west.

The City's resident population is expected to grow significantly over the next 20 years and an innovative Economic Development Strategy is required to assist in identifying opportunities designed to facilitate the creation of jobs and investment to support this projected population growth, as well as the existing local business community.

1.2 Purpose of Report

Kalamunda City Council recognises the important role an Economic Development Strategy plays in supporting and facilitating economic growth. On this basis, the purpose of this Strategy is to specify how the City can best allocate its resources to support economic development by fostering greater investment and jobs growth. The Strategy will provide an achievable, evidence-based plan for the future while responding to the challenges and opportunities presented by the current local economic environment.

1.2.1 Project Process

Research & Analysis	Stakeholder Engagement	Strategy Development
• Analyse local economic strengths to identify and understand targeted economic opportunities • Identify, collect and collate all relevant socio-economic data • Apply AEC's economic development tools to further analyse economic opportunities • Identify and analyse trends and influencing factors	• Engaging with key stakeholders to ensure they have the chance to contribute to and guide the process • Engagement to be undertaken through a mix of one-on-one interviews, workshops, presentation and a business survey • Engagement will be guided by the learnings from the research and analysis and to also identify new and emerging opportunities	• Bring together the structure of the plan and clearly communicate the opportunities and outcomes • Develop vision, goals, strategic priorities, action plan, key performance indicators and resources required to deliver the strategy • Present the strategy to Council for consideration and feedback, amend accordingly and submit the final strategy for implementation

Source: AEC

2. Situation Analysis

2.1 Introduction

The purpose of the situation analysis is to build an evidence base and strong understanding of Kalamunda's current capabilities and drivers that are likely to impact upon the regions ability to successfully grow and diversify the economy.

2.2 Socio-Economic Overview

A summary of the key factors influencing the current economic climate in Kalamunda is provided below. A more detailed overview is provided as Appendix A.

2.2.1 Population and Demographics

Kalamunda's population reached approximately 60,000 in 2015 (ABS 2016a). The population has expanded at a faster pace than the state, with an average annual growth rate of 1.6% since 2011. The region has an older average age than the state, at 38.1 years (compared to 37.1 years) (ABS, 2016b).

The local population is less culturally diverse than the state, with more than 70% of local residents born in Australia (ABS, 2012). Those born outside Australia were primarily sourced from other English-speaking nations (such as the UK and New Zealand).

Family households are the most common family type in the region, forming 75.4% of households in 2011 (ABS, 2012). The region has lower proportions of lone person and group households than the state. Families with children aged under 15 years formed more than a third of all families in 2011.

2.2.2 Economy

2.2.2.1 The WA Economy

Though the gap between the WA and Australia's economic growth rate has narrowed since 2012, WA's growth rate remains above the nation's growth rate. The WA economy remains dependent on the mining industry. Despite the recent strength of iron ore, the mining industry remains diverse. This gives a robust base to the WA economy.

In WA between August 2011 and August 2016 substantial growth in employment numbers and in proportion was seen in accommodation and food, professional scientific and technical services, health care and social assistance and arts and recreation services. In 2014-15 sectors which showed growth in both employment and GVA included arts and recreation, health care and social service and accommodation and food. Mining continues to increase in value but with little employment growth.

Overall, WA has a robust economic base, but is likely to have subdued growth in the short and medium terms. The areas of prospective growth are diverse – tourism, education, agriculture, health services, professional and scientific services, specialist manufacturing – but individually small in relation to mining and its support services.

A number of these growth areas are consistent with opportunities in Kalamunda. This will be explored further in the coming chapters, but it is important to understand how this growth at a state level may also support the growth of the local economy.

2.2.2.2 Kalamunda

Kalamunda is a relatively small economy, of $2.7 billion in 2014-15 (AEC, unpublished a). The economy has expanded strongly since 2006-07, at an average annual pace of 4.5% (relatively consistent with the pace of growth at the state level).

The key local sectors (in terms of contribution to Gross Regional Product) in 2014-15 were linked to the local resources sector, with transport, postal and warehousing, mining and construction together forming more than 40% of local economic production. Manufacturing is also a key sector.

Local businesses tend to be small businesses, which are non-employing (64.4% of local businesses) and with turnover of less than $50,000 (23.4%) (ABS, 2016c). Key industries, in terms of business numbers in 2015 were construction, professional, scientific and technical services and transport postal and warehousing, which together formed 46.3% of all businesses.

The local region employed over 15,000 workers, by place of work (ABS, 2012). The industries that provided the most jobs in Kalamunda in 2011 were:

- Transport, Postal and Warehousing (16.3% of total)
- Manufacturing (11.9%)
- Construction (11.4%)
- Retail Trade (11.1%)
- Education and Training (10.3%).

The fact that no industry represents over 20% of jobs and the top 5 are all in the range between 10-20% provides an early indication that the Kalamunda economy is relatively diverse from an employment perspective.

Kalamunda has a higher proportion of jobs than Greater Perth in the transport, postal and warehousing, manufacturing, education and training and agriculture sectors. It has a much lower proportion in the professional, scientific and technical services, health care and social assistance, public administration and safety and financial and insurance services sectors.

More than 27,000 residents of Kalamunda were working in 2011. The industries in which the most Kalamunda residents worked in 2011 were:

- Retail Trade (11% of employed residents)
- Construction (10.2%)
- Manufacturing (9.7%)
- Health Care and Social Assistance (9.5%)
- Education and Training (8%).

Workers living in Kalamunda are more likely than the Greater Perth average to work in the transport, postal and warehousing, manufacturing and wholesale trade sectors and much less likely to work in the professional, scientific and technical services, health care and social assistance and accommodation and food services sectors.

Kalamunda has a relatively low unemployment rate, compared to Western Australia. In the June Quarter of 2016 the unemployment rate was 4.2% (Department of Employment, 2016).

Kalamunda has a relatively low rate of employment self-sufficiency (49%). Only the Transport, Postal and Warehousing and Agriculture, Forestry and Fishing sectors have employment self-sufficiency rates at over 70%. However, even though the City has low employment self-sufficiency, a high proportion of the resident workforce work in the adjacent municipalities of Belmont and Swan, which have very substantial industrial estates and the Perth airport employment complex. Therefore, the need for employment provision in the City remains important, but is not as urgent as in some other areas with a modest employment self-sufficiency.

2.2.3 Tourism

The City of Kalamunda is a popular day visitor destination for residents from the Perth metro area. It is also a popular visiting spot for the over 55 year's age group.

Over the last five years, Kalamunda welcomed an average of 295,000 visitors each year. Of these, around 75% are day visitors, and 22% are domestic overnight visitors. International visitors account for only 3% of total visitors to the City. Growth in visitation levels over the last five years has averaged at 8.7%; fuelled by an increase in day visitors by 9%, domestic overnight visitors by 26% and international visitors by 17%.

For the year ending September (YES) 2016, the Experience Perth tourism region attracted over 18.1 million visitors. Of these visitors, Kalamunda captured 2% of these. By comparison, the City of Swan attracted 6.2%.

Appendix A provides more detail regarding trends over time and provides the basis for the identification of key future opportunities and catalytic developments/investments which are likely to drive future tourism growth within the City and increase the profile of Kalamunda as a destination in its own right.

2.3 Competitive Assessment

2.3.1 Strategic Assets

The purpose of the strategic asset assessment is to identify Kalamunda's competitive advantages by highlighting unique and specific assets in the region that can be leveraged for economic development purposes. The following locational, geographical and existing industry characteristics are the strategic assets that further support growth opportunities:

- **Access to key transport infrastructure:** The Perth airport is located just outside the City boundary and provides the region with access to export infrastructure and tourist access to the region. The region is serviced by the Roe Highway and the Tonkin Highway.
- **Emerging tourism sector:** The start of the Bibbulmun Track in the town centre sets the tone for the outdoor pursuits on offer, and the quaint country character of the City punctuated with national parks, boutique wineries, markets and agricultural heritage support the future development of tourism experiences that are unique when compared with other areas within the Perth metro area. Part of the strength of the region is the fact that these experiences are all within close proximity to the Perth CBD.
- **Availability of future employment lands:** Kalamunda has a number of planned or recently released developments with a significant focus on employment generating land precincts. These have the potential to drive the generation of jobs in the region. Forrestfield North is one of these, and is a transit oriented development focused around the planned Forrestfield-Airport Link. This development presents opportunities for the attraction of a diverse mix of businesses that rely upon access to efficient transport networks.

2.3.2 Influencing Factors and Trends

2.3.2.1 Population Growth

Description

Population growth is often associated with increased economic growth and employment opportunities in a region. Population growth leads to higher demand for various goods and services. It also helps to generate increased consumer and business confidence and stronger levels of local reinvestment and business investment attraction.

Local Context

Kalamunda's population increased from almost 49,000 in 2001 to over 60,800 in 2015, an average annual growth rate of 1.6% (ABS, 2016a). This is a relatively modest growth rate, typical of middle ring municipalities in Perth and is much lower than some outer metropolitan growth areas in Perth. Population growth is currently estimated to continue to grow at a similar pace to 2026 (WA Planning Commission, 2015) and the increase to 77,000 by 2036.

The majority of this growth is forecast to be in Forrestfield North, Forrestfield, Wattle Grove and High Wycombe. Some growth is expected in Kalamunda township, largely in and around the town centre, but otherwise little growth is expected in the hills suburbs and rural areas.

Population growth is a key driver of economic growth, and is expected to impact on a number of industries in Kalamunda, particularly education and training, health care and social assistance, retail trade etc. This will create demand for job opportunities, developing a pool of labour for businesses to source from, while driving demand for a range of goods and services to support household consumption.

2.3.2.2 Demographic Factors

Description

The demographic profile of a region has implications for future demand for services such as schools and hospitals, infrastructure, as well as the availability of labour to support industry/ business growth (i.e. working age population).

Local Context

Kalamunda has an older average age than the State, at 38.1 years in 2015 (ABS, 2016b). The increase in average age has been brought about by a combination of improved life expectancy, as well as a trend toward having children later in life and declining rates of children per person. These trends are anticipated to continue, as advances in medicine and health care service delivery continue to extend the average life expectancy.

The population growth is heavily skewed towards increases in older age groups, particularly over 70. For some periods (2011 to 2021) there is forecast to be a reduction in the number of 18 to 24 year olds in the City. The consequence is a reduction in the proportion of parents and homebuilders (35 to 39) from 20.8% to 19.6% of the population and an increase in the proportion of over 70 year olds from 9.0% to 15.4% of the population.

The increasing average age in Kalamunda will drive increased demand for health care services as well as aged care and other assisted living services.

2.3.2.3 Infrastructure Delivery

Description

Ongoing population growth will create increased pressure and demand on existing infrastructure and the delivery of future infrastructure. Infrastructure has the capacity to lead or follow development and good economic outcomes are achieved when the right infrastructure leads development.

Infrastructure plays a crucial role in driving business investment, growth and productivity. Today, both the private and public sector are placing more emphasis on developing basic infrastructure in Australia to promote the growth of the economy and provide for a growing population.

Local Context

Major projects and infrastructure developments in Kalamunda include:

- The Perth Airport and Freight Access Project will enable road freight access between the Perth Airport and the Kewdale and Forrestfield industrial areas (City of Kalamunda, 2016). The project is the largest infrastructure project ever undertaken by Main Roads WA.
- The Forrestfield-Airport link that will connect Forrestfield to Perth via a new train line. This train line is the first to connect Perth's eastern suburbs to the airport and the city, providing a much needed connection for residents and tourists (City of Kalamunda, 2016). The train line is anticipated to be functioning by 2020.
- Forrestfield North, the new 200ha urban centre at the terminus of the Forrestfield-Airport Link. To make the most of the State government's investment, a high density mixed use development is proposed as the City's flagship project. The planning process for this is well underway, with work continuing on the Forrestfield North Structure Plan.
- The Maddington-Kenwick Strategic Employment Area, which is predominantly in the City of Gosnells, over time has the potential to generate significant employment opportunities for the broader region.

These projects will provide access to services, infrastructure and amenity for local residents and businesses, and have the potential if promoted and facilitate proactively to generate quality investment attraction outcomes for the City.

2.3.2.4 The Asian Century

Description

Economies and populations in developing nations in Asia are growing rapidly. The continual growth of the middle-class across Asia is expected to present an increasing array of opportunities for Australia, specifically through an increase in demand for our goods and services.

To truly benefit from these opportunities, regions need to explore a range of priorities, such as:

- 'Governance' – establish and grow industry collaboration structures to build the critical mass needed to break into global markets.
- 'Capability' – identify opportunities to build the capability of local businesses to ensure they have the capacity and skills to operate in this market.
- 'Relationships' – identify opportunities and develop strong relationships with strategic Asian markets where mutually beneficial outcomes can be achieved.
- 'Market Knowledge' – there is a need to develop a strong understanding around the current gaps and associated opportunities within these markets and what the key drivers are that influence relationships and business decision making.

Local Context

There are significant opportunities that can be facilitated because of the size and scope of the economies in Asia, however, they will not happen without applied effort. Council can play a role to help facilitate the development of these opportunities and the associated growth in local jobs.

Global demand, in particular in the growing Asian market, is predicted to continue to generate opportunities for growth in the mining industry, but as this sector slows over time other opportunities will emerge in industries such as agribusiness (in particular higher value food), international education, tourism and wealth management as well as global demand for energy.

Increasing market knowledge and awareness of the opportunities in these industries will help to ensure that job growth and investment attraction can be achieved, but if regions simply wait for the opportunities to arrive it may not happen. Taking advantage of opportunities associated with the Asian Century is about proactively making them happen.

There are a range of things that can be done to develop the foundations for being successful in this space, some of which include:

- Building strong industry networks and a culture of collaboration will prepare local businesses to work together to build the economies of scale required to have an impact in these global markets.
- Develop an understanding of those businesses currently involved in export markets, and support mechanisms they may need to assist in further developing these opportunities.
- Build the capacity of businesses looking to expand into export markets through the delivery of workshops and programs designed to build their knowledge, skills and market awareness.

2.3.2.5 Tourism

Description

Tourism covers the services provided to domestic and international visitors, and is a key driver for many industries throughout regional, State and Australian economies.

Local Context

The Kalamunda tourism industry has all the attributes to be a highly successful and attractive destination. With a mix of product, natural assets and a region that is highly accessible, Kalamunda has the foundations to grow into a popular destination for a diverse mix if visitors. With the right mix of proactive product development, destination marketing and destination management activities Kalamunda can reach its tourism potential.

2.3.2.6 Changing Consumption Trends

Description

Consumer expenditure is increasingly trending towards households reducing debt, paying down mortgages and embracing the 'sharing economy' to optimise assets by leveraging digital networks to allow collaborative consumption as well as online retailing.

Local Context

Creating an environment that supports the needs of the modern consumer is important if Kalamunda is going to be a desirable and liveable destination, and in turn is going to maximise employment growth opportunities within industries such as retail trade as the population grows.

The retail sector is constantly changing as consumer preferences shift in response to new trends and economic factors, such as online shopping and increased demand for ready to consume products (e.g. ready to eat meals, plug and play equipment). Retail is an important sector in Kalamunda (providing 11% of jobs in 2011), and local retailers will need to continue to be innovative and responsive to the ways consumers purchase products to continue to satisfy demand. Despite this, shifts in consumer preferences and the emergence of online shopping will continue to erode the need for traditional store-based retail (and change the types of job roles required in retail) throughout Australia. In particular, online shopping enables consumers to access goods and services from across the globe rather than being reliant on local retailers, which will likely negatively impact on demand in Kalamunda's retail trade industry.

Innovation has also contributed to consumer demands shifting from purchasing physical objects to a preference for digital content, which is changing the way people both access and store information and entertainment. This has resulted in reduced and changed demand for a range of goods and services, such as physical printed content (e.g. books, magazines, newspapers, CDs and DVDs), service providers that leased this content (e.g. libraries, DVD hire), and entertainment/ leisure activities (e.g. access to digital content, including sport, movies and games, has contributed to an increase in home-based leisure pursuits).

A growing trend amongst consumers that will slightly offset some of the changes being driven by technology is the desire to have locally based authentic experiences. This trend will drive more local people to want to shop locally, and if unique and authentic experiences are developed it will also attract visitors to the region from the broader Perth metro area.

2.3.2.7 Emerging Technologies & Innovation

Description

Continually evolving technology will play a major role in shaping the development of Western Australia and Australia over the coming 30 years. Rapidly evolving energy, communications, and transportation technologies will boost economic activity. It also has the potential to revolutionise education and training delivery.

Mobile internet, automation of knowledge work, machine based learning, cloud technology, advanced robotics and autonomous vehicles, next generation genomics, energy storage, 3D printing, advanced materials and renewable energy are just some of the known technologies that will change the face of how we do business and live into the future.

Technology has the potential to stimulate industries already established and lead to higher levels of labour productivity, while also lowering barriers and costs of new and emerging industries.

Local Context

Access to new and emerging technologies, in conjunction with efficient and high quality infrastructure, is resulting in considerable enhancement in productivity, and requires higher levels of technical capability in staff. Accordingly, workers are becoming increasingly highly skilled, well paid, flexible and quite often demanding more from their employer. This is anticipated to continue.

Through technological advancement, there is potential for considerable enhancement of efficiency in transport and logistics through the emergence of robotics and autonomous vehicles. Although the effective widespread, commercial implementation of autonomous vehicle technologies are some years away, these technologies are evolving rapidly, with many transport operators currently investing heavily in this emerging area.

There is a wide spectrum of technologies in this space, from warning systems through to driverless vehicles. Technologies such as automated braking, electronic stability control and dynamic cruise control systems are designed to make driving safer. More advanced automated features will include autonomous steering, accelerating and lane guidance. Autonomous vehicles have the potential to make the transport industry safer and more efficient.

Autonomous vehicles also have the potential to be networked cooperatively. This allows them to communicate with each other and with road infrastructure, so that all can move around more safely and efficiently. Vehicles that can communicate with each other can avoid collisions and form efficient platoons (i.e. trucks in a convoy that are linked via wi-fi to the lead (manned) vehicle) that increase effective capacity. By communicating with infrastructure, they can be advised, for example, of a red-light ahead to brake in time and pass back information on traffic and infrastructure conditions.

These types of efficiency gains have the potential to shift the types of occupations employed in the transport and logistics industry (e.g. from truck drivers to technicians monitoring automated systems), while also increasing the productivity per person in the industry. It is important to build an understanding of the impacts technology and innovation will have on current day jobs and the types of jobs that will be created in the future, especially in industries such as transport, manufacturing and other traditional industrial users that are likely to the most impacted.

2.3.2.8 Global Economy

Description

The value of the Australian dollar influences the competitiveness of Australian businesses in the global economy.

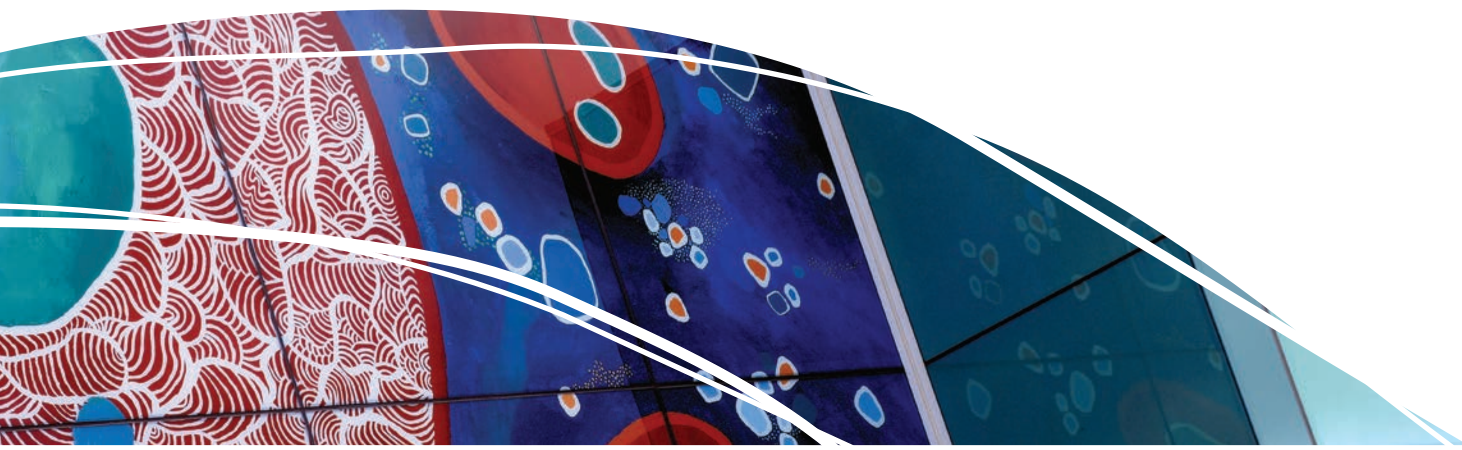
Local Context

The decline of the Australia dollar is expected to have a positive impact for export focused Australian producers through an associated increase in competitiveness in the global market. Global competitiveness, particularly around labour rates, also affects Australia's ability to effectively compete across all sectors, in particular in sectors such as most low skilled manufacturing industries, creating the need for Australian production to focus (generally) on higher quality, premium and/ or niche products.

It is not possible for Councils to directly influence the Australian exchange rate. However, it is an important factor to be aware of and consider in relation to the impact it can have on the local economy, development programs and the major industries across the area and associated jobs growth.

Similar to the Australian dollar, the prices of commodities in global markets influence the attractiveness of industries in the region and the profitability of businesses. Again, there is little Council can do to influence this, but it is important to be aware of the industries/ businesses that are susceptible to this and understand the overarching impact this can have on the economy, both positive and negatively, during times of change and uncertainty.

This trend emphasises the importance of building relationships with local businesses and understanding their drivers and what can be done to assist in facilitating business retention and expansion plans.



2.3.3 Location Quotients

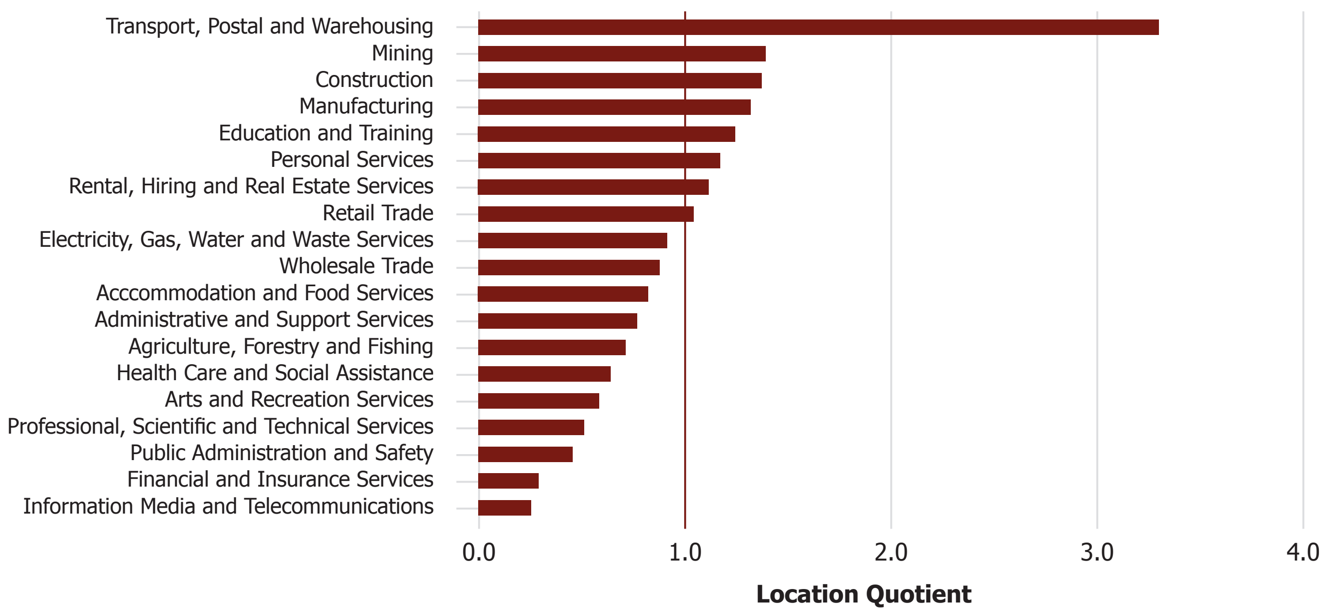
To demonstrate the specialisation of the economy, location quotients based on employment have been calculated. The location quotients demonstrate the degree to which a local or regional economy is specialised by examining the proportion of employment (by industry sub-sector) compared to a larger economy (Australian economy). Location quotients can be used to indicate strengths and weaknesses of a local or regional economy (i.e. its natural competitive advantage).

For this project, the analysis has compared the Kalamunda economy with that of Australia. A location quotient of "1" means that Kalamunda has an equal share of employment (compared to the Australia) for a specific industry sector, thus no potential advantage either way. A location quotient above "1" indicates a specialisation of labour and therefore an area of potential competitive advantage. If the location quotient is below "1", the area has a weakness in this particular industry sector.

An assessment of location quotients at the 1-Digit Australian and New Zealand Standard Industrial Classification (ANZSIC) level suggests Kalamunda has strong labour specialisations in the industries of:

- Transport, postal and warehousing (LQ = 3.3)
- Mining (1.4)
- Construction (1.3)
- Manufacturing (1.3)
- Education and Training (1.3).

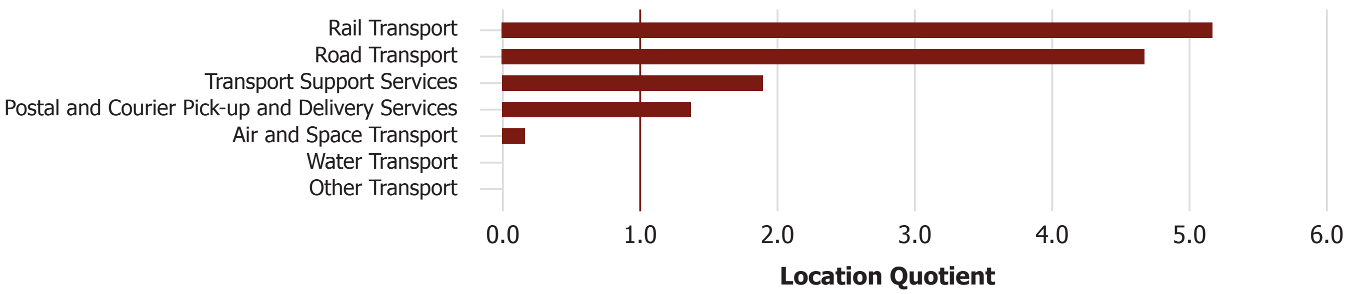
Figure 2.1. Location Quotients, 1 Digit ANZSIC, Kalamunda



Source: ABS (2012)

Within the transport, postal and warehousing sector, Kalamunda has labour specialisations in rail transport, road transport, transport support services and postal and courier pick-up and delivery.

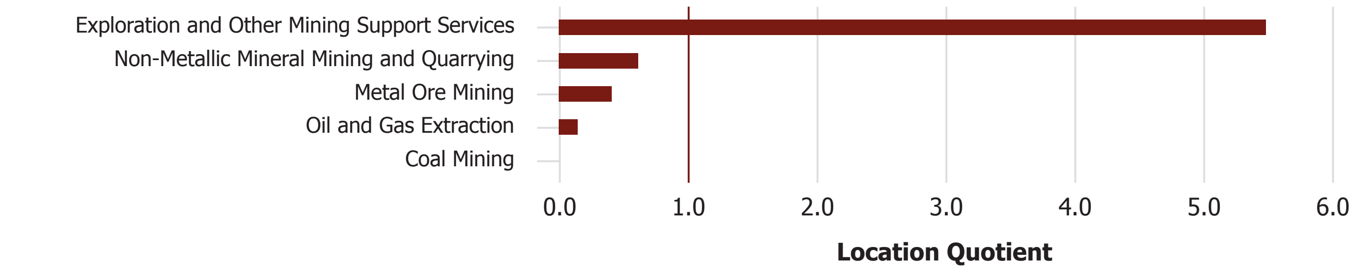
Figure 2.2. Location Quotients, 2 Digit Transport, Postal and Warehousing, Kalamunda



Source: ABS (2012)

Though Kalamunda has labour employed in most forms of mining, the area has a labour specialisation in exploration, mining and support services (particularly mineral exploration activities).

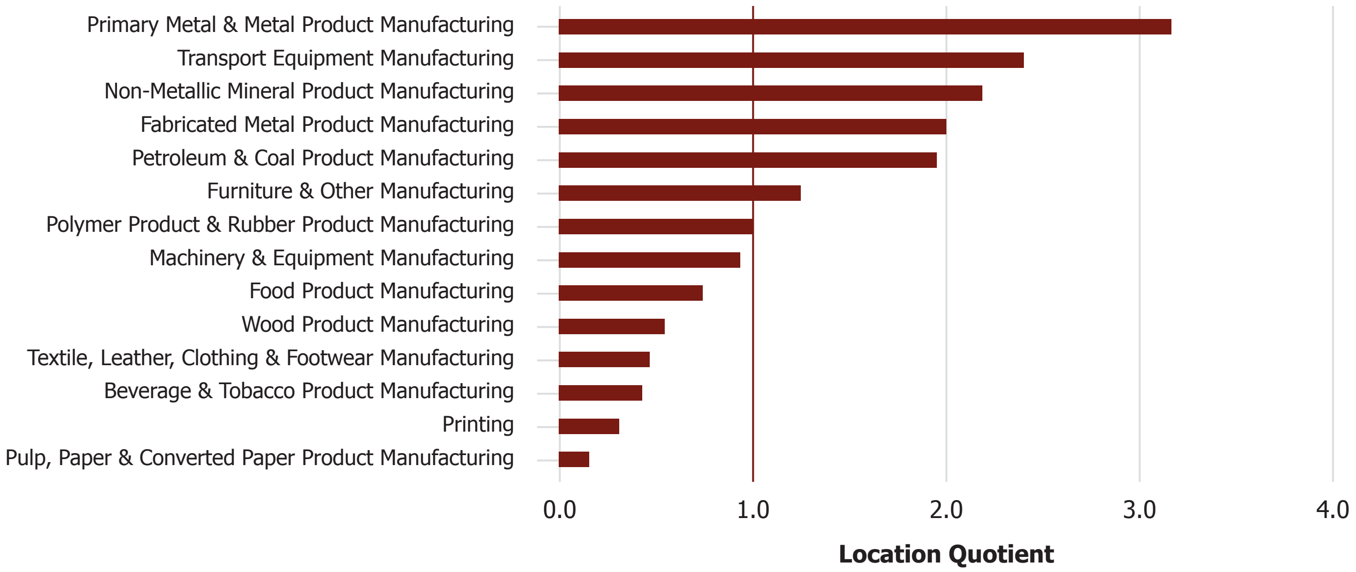
Figure 2.3. Location Quotients, 2 Digit Mining, Kalamunda



Source: ABS (2012)

Kalamunda has labour specialisations across several manufacturing sub-sectors. These sectors tend to be linked to the area's mining and transport sectors.

Figure 2.4. Location Quotients, 2 Digit Manufacturing, Kalamunda



Source: ABS (2012)

2.3.4 Cluster Mapping

Cluster mapping builds on the location quotient analysis by portraying the regional location quotients against Western Australian industry estimated employment growth over time (from 2014-15 to 2019-20). By incorporating industry growth, cluster mapping allows for the identification of growth opportunities in specific industry sectors, where a natural competitive advantage already exists against a backdrop of an expanding sector State-wide.

Industry clusters located above the "1" on the vertical axis indicate an existing industry concentration (strength or competitive advantage, as discussed previously) within the region being examined. The Western Australian industry average annual employment growth estimate for 2014-15 to 2019-20 (AEC, unpublished b) is plotted along the horizontal axis, with 0% average annual growth over the period creating a midline. The further to the right of this central horizontal axis, the faster the industry is expected to expand. Similarly, the farther to the left of the zero percent midline, the faster it is expected to shed jobs during this period. The size of the cluster (circle/ blob) in the map demonstrates the size of the local workforce in that industry sector.

Industries which are in the top-right-hand quadrant of the cluster map are industries which benefit from local labour specialisation (i.e., an LQ above 1.0) and are anticipated to experience positive average annual growth in Western Australia between 2014-15 and 2019-20. These sectors should be targeted for economic development activities as they are likely to perform well in the coming years. Industries located in this quadrant for Kalamunda are:

- Transport, Postal and Warehousing (LQ = 3.3, Growth Expectation = 6.2%)
- Mining (LQ = 1.4, Growth Expectation = 5.3%)
- Construction (LQ = 1.3, Growth Expectation = 4.1%)
- Manufacturing (LQ = 1.3, Growth Expectation = 2.6%)
- Retail Trade (LQ = 1, Growth Expectation = 2.8%)
- Personal Services (LQ = 1.1, Growth Expectation = 1.9%)
- Education and Training (LQ = 1.3, Growth Expectation = 0.4%).

Industries which are in the bottom-right-hand quadrant of the cluster map are industries which don't yet benefit from local labour specialisation (i.e., an LQ below 1.0) but are anticipated to experience positive average annual growth in Western Australia between 2014-15 and 2019-20. These sectors should be investigated further, where appropriate, to determine their potential to be targeted for economic development activities as they are may perform well in the coming years if local supply chains and support are available. Industries located in this quadrant for Kalamunda are:

- Administrative and Support Services (LQ = 0.8, Growth Expectation = 8.3%)
- Electricity, Gas, Water and Waste Services (LQ = 0.9, Growth Expectation = 7.5%)
- Information Media and Telecommunications (LQ = 0.2, Growth Expectation = 6.9%)
- Health Care and Social Assistance (LQ = 0.6, Growth Expectation = 3.3%)
- Professional, Scientific and Technical Services (LQ = 0.5, Growth Expectation = 2.5%)
- Accommodation and Food Services (LQ = 0.8, Growth Expectation = 1.4%)
- Wholesale Trade (LQ = 0.9, Growth Expectation = 1.1%)
- Agriculture, Forestry and Fishing (LQ = 0.7, Growth Expectation = 0.6%)
- Financial and Insurance Services (LQ = 0.2, Growth Expectation = 0.4%).

Figure 2.5 provides the cluster map for Kalamunda for the 1 digit ANZSIC industries.

Within the transport, postal and warehousing and mining sectors, Kalamunda has potential opportunities in the industries of:

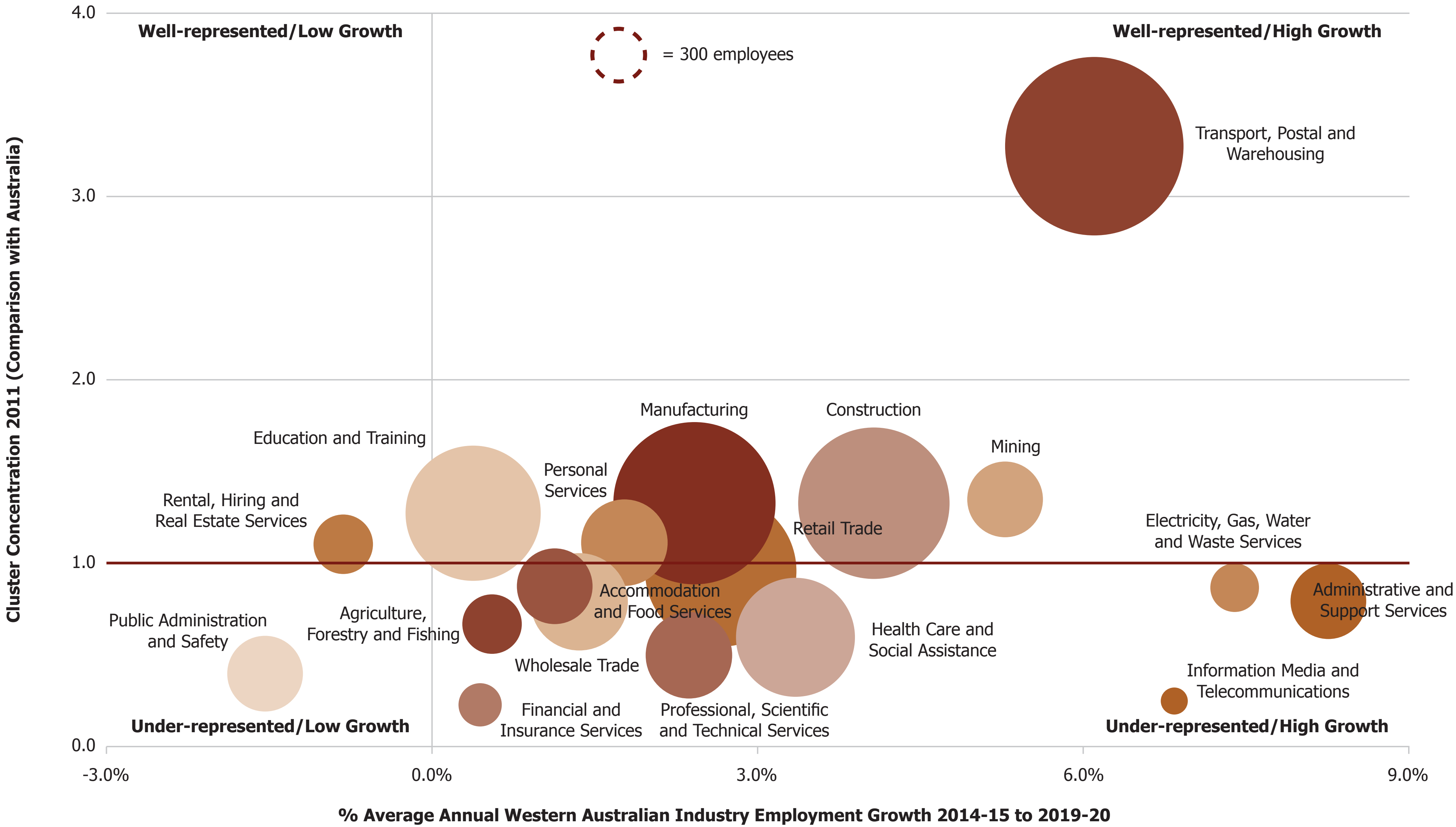
- Transport Support Services (LQ = 1.9, Growth Expectation = 6.5%)
- Rail Transport (LQ = 5.2, Growth Expectation = 6.3%)
- Road Transport (LQ = 4.6, Growth Expectation = 5.7%)
- Postal and Courier Pick-up and Delivery Services (LQ = 1.4, Growth Expectation = 5.5%)
- Warehousing and Storage Services (LQ = 3.7, Growth Expectation = 5.3%)
- Exploration and Other Mining Support Services (LQ = 5.5, Growth Expectation = 4.1%)

Figure 2.6 provides the cluster map for the 2-digit sub-sectors of transport, postal and warehousing and mining.

Within the manufacturing sector, Kalamunda has potential opportunities in the industries of:

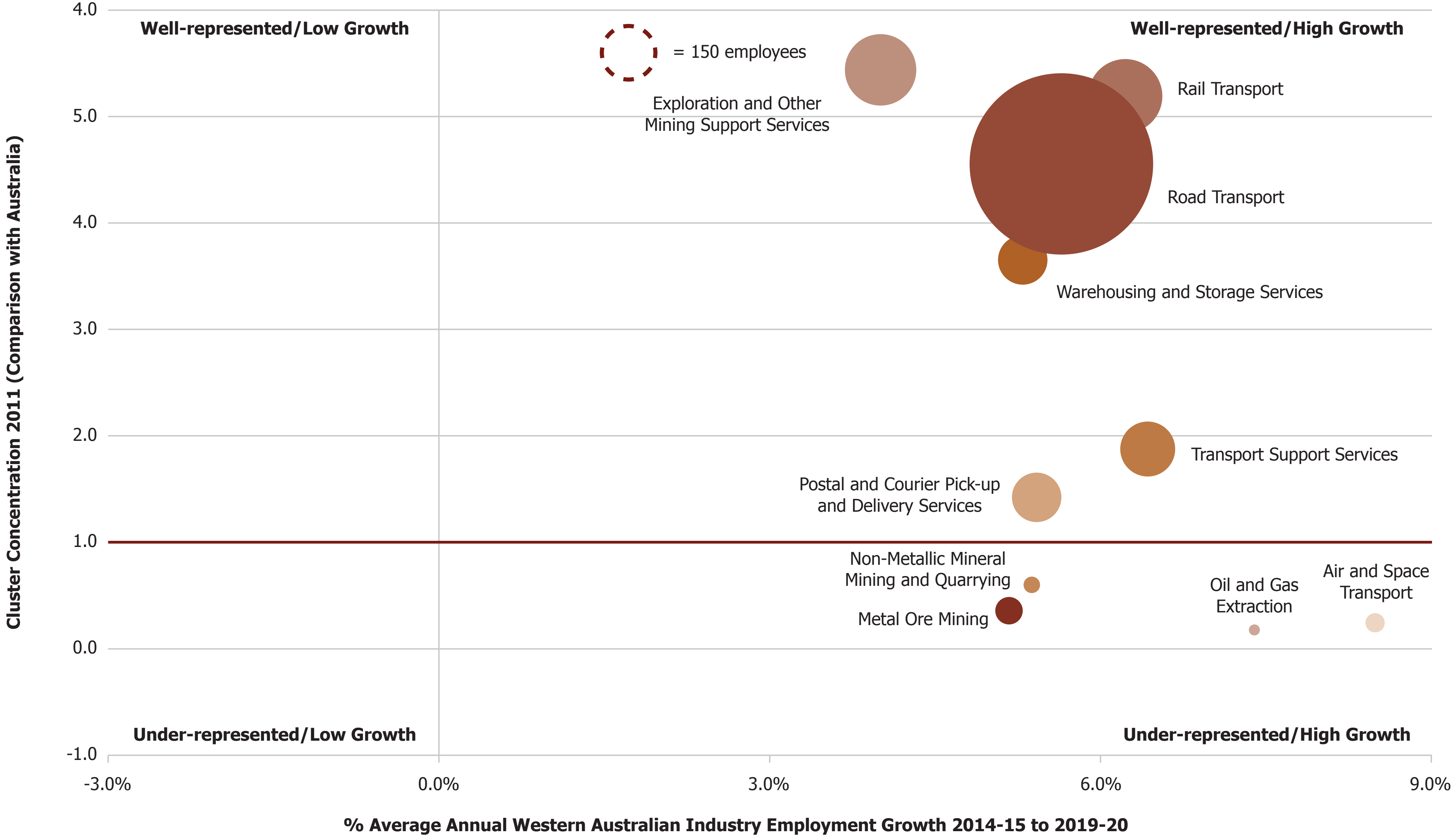
- Primary Metal and Metal Product Manufacturing (LQ = 3.2, Growth Expectation = 3.8%)
- Machinery & Equipment Manufacturing (LQ = 0.9, Growth Expectation = 3.1%)
- Fabricated Metal Product Manufacturing (LQ = 2, Growth Expectation = 2.8%)
- Non-Metallic Mineral Product Manufacturing (LQ = 2.2, Growth Expectation = 2.7%)
- Beverage and Tobacco Product Manufacturing (LQ = 0.4, Growth Expectation = 2.4%)
- Polymer Product and Rubber Product Manufacturing (LQ = 1, Growth Expectation = 2.1%)
- Textile, Leather, Clothing and Footwear Manufacturing (LQ = 0.4, Growth Expectation = 1.8%)
- Figure 2.7 provides the cluster map for the 2-digit sub-sectors of manufacturing.

Figure 2.5. Cluster Map, 1 Digit ANZSIC, Kalamunda



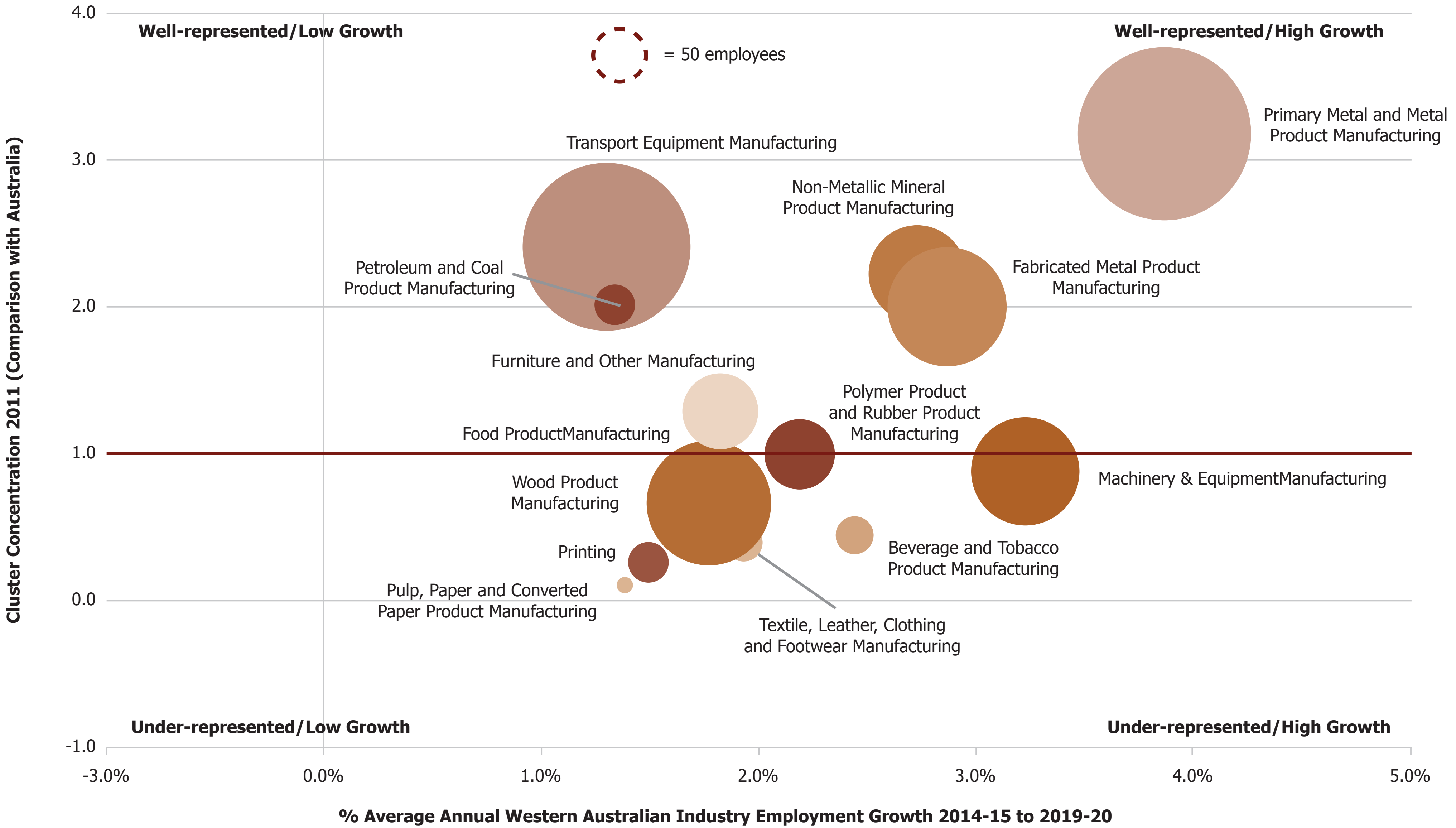
Source: ABS (2012), AEC (unpublished b)

Figure 2.6. Cluster Map, 2 Digit Transport, Postal and Warehousing and Mining, Kalamunda



Source: ABS (2012), AEC (unpublished b)

Figure 2.7. Cluster Map, 2 Digit Manufacturing, Kalamunda



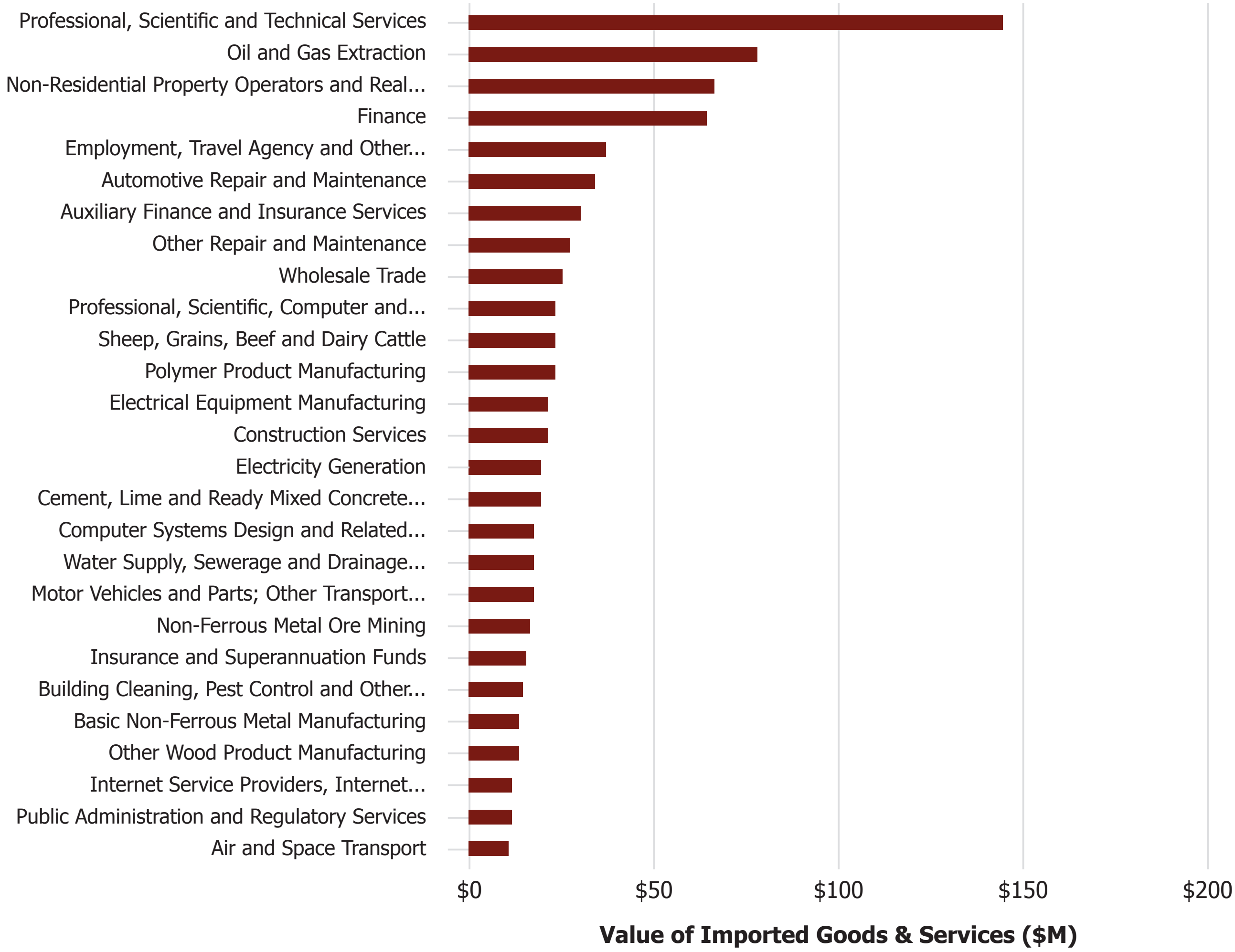
Source: ABS (2012), AEC (unpublished b)

Prominent imports into a region can represent opportunities, where skills and labour can be easily sourced. This could improve local industry supply chains and provide additional job opportunities for locals.

2.3.5 Import/ Export Analysis

In 2013-14, an estimated $1.0 billion worth of imports were brought into Kalamunda. As is often the case in a non-CBD area, the key imports into Kalamunda are business services, such as professional, scientific and technical services, non-residential property operators and real estate services, finance and employment, travel agency and other administrative services. Kalamunda also imports a high amount of oil and gas extraction outputs.

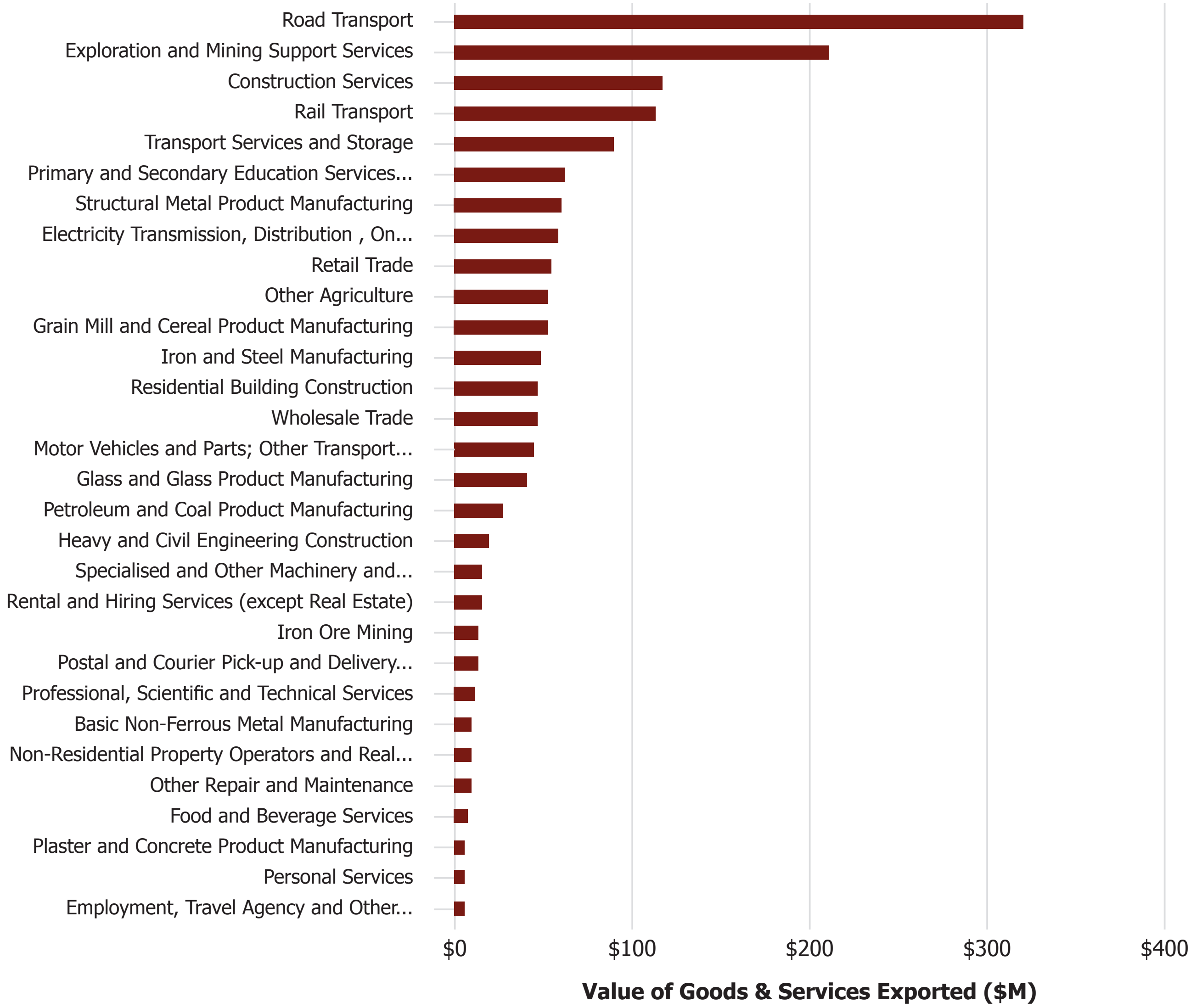
Figure 2.8. Imported Goods and Services, 2013-14, Kalamunda



Source: ABS (2012), ABS (2016d)

In 2013-14, an estimated $1.6 billion worth of exports left from Kalamunda. Key exports from Kalamunda align with the key sectors of the economy, with transport sectors, mining and construction sectors all forming the top five. Kalamunda also exports primary and secondary education services, indicating students come into the region to attend school.

Figure 2.9. Exported Goods and Services, 2013-14, Kalamunda



Source: ABS (2012), ABS (2016d)

2.4 Situation Analysis Summary

There are a number of key learnings and trends that can be taken from the situation analysis that will be applied to the next stages of the Economic Development Strategy, these include:

- Population growth is faster than the State average in Kalamunda, and future growth will be centred around a number of key locations. This growth has the potential to drive opportunities in industries that are linked to population growth, such as construction, retail trade, education and training and health care and social assistance.
- Kalamunda has an older average age than the State, which means there will be an increasing need for health and aged care related services and infrastructure in the region.
- Growth in the economy has centred on a number of key industries, in particular transport, construction, manufacturing, retail, education and training, health care and social assistance and tourism.
- The development of key infrastructure and employment lands has the potential to drive economic opportunities for the region. To achieve the best possible results, it will be important to be proactive rather than reactive in the way that the opportunities are facilitated. Some of the key imports into Kalamunda include a range of business and professional services. An opportunity exists to ensure space is provided for these sectors to be attracted to employment land development projects, such as Forrestfield North.
- The changing nature of the global economy, the impact that this is having on consumer patterns and jobs of the future is an important trend that needs to be monitored and factored into planning for the growth of the economy, and building relationships with local businesses and understanding how these factors are impacting their businesses is important.
- Kalamunda has specialisations in growth areas such as transport, construction, retail trade and manufacturing. As identified above these industries will continue to be important contributors to the economic growth of the region, and the City and other key stakeholders will need to play a role in facilitating this.

3. Economic Development Strategy

3.1 Goal

"The City of Kalamunda is a business destination spoilt for choice with a diverse mix of natural assets and employment drivers that complement each other in delivering locally sustainable jobs and businesses."

3.2 Strategic Priorities

The Economic Development Strategy is designed to provide Kalamunda City with clear direction regarding priorities to be implemented that will assist in delivering the regions vision. There are five strategic priorities under which the action plan will be developed. The purpose of this section is to provide more detail relating to each strategic priority, the rationale behind each priority and the anticipated outcomes.

The five strategic priorities include:

- Industry expansion and attractionBusiness capacity building
- Tourism
- Strong local identity
- Create a welcoming environment

3.2.1 Industry Expansion and Attraction

Description

Industry expansion and attraction is about facilitating the growth of the economy by focusing on the attraction of new businesses into the area or facilitating the expansion of existing businesses. To achieve the best outcomes it is important to focus on industries that Kalamunda has strengths and where industry expansion can be catered for in available or planned developments/ business precincts.

Rationale

Industries that have been identified as presenting the most opportunities for expansion, diversification and attraction include health and aged care, transport, professional services and various sub-sectors of agriculture.

Industry expansion and attraction of sectors such as transport and professional services will be facilitated through the development of precincts that are planned for Forrestfield North and the Maddington-Kenwick Strategic Employment Area. These developments are proposed to include a diverse mix of space to accommodate traditional industrial uses such as transport and also the requirements of a range of professional services.

Due to Kalamunda's close proximity to Perth, industries such as business and professional services have traditionally been major imports, but the development of these employment precincts presents the opportunity to grow these sectors locally, and create a more diverse mix of jobs.

In relation to health and aged care the priority is to identify suitable sites to accommodate relevant infrastructure. For agriculture, the opportunity is focused on identifying and facilitating the diversification of existing agricultural businesses and creating the regulatory environment that supports this.

Another type of initiative that will help to facilitate industry expansion and attraction is township beautification and place making activities. In the case of Kalamunda there is a limited 'night time economy', and a focus needs to be placed on rejuvenating the town through the development of activities that encourage people to connect with their community after dark. This will have a flow on effect and will generate opportunities for other industries and towns as people look to explore different experiences across the region.

Key Activities

- Facilitate new investment and jobs
- Health and aged care
- Agriculture

3.2.1.1 Facilitate New Investment and Jobs

Facilitating the attraction of new businesses, investment and jobs will not be achieved through increased marketing and promotion alone, and nor will it be achieved simply through the release of new employment lands. Council has an important role to play in facilitating the investment attraction process, including:

- Understanding local strengths/capabilities, e.g. availability of employment lands, proximity to Perth and key transport infrastructure.
- Identifying associated target markets, e.g. transport, other industrial uses and professional services
- Proactively promoting investment opportunities to these target markets
- Establishing and working with leads to help them identify suitable sites and to navigate the approval process.

One of the key strengths of the region is the proposed transit oriented development at Forrestfield North. Comprehensive planning has been completed for this development to cater for a mix of residential, retail, commercial and industrial uses. This development is positioned for economic growth, given its proximity to the airport, other industrial estates and the transport network.

In the City's Local Planning Strategy 2013, the Forrestfield North area was proposed to be a large industrial estate, and was endorsed as such by the Western Australian Planning Commission. In August 2014, however, the Department of Planning wrote to the City and requested that planning commence for urban development, due to the proposed Forrestfield North train station being funded. The City has now lost a large portion of its future industrial land and, subsequently, future employment opportunities. In return, the City has gained an opportunity for a high quality residential and commercial outcome well-situated near key transport infrastructure.

While this development presents a range of opportunities there are some challenges that need to be overcome, including:

- Fragmented land ownership
- Infrastructure servicing constraints
- Landowner intentions to remain on large blocks of land
- Access across Roe Highway
- Bus feeder services and network constraints
- Regaining lost industrial land

To be successful in achieving the best possible outcome from the Forrestfield North development certain priorities should be considered, including:

- Facilitate a coordinated approach to the development to address the land fragmentation issues and to proactively promote opportunities to identified target markets. A coordinated development is necessary at Forrestfield North if it is to reach its potential, in terms of residential density and employment precinct opportunities. The Forrestfield North tender includes the requirement for a land assembly strategy to address this matter, as a result it is clear that it has already been identified as a priority.
- One of the potential development opportunities is an aerotropolis themed development, based on the sites close proximity to the airport. For this opportunity to be realised it will need high level State Government engagement and detailed research into the specific opportunities. An aerotropolis is a metropolitan subregion where the layout, infrastructure, and economy are centred on an airport that serves as a multimodal "airport city" commercial core.

3.2.1.2 Health and Aged Care

Kalamunda has a well established health precinct, including a small hospital and associated health services. In addition to this the region is experiencing a significant ageing of the population, with higher than the State average in all age cohorts between 55 and 84. This trend towards an aging population is consistent with most communities across Australia. In relation to this there is both the need and opportunity to attract services and facilities to cater to the needs of the community. The major challenge is identifying suitable sites to develop the facilities.

Key priorities for the health and aged care sector include:

- Ensure suitable land parcels are made available and supported in the planning regime.
- Encourage new providers of aged care to the City.

3.2.1.3 Agriculture

The Hills Rural Study was developed by the City in 2014. The Study has not been formally adopted by Council, but it raises appropriate challenges and opportunities for the local industry that should be considered as part of this Economic Development Strategy, including:

- The availability of water has steadily reduced and it is likely that this trend will continue, which impacts upon the certainty and sustainability of crops.

- The loss of markets - most growers are not of a large enough scale to cater to the large food providers, and local markets have been too small to accommodate all the growers. The international market has been seen as becoming too competitive because of the inclusion of countries with cheaper labour costs.
- Younger generations have increasingly chosen to work in other industries, resulting in a growing number of ageing growers who are struggling to cope with the demands of agriculture/ horticultural work on their own.
- Some pest controlling chemicals are being banned from use, making pest control management considerably harder and less cost effective.
- Many land owners in the Study area are seeking change to planning controls so they may explore diversification or downsizing of operations, or subdivision of land to overcome the abovementioned issues.
- New capital and start-up costs have the potential to add significant costs to the bottom line.

The opportunities and strengths that are anticipated to drive the growth and diversification of the agricultural sector across the region include the following:

- Land is productive for a wide range of fruits, vegetables and horticulture
- The region has a long history of orcharding including some viticulture
- Close to city markets and export infrastructure
- There has been growth in local food awareness and consumption, which generate increased interest in locally grown and produced food.
- Increased levels of collaboration between landowners could contribute to the viability of businesses.
- There are significant export opportunities in the Asia region, where demand has increased for high quality products.
- There has been a growth in agri-tourism in the area and a strategic shift from the City in accommodating tourism in the area to increase the viability of the businesses.
- There are opportunities for subsidies and grants, and investment in new technologies.

Priorities to come out of the Hills Rural Study that are relevant to this Economic Development Strategy include:

- Commit to supporting landowners in the Kalamunda Hills rural area with developing and implementing economic development initiatives aimed at diversifying and improving the viability of agriculture/ horticulture activities. This support may occur by way of Councillor and staff involvement, liaising with State Government Departments, obtaining grants and research assistance, or other means of support deemed appropriate. There is the opportunity for higher value niche products, including high quality produce aimed at the local market
- There is an opportunity to develop locally based branding and coordinated marketing activities to increase the focus on locally grown/ produced products. In addition to this another priority relates to developing and promoting buy local programs.
- Commence a Local Planning Scheme amendment to:
    - o Introducing new permissible land uses to rural zones in the Study area that may increase land use flexibility for land owners, such as the introduction of "restaurant" through amendment 66.
    - o Continue with the development and implementation of a new 'Priority Agriculture' zone over land that is deemed to be of State, regional or local significance for food production purposes, due to its collaborative advantage in terms of soils, climate, water (rain or irrigation) and access to services.
- Continue to advocate to the State government to initiate a study into the agricultural productivity of the area for the purpose of assisting the City to delineate the boundaries of a new 'Priority Agriculture' zone in accordance with the Western Australian Planning Commission's Rural Planning Guidelines 2014.

Anticipated Outcomes

- Facilitate new investment and jobs
- Diversified and strong economy
- Sustainability of the agriculture sector

3.2.2 Business Capacity Building

Description

Building local business capacity is about providing the opportunity for local businesses to develop their skills and capabilities through a range of events and activities designed to assist them to grow and/ or be sustainable. This can be achieved through facilitating a range of skills development activities, as well as through the sharing of business and economic information and growing cooperation and collaboration across the local business community.

Rationale

Building local business skills and capabilities will lead to growing the competitiveness and strength of the local economy. Helping businesses to expand and grow their knowledge base in regard to new markets, technology and innovation and also encouraging them to network and collaborate helps to facilitate a diverse and sustainable economy.

Key Activities

- Events and activities
- Workforce development
- Home based business support

3.2.2.1 Events and Activities

Building the capacity of businesses relates to the facilitation of events and activities designed to support the growth of local businesses. This is facilitated through the following types of activities:

- Workshops and events that include one or more guest speakers discussing topics that are relevant to local businesses and skills they need to develop. The key to developing a successful workshop program is up front engagement with the local business community to understand their needs and preferred style of engagement. One of the better workshop formats includes a prominent local business guest speaker that has successfully managed their business through a challenge associated with the topic of the workshop. Businesses tend to be more actively engaged in workshops when they are listening to and discussing challenges and opportunities with one of their peers.
- Sharing knowledge and information through networking is another key way to build the capacity of local businesses. The opportunity exists to provide the environment that allows businesses to come together in a forum where they get to know each other and get the chance to discuss issues and opportunities and learn from one another. Networking in its simplest sense will happen informally when businesses are brought together, but effective networking that results in sharing knowledge and identifying business opportunities only happens when the networking is structured and facilitated with the desired outcome in mind.

3.2.2.2 Workforce Development

A workforce development program is aimed at linking job seekers with current and future job opportunities, ensuring they have the skills to fulfil the work requirements, and also working with businesses to help them plan for future workforce requirements.

The City has an existing program included in its draft Youth Plan (2017-2022) with objectives to develop a framework for a collaborative approach to providing local young people with the opportunity to acquire employability and life skills, which enable them to be independent, confident and active members of the community. This includes a wide range of activities that are relevant to this Economic Development Strategy such as a Careers Expo, FYI drop-in sessions, schools support, Young Creatives Month, Entrepreneurs Program, National Youth Week events, amongst other things. All of these types of initiatives are important and should continue to be supported, it is important however to ensure they are linked to the current and future needs of the local business community, and part of this is about identifying the skills requirements for the workforce of the future in the industries that have been identified for attraction and expansion, e.g. transport, professional services, health and aged care, agriculture and tourism.

Some of the activities that should be facilitated to address this include:

- Liaise with key industry stakeholders to understand their current challenges and issues relating to workforce development and recruitment, and look to put in place locally focused initiatives to support the needs of the business community, similar to those mentioned above.

- Work with training providers to ensure they are developing and delivering programs that are linked to the workforce needs of the future.
- Provided opportunities for training providers and industry stakeholders to connect, network and discuss needs.

3.2.2.3 Home Based Business Support

There appears to be a significant coterie of micro and small businesses located in the City across a wide range of industries (generally consulting and creative) that are there for lifestyle reasons (e.g. Hills living). To a large extent though this is an unrecognised and unserved segment of the population. Businesses that operate from home quite often desire increased levels of interaction, networking, opportunities to discuss ideas and challenges, etc. With this in mind the opportunity exists to develop this sector, through the following sorts of activities:

- Extending business capacity building and networking programs to include home based businesses
- Explore the possibility of establishing co-working spaces in key locations, e.g. Kalamunda and Forrestfield North
- Actively promote a mentoring program drawing upon the contacts and experience of successful prominent local business people.

Anticipated Outcomes

- Sustainable local businesses that are evolving with the needs of the market/ economy
- Well-connected and informed business community
- Skilled workforce ready to respond to the needs of industry
- Increased levels of business interaction, information sharing and fostering of entrepreneurial activity

3.2.3 Tourism

Description

Tourism activity can be highly seasonal and volatile. Macro-economic factors such as exchange rates, economic growth, unemployment, shifts in disposable income and consumer confidence tend to strongly impact upon domestic (and international) tourism.

In Kalamunda, tourism represents a growing share of the local economy. Kalamunda's visitors tend to be domestic (96% of total) and dominated by older day trip visitors, who come to the City to visit friends and relatives (the VFR market).

The Kalamunda tourism product can be best described as a very attractive rural and small village environment in close proximity to the Perth CBD and airport. Kalamunda town is the natural major centre for Hills tourism, and is surrounded by a diverse mix of attractions, which are described in Table 3.2.

Rationale

There are several reasons why different levels of government choose to invest in measures that support increased visitation and expenditure from tourism.

Firstly, tourism provides direct and indirect economic benefits through the level of expenditure and the number of jobs created in the local area. Secondly, individual tourism operators, many of whom in Kalamunda are small businesses and often owner operated, will rarely have the resources to provide information about and support to the promotion of other businesses in the region, even when this can be clearly demonstrated to be a mutual benefit.

For these reasons, City involvement in tourism, research planning, marketing, promotion and visitor information is essential. The City has capacity to provide the most effective support to their local tourism operators by contributing to region-wide marketing, information, planning, research and product development initiatives.

While the Kalamunda economy may not be dominated by tourism, it has a diversity of tourism attractors and assets which, if developed, invested and managed correctly, can offer a significant boost to the local economy through the expenditure that visitors generate in the local economy. Kalamunda has a lot to offer visitors and through concerted efforts can increase visitor numbers, length of stay and expenditure. The further development and expansion of the tourism industry will assist in the diversification of the local economy.

The tourism sector provides a dynamic and truly competitive market. Destinations are constantly reinventing themselves to try and grab the attention of potential tourists. Ensuring strong focus on existing competitive advantages while at the same time deepening and broadening experiences and targeted market segments is important to remain competitive.

The City is predominantly a day-trip destination. Strategic actions to convert day visitors to overnight visitors will increase visitor spend and greatly assist the activation of investment in tourism products and experiences, and improve opportunities for cross linkages and marketing activities.

While tourism provides value to the local economy, expansion and diversification of the tourism sector is needed. During consultation some tourism operators expressed the desire to ensure that the destination image is retained by preserving the smaller boutique attractions and services that are currently on offer. Considering Kalamunda's unique competitive position and the authentic tourism experiences currently available for visitors, as well as those that represent future growth, seven themes have been identified as foundations in developing the tourism industry. These themes may also form the basis of future marketing and promotional activities. The themes and opportunities include:

Table 3.2. Tourism Product and Opportunities

Theme	Current Offering	Potential Offerings
Escape to Nature	• Bibbulmun Track • National and State parks • Bushwalking and hiking • Lesmurdie Falls • Perth Observatory (night sky) • Kanyana Wildlife Centre • Lookouts	• Night sky attraction • Wildflower events/festival • Visitor hub at trail head of Bibbulum Track • Landscape and night sky photography
Outdoor Adventure	• Mundi Biddi • On road and off-road cycling trails • Cycling events	• Bike Hub at trail head of Mundi Biddi • Horse riding/bridle trails • Endurance marathons • Increase development and promotion of rail trails • Geocaching and orienteering
Food and Wine	• Boutique wineries • Hobby viticulturists • Wine self-drive trail	• Extend opening days/ hours • Commercial wine trail operator • Spa and wellness retreats/brand
Agritourism	• Kalamunda Camel Farm	• Expanded agritourism educational opportunities. • Horticultural events eg flower shows • Farmgates • Farmstays
Heritage, culture and the arts	• Kalamunda History Village • ZigZag Cultural Centre • Kalamunda Performing Arts Centre (KPAC) • KADS Theatre • Zig Zag Art Gallery • Kalamunda Modern	• Refreshment/enhancement of existing heritage offerings. • Art studio trail (extension of Kalamunda Open Studios) • Movie trail • Film festival (featuring locally-made films) • Outdoor cinema
Country Markets	• Farmers Market • Kalamunda Night Markets • Kalamunda Village Markets	• Village market tours
Doing business in Kalamunda	• Day trip destination • Council-owned facilities eg KPAC, Agricultural Hall and ZigZag Cultural Centre.	• Town beautification projects • Day and residential conference facilities • Quality branded accommodation • Teambuilding activities

Source: AEC

Key Activities

In order to take advantage of the potential offerings and grow the local tourism industry, the following key activities have been identified:

- Product development
- Destination marketing
- Destination management

3.2.3.1 Product Development

Product development relates to the development of new tourism experiences/ attractions or the enhancement of existing products. Being unique and ensuring that visitors have positive experiences during their stay, whether they are enjoying a signature experience, such as the National Parks, or just enjoying a coffee. The key activities for the City of Kalamunda relating to product development include:

- It is believed that Kalamunda currently suffers from a shortage of accommodation to support the potential growth in overnight visitors. This is seen as a very real barrier to expanding the tourism industry and increasing the economic contribution of the sector. Where possible assistance should be given to address and overcome accommodation supply issues. To address this an audit and gap analysis of the accommodation sector should be undertaken to understand current supply and demand issues and associated opportunities.
- Encourage the development of a range of new tourism products, experiences and attractions, such as those included in the potential offerings list above. Need to identify the role Council will play in the attraction of these sorts of tourism products, including identification of sites, liaising with investors, liaising with regional and state based stakeholders to facilitate desired outcomes, etc.
- Work collaboratively with the industry to identify opportunities for "tired" attractions, which have potential to be rejuvenated.
- Encourage new product development by providing assistance in working through Council regulatory requirements to facilitate product development. Develop a set of guidelines to support tourism businesses through this process.

3.2.3.2 Destination Marketing

Destination marketing relates to the proactive marketing of the destination, its brand and key messages to identified target markets. The key activities relating to destination marketing include:

- Develop a destination marketing plan that clearly outlines the City's vision, key messaging, target markets and marketing tools. There is the need to clearly define the target market, and in the case of destinations like Kalamunda those that are successful and sustainable in the long term are primarily developed from the support of local markets (including VFR), with visitors from interstate and international markets being established over time.
- Establish a clear identity and unique marketing brand. The current consumer facing destination positioning for the City is not yet consistent across all communications platforms. Having a position and vision that drives every element of tourism development and marketing within the City will deliver an enhanced visitor experience. Not only will this be key in differentiating Kalamunda's offering from other competing destinations, but it will also increase the propensity to increase length of stay and average spend in the area.
- Once the marketing plan and brand are developed, the next priority is to develop or enhance targeted and creative marketing material in partnership with industry that reaches the identified market in the most efficient manner, including (but not limited to):
    - o Continued support and development of the Perth Hills website as the City's key marketing tool for the region.
    - o Develop a library of Kalamunda stories for marketing using digital platforms.
    - o Investigate options to promote Kalamunda at Perth International Airport to capture additional day visitors and promote the tourism offering of the City.
    - o Explore the possibility of developing a conference and events guide for visitors and event planners.
    - o Leverage social media to promote tourism, e.g. develop a Perth Hills tourism app.
- Coordinated and collaborative marketing, branding and events – the strategy needs to be slow, steady and focused on the long term. This will help to break down the current perception that Kalamunda is a long way from the Perth Metro area, which is considered a barrier to visitor attraction. Overcoming this perception through concerted marketing efforts will help to raise the profile of Kalamunda. Leveraging the proximity of Perth Airport to Kalamunda's key tourism assets will serve to promote the region to interstate and international markets.
- Investigate the potential to engage in cooperative and cross-regional marketing strategies with neighbouring cities.
- Develop and promote a mix of packages that demonstrate the diversity of experiences in Kalamunda while at the same time brings the industry together to promote and sell the region in a collaborative manner. Some of the potential packages include - self-drive tours (e.g. gardens, art studio trails, plate to platter), itineraries (day, overnight and longer term stays), cycling tourism related packages, etc.
- Encourage familiarisation and educational program for visitor influencers, e.g. social media, hotel concierges, Tourism Western Australia and VIC staff and volunteers.

3.2.3.3 Destination Management

Destination management relates to those priorities that are designed to maintain and improve the destination. In many respects this element of the tourism program is about managing those operational requirements that if done correctly do not cause issues, but if not addressed they can lead to some major challenges. The key activities that relate to destination management include:

- Kalamunda cannot achieve success on its own and should leverage a wide variety of partnerships, including strong working relationships with the Tourism Western Australia, Experience Perth and local tourism providers.
- Kalamunda already benefits from strong community support for tourism. Further encouragement is recommended for the development of an industry-led and City supported tourism network to encourage effective communication and information sharing. The success of this network will strengthen strategic collaboration with the City, Experience Perth network and Tourism Western Australia. It is important in developing this network not to duplicate work already being done by other groups, and as a result the opportunity to enhance already established networks should be considered first. If this does not meet the needs of industry then a tourism specific network should be pursued.
- Undertake a review of current signage and provide a consistent approach where appropriate. Identify opportunities to improve signage, streetscape and place markers to improve the visual appeal of Kalamunda. As part of this explore the opportunity to create unique and relevant entry signs at key gateways into Kalamunda. This will not only help to address some signage issues but also raise the profile of key destinations.
- Advocate for improved public transport options, including from Perth Airport to enable transit visitors to experience a half/full day in the area, and provide one-way transportation options for walkers and cyclists. Transport options should also provide for safe and secure transport of equipment (e.g. road bikes, mountain bikes, rucksacks, etc.)
- Provide continued support to the Perth Hills Visitor Information Centre and explore options to maximise visitor engagement and increase opportunities for information exchange and promotion.

Anticipated Outcomes

- Increased tourism visitation
- Increased length of stay
- Increased tourism expenditure
- Shifting perceptions and improved profile
- Greater number of accommodation facilities
- High accommodation occupancy rates

3.2.4 Strong Local Identity

Description

Building a strong local identity is about raising the profile of local business capabilities, success stories and economic activities happening across the region.

Rationale

Having a strong local identity will help to build business confidence, and will provide a platform for bringing the community together and provides the foundation for increased collaboration. Developing a strong local identity and understanding of local strengths, products and services will also help to build increased levels of pride in the community as one.

Key Activities

- Buy local program
- Community pride program
- Township beautification program

3.2.4.1 Buy Local Program

Ensuring that local residents and businesses are aware of locally provided goods and services can build awareness and help to encourage locals to buy from locals. The development of a 'buy local' program helps to reduce economic leakage of expenditure to other regions as well as helping to build up a stronger foundation for local businesses.

A buy local campaign is about more than just a marketing initiative, or a rewards card, the ultimate goal of a buy local campaign is built around community education and pride.

This involves building up a greater level of understanding about products and services that are provided locally, and advising locals on the benefits to the community of supporting local.

Effective buy local campaigns will also contribute to building up strong levels of local pride and community participation. When the community is proud of its local businesses and the broader community this will have a positive flow on effect in areas like place making, beautification and community safety.

High levels of collaboration, community ownership and communication are the key ingredients to a successful buy local program.

- Work collaboratively with key stakeholders such as the Chamber of Commerce to identify the most effective means for developing and implementing a buy local campaign.
- Once a greater understanding about local capabilities is developed the next step is about identifying and implementing events and promotional activities to raise the profile of local product and service providers.

3.2.4.2 Community Pride Program

Every community has a wide range of local business success stories that traditionally aren't shared with the broader community. This initiative is about identifying those local success stories and sharing them. This can be done through stories in the local media, promotion through the City's own media platforms, social media, inviting local businesses with interesting and educational stories to present at business events and workshops, etc.

3.2.4.3 Township Activation Program

This key activity is focused on the beautification and activation of Kalamunda town. The purpose of this type of activity is about creating an environment that is enticing, has high quality events and activities and feels safe and secure for locals and visitors at any time of the day or night. This type of program has significant linkages to the community pride program.

Anticipated Outcomes

- Raise the profile of the region
- Break down negative perceptions
- Community safety and pride
- Activation and beautification of Kalamunda town

3.2.5 Welcoming Environment

Description

This is about creating an environment that facilitates the smooth expansion or relocation of businesses, with clarity on what they need to do to gain approval to operate in the City.

Rationale

All businesses have a choice where they establish their operation. Therefore, it is essential that the City makes its decision-making process as efficient and clear as possible for businesses seeking to relocate, expand or start a business. The consequences of a drawn out, unclear process is that the City's reputation will result in businesses not achieving their potential or not considering the City of Kalamunda in the first place.

Key Activities

- Provide supportive regulatory framework
- Develop business application guidelines
- Establish internal decision making framework

3.2.5.1 Supportive Regulartory Framework

The need exists to ensure the existing regulatory framework, primarily the Planning Scheme and associated policies and procedures support the objectives of this Economic Development Strategy. For example, if this strategy encourages the diversification of agriculture then land owners need to be able to achieve this within the parameters of the Planning Scheme. Without a supportive regulatory framework it will be close to impossible for the Economic Development Strategy to be successfully implemented, and more importantly it will be extremely difficult for the local economy to grow, expand, diversify and reach its full potential.

3.2.5.2 Business Guidelines

There are a wide range of applications and approval processes that businesses are required to go through in order to gain Council approval to operate. A lot of small businesses, especially those in the start-up phase are not always aware of what they are required to do to gain the necessary approvals. On this basis, it is recommended that some guidelines/ tool kit be developed that will assist in making the process clearer. Ideally, these guidelines would be supported by a resource that can assist businesses to work through the approval process. Where a specific resource is not available then the following initiative could serve as a suitable alternative.

3.2.5.3 Internal Decision Making Framework

There are a number of different areas of Council that are involved in supporting businesses, whether that be through the delivery of events and activities to support their growth, or in other cases it is through managing the approval processes businesses are required to go through prior to operation. This initiative is about bringing together all the relevant internal stakeholders/ decision makers to assist in making a decision or recommendation about whether a development application of a particular level should be supported, and if not what needs to be done to facilitate the best possible outcome. The key to the success of this activity is that internal decision makers need to come together with a positive, proactive, solution focused mindset to deliver advice and outcomes that will benefit the City of Kalamunda.

Anticipated Outcomes

- Greater levels of clarity and certainty for businesses looking to establish in the City
- Improved efficiency in the decision-making process
- A holistic approach to economic development

3.3 Program of Activities

The Economic Development Strategy is designed to provide the City of Kalamunda with guidance in relation to the opportunities that will contribute to the economic growth of the City. The strategy is designed to achieve outcomes over a 5 year period from 2017-2022. The below Program of Activities is a one year plan of action. The reason for this is that over time the economic landscape and priorities can change, and the performance measures and targets should be adjusted accordingly.

The Program of Activities also sets targets for each of the strategic priorities for the life of the strategy, but these will need to be revisited on an annual basis and refined to ensure they are still relevant and/ or adequately resourced. In relation to this it will become apparent that there are numerous targets below that say 'ongoing' or 'review and update' and this is because an Program of Activities such as the one provided below will take time to implement, and become sustainable, and with this in mind it is important to continue with these types of activities for the long term while regularly reviewing and updating them to make sure they continue to be relevant and generating the desired outcomes.

Table 3.3. Program of Activities

Activity		1st Year Target	Year 2	Year 3	Year 4	Year 5
1.	**Industry Expansion & Attraction**					
1.1	Facilitate New Investment & Jobs					
	• Review and define local capabilities linked to priority industries.	• Complete strengths and capabilities analysis	• Review and update	• Review and update	• Review and update	• Review and update
	• Identify deficiencies and opportunities in employment land and progress zoning changes to enable development of new industrial areas.	• Complete Local Planning Strategy to identify areas	• Carry out LPS actions	• Review and update	• Review and update	• Review and update
	• Undertake market research to identify target markets linked to priority industries. Market research activities are to include: o Review industry publications in target sectors to build industry knowledge o Gather and analyse industry data as it becomes available o Liaise with key industry stakeholders	• Develop an industry profile	• Review and update	• Review and update	• Review and update	• Review and update

Activity		1st Year Target	Year 2	Year 3	Year 4	Year 5
	• Proactively market to identified target markets, including the following activities: o Develop industry specific marketing collateral, e.g. fact sheets and web based information. o Implement key marketing initiatives to generate leads, e.g. advertising/ editorial placements and public relations program (host industry specific journalists).		• Fact sheets for target industries completed • Minimum of 2 stories published	• Review and update • Minimum of 3 stories	• Review and update • Minimum of 3 stories	• Review and update • Minimum of 4 stories
	• Actively participate in industry networks and associations linked to target markets.	• Join 1 targeted industry association	• Review	• Review and identify others	• Review	• Review and identify others
	• Host targeted industry events in the City of Kalamunda.	• Host minimum of 2 industry events	• Host minimum of 2 events	• Host minimum of 3 events	• Host minimum of 4 events	• Host minimum of 4 events
	• Facilitate investment attraction opportunities, through the following activities: o Assist prospective investors with tailored information and site selection o Liaise with internal stakeholders to manage the relocation/ establishment process.	• 4 new leads/ development projects generated	• 5 new leads/ development projects generated	• 6 new leads/ development projects generated	• 7 new leads/ development projects generated	• 8 new leads/ development projects generated
	• Bring relevant internal and external stakeholders together to discuss a coordinated plan to the future development of Forrestfield North.	• Internal/ external stakeholder group established • Plan developed	• 5 new leads/ development projects generated	• Ongoing	• Ongoing	• Ongoing

Activity		1st Year Target	Year 2	Year 3	Year 4	Year 5
1.2	Health & Aged Care					
	• Identify suitable sites for the future development of aged care facilities.	• Sites explored	• 2 sites identified			
	• Facilitate the attraction of suitable facilities.		• 1 lead generated	• 1 new project	• Ongoing	• Ongoing
1.3	Agriculture					
	• Facilitate events and activities for local agricultural businesses relating to opportunities for diversification. To inform this research prepare background information on the most relevant opportunities in Kalamunda.	• Prepare background information • Engage local businesses	• Review • 2 events held	• Review • 2 events held	• Review • 2 events held	• Review • 2 events held
	• Develop a locally focused brand and coordinated marketing activities to increase the focus on locally grown/ produced products. This brand will also be available for other industry sectors, and is connected to the Local Buy program.	• Engage businesses regarding local brand	• Brand and marketing strategy developed	• Brand implemented	• Ongoing	• Ongoing
	• Commence a Local Planning Scheme (LPS) amendment to: o Introduce new permissible land uses to rural zones in the City that may increase land use flexibility for land owners. o Introduce a new 'Priority Agriculture' zone over land that is deemed to be of State, regional or local significance for food production purposes.	• Complete LPS to identify zoning changes and permissibility	• LPS amendment commenced	• LPS amended	• Ongoing review	• Ongoing review
	• Advocate to the State government to initiate a study into the agricultural productivity of the area for the purpose of assisting the City to delineate the boundaries of a new 'Priority Agriculture' zone.	• Study developed and informs LPS	• Ongoing review	• Ongoing	• Ongoing	• Ongoing

Activity		1st Year Target	Year 2	Year 3	Year 4	Year 5
2.	**Business Capacity Building**					
2.1	Events and Activities					
	• Liaise with key stakeholders across the business community to understand the business skills development needs, appropriate format for workshops/ events and potential guest speakers.	• Workshop Plan developed	• Review and update	• Review and update	• Review and update	• Review and update
	• Facilitate capacity building workshops and structured networking events.	• 2 workshops held	• 2 workshops held	• 4 workshops held	• 4 workshops held	• 4 workshops held
	• Develop and implement the concept for a business mentoring program.	• Concept developed	• Program implemented	• Ongoing	• Ongoing	• Ongoing
2.2	Workforce Development					
	• Liaise with key industry stakeholders to develop a profile of workforce gaps.	• Meet with minimum of 10 businesses & the Chamber of Commerce	• Profile completed	• Review and update	• Review and update	• Review and update
	• Discuss these gaps with relevant training providers, e.g. TAFE, private providers.	• Meet with training providers	• Ongoing	• Ongoing	• Ongoing	• Ongoing
	• Establish a partnership between industry, government and training providers to develop a workforce development program. As part of this establish specific targets for local jobs being created and filled locally.	• Partnership established • Program developed	• Ongoing • Program implemented	• Ongoing	• Ongoing	• Ongoing
2.3	Home Based Business Support					
	• Undertake research on co-working space models and prepare a business case for the type of model that best suits the needs of Kalamunda. The business case needs to include a relevant financial analysis, suitable sites, delivery partners, etc.	• Clear course of action identified	• Business case prepared • 2 sites identified	• Implement business case	• Ongoing	• Ongoing

Activity		1st Year Target	Year 2	Year 3	Year 4	Year 5
3.	**Tourism**					
3.1	Product Development					
	• Complete an accommodation audit and gap analysis to identify local needs compared to market demand.	• Analysis completed		• Review and update		• Review and update
	• Develop investment attraction focused industry fact sheets and marketing collateral to promote the Kalamunda City and generate leads for the development of new tourism products.		• Fact sheet developed	• Review and update	• Review and update	• Review and update
	• Liaise with industry stakeholders and 'business multipliers', e.g. Tourism WA and Experience Perth to promote the City of Kalamunda for new tourism product.		• 2 new leads generated	• 2 new leads generated	• 2 new leads generated	• 2 new leads generated
	• Develop guidelines to support tourism businesses manage the Council regulatory and approval process.	• Guidelines developed	• Review and update	• Review and update	• Review and update	• Review and update
3.2	Destination Marketing					
	• Develop a destination marketing plan.	• Plan completed and presented to the City	• Implement plan	• Review and update	• Review and update	• Review and update
	• As part of the destination marketing plan ensure that the following are included: o Options to promote City of Kalamunda at Perth Airport o Options to develop a conference and events guide o Development of experience and product packages o Industry/media familiarisation program		• Finalise options and implement plan	• Implement plan	• Review and update	• Review and update

Activity		1st Year Target	Year 2	Year 3	Year 4	Year 5
	• Develop destination marketing brand (to be consistent with brand mentioned in 1.3)	• Brand developed	• Brand implemented	• Ongoing	• Ongoing	• Ongoing
	• Develop targeted marketing material in partnership with industry: o Support/ enhance Perth Hills website o Develop library of local tourism 'success' stories and promote	• Website updated • 10 local stories developed and promoted	• Website updated • 10 stories	• Website updated • 12 stories	• Website updated • 12 stories	• Website updated • 15 stories
	• Investigate options to undertake cooperative marketing activities with neighbouring cities.	• Meet with neighbouring cities	• Develop and implement plan	• Review and update	• Review and update	• Review and update
3.3	Destination Management					
	• Establish/ reinforce relationships with Tourism WA and Experience Perth, to promote the City of Kalamunda tourism product and to discuss opportunities for new investment. An action focused agenda needs to be established for each of these meetings so that outcomes can be measured.	• Meet with key stakeholders a minimum of 2 times per year	• Meet 3 times per year	• Meet 3 times per year	• Meet 4 times per year	• Meet 4 times per year
	• Explore the establishment of a local standalone tourism industry network.	• Establishment of network explored	• Implement if viable	• Review and update	• Review and update	• Review and update
	• Undertake a tourism signage audit.	• Complete tourism signage audit	• Implement	• Review and update	• Review and update	• Review and update
	• Advocate for improved public transport options to support the attraction of visitors, but with benefits for the broader community.	• Meet with relevant State Government stakeholders	• Develop and implement plan	• Review and update	• Review and update	• Review and update
	• Continue to support the Perth Hills VIC. Develop a plan to enhance support for the VIC.	• Develop VIC plan	• Implement plan	• Review and update	• Review and update	• Review and update

Activity		1st Year Target	Year 2	Year 3	Year 4	Year 5
4.	**Strong Local Identity**					
4.1	Buy Local Program					
	• Meet with local stakeholders (e.g. Chamber of Commerce and key business leaders) to discuss a 'Buy Local' program framework.	• Meet with key stakeholders and develop concept	• Ongoing	• Ongoing	• Ongoing	• Ongoing
	• Develop the 'Buy Local' program.		• Program developed	• Review and update	• Review and update	• Review and update
	• Implement the 'Buy Local' program.		• Program implemented	• Review and update	• Review and update	• Review and update
4.2	Community Pride Program					
	• Develop a library of local business community success stories.	• Develop stories	• 5 stories developed	• 5 stories developed	• 10 stories developed	• 10 stories developed
	• Promote these success stories periodically through internal and external media channels.	• Develop and trial concept	• 5 stories promoted	• 5 stories promoted	• 10 stories promoted	• 10 stories promoted
4.3	Township Activation Program					
	• Develop a program of events and activities designed to encourage more people into key City centres, such as Kalamunda town.	• Events program developed • Minimum of 4 events	• Review and update	• Review and update	• Review and update	• Review and update
	• Explore opportunities to develop the 'night time' economy in Kalamunda town, including working with the night market organisers to support/ enhance this event.	• Night time economy program developed	• Program implemented	• Review and update	• Review and update	• Review and update
	• Liaise with local businesses to get their support in relation to activation events and activities, to ensure they are open and part of the events.	• Meet with a minimum of 15 local businesses	• Meet with 20 businesses	• Meet with 20 businesses	• Meet with 25 businesses	• Meet with 25 businesses

Activity		1st Year Target	Year 2	Year 3	Year 4	Year 5
	• Explore incentive options that would encourage local businesses to refurbish shop fronts in key City centres.	• Incentives program explored	• Program implemented	• Review and update	• Review and update	• Review and update
5.	**Welcoming Environment**					
5.1	Supportive Regulatory Framework					
	• In line with 1.3 commence a Local Planning Scheme amendment that is designed to create greater levels of flexibility for land owners/ businesses looking to undertake economic activities consistent with this Strategy.	• Establish internal stakeholder group to commence this process	• LPS amendment commenced	• LPS amended	• Ongoing review	• Ongoing review
	• Internal working group to undertake an audit/ analysis of all policies and procedures that relate to the business community and assess their current relevance and how they can be improved to support the priorities within this Strategy.	• Audit complete • Recommendations for change presented	• Adopted changes made	• Review and update	• Review and update	• Review and update
5.2	Business Guidelines					
	• Prepare a set of guidelines/ tool kit in partnership with the internal working group mentioned above to assist businesses to understand all application processes required to gain approvals necessary to operate a business.	• Guidelines developed	• Implement	• Review and update	• Review and update	• Review and update
	• These guidelines/ tool kit to be prepared in hard copy format for distribution via customer service centres, as well as produced in an online format on the City's website.		• Hard copy and online format developed	• Review and update	• Review and update	• Review and update

Activity		1st Year Target	Year 2	Year 3	Year 4	Year 5
	• Develop and facilitate an educational 'roadshow' and promotional program relating to the guidelines/ tool kit to ensure the broader business community is aware of it.		• Roadshow developed and implemented	• Review and update	• Review and update	• Review and update
5.3	Internal Decision Making Framework					
	• As an extension of the internal working group develop an Internal Decision Making Framework designed to streamline the processing of development application. This framework will need to include parameters around the size and scale of development applications that should be processed using this process, e.g. capital value, linkage to Economic Development Strategy priorities, number of jobs created during construction and long term, etc.	• Framework developed	• Implement	• Review and update	• Review and update	• Review and update

Source: AEC

3.4 Role of the City

The role of the City of Kalamunda in economic development is sometimes difficult to define and will vary depending on the priorities and opportunities to drive economic growth. The role of the City will always fall into one of the following categories.

3.4.1 Advocacy

- The City acts as a leader that engages with the business community and other levels of government to develop commitment, energy and attitude towards identified priorities. In the case of the Economic Development Strategy there is a role for the City to play in advocating for the needs of businesses and for the delivery of critical infrastructure to support economic development priorities.

3.4.2 Facilitation

- The key role in this program that the City can play is as a facilitator of opportunities. There is a really important role for the City to play in connecting the various stakeholders in order to achieve desired outcomes.
- The City can act as the information link between government, business and consumers, as relevant information is vital in generating local awareness and demand for identified priorities.
- The City can promote events and activities that support business capacity building and other economic development related initiatives, such as workshops to build the knowledge of businesses around skill development.

3.4.3 Planning and Regulation

- The City's planning framework provides a mechanism to regulate and/ or encourage certain activities and developments that influence economic activity. Specific opportunities that relate to the Economic Development Strategy is the role the City plays in ensuring businesses understand their obligations, and in making sure a positive, proactive and solution focused approach is applied.

3.4.4 Provider of Services

- Service provisions is one of the major functions of Local Government. A consistent and reliable supply of services and information can support economic development related opportunities.

3.4.5 Stakeholder

- There are many economic development related initiatives that are developed and implemented across the community that the City does not 'own' or is not viewed as the service provider for, but still remains a critical contributor to the successful implementation of the desired outcome.

Ultimately the City needs to have a clear understanding of the role it will play in all economic opportunities identified and how they will drive, facilitate, encourage or communicate the desired outcomes.

3.5 Resources

This Economic Development Strategy and the associated Program of Activities has been developed based on an analysis of the City's opportunities and through a comprehensive engagement process. With this in mind the successful implementation of the Strategy will be subject to the availability of resources. Provided below is a guide on the types of resources that will be required to implement the above Program of Activities. This resource guide does not take into consideration existing roles and responsibilities, but simply provides a framework for what is required to deliver the program successfully. How the City then resources this using existing or additional resources will be subject to internal discussions.

It is important to review the Program of Activities on an annual basis, and as part of this review the resource requirements should also be reviewed, to ensure sufficient resources are provided to deliver the required activities.

Table 3.4. Resource Roles and Responsibilities

Position	General Responsibilities
Manager	• Strategic guidance and overall responsibility for unit • Direct client engagement • Internal stakeholder management, including with Councillor's and other senior management • External stakeholder management, in particular engagement with other levels of government
Tourism Project Officer	• Direct engagement with tourism operators/accommodation providers • Development and implementation of initiatives associated with the Tourism strategic priority, e.g. Product Development, Destination Marketing and Destination Management • Supporting manager and participating in strategic decisions, reporting and internal relationships
Business Development Officer	• Direct engagement with the broader business community, excluding tourism • Development and implementation of initiatives associated with the Business Capacity Building and Strong Local Identity strategic priorities • Supporting manager and participating in strategic decisions, reporting and internal relationships
Investment Attraction Officer	• Development and implementation of initiatives associated with the Industry Expansion and Attraction and Welcoming Environment strategic priorities • Supporting manager and participating in strategic decisions, reporting and internal relationships
Administrative Support	• Overall administrative and clerical support • Office administration

Source: AEC

3.6 Performance Measurement

The Program of Activities has some specific targets that inform the success of implementing the program. These targets need to be reviewed on an annual basis and amended accordingly to adjust for changes in the economy, future opportunities that appear and the success of the previous year's activities. Any future activities should still conform to the strategic priorities. It is important to keep this structure to ensure that all future activities are working towards the achievement of the vision of the strategy. In such a manner, the program becomes a planning tool which will allow future economic development activities to be changed and amended as needed but still provides overall direction and guidance.

Progress against the targets should be communicated to the City on a six monthly basis via the usual Council meeting progress, and the outcomes of this should also be communicated to the business community and the broader community through the usual media channels.

Communicating outcomes and progress is a critical component of implementing any Economic Development Strategy.

3.6.1 Targets vs. Economic Indicators

It is important to understand the difference between the targets developed and economic indicators. In the context of the program, the annual targets represent the City's activities for economic development.

At the same time, economic indicators track the economic performance of the City of Kalamunda and as such, represents an indication of the effectiveness of implementing the Program of Activities. However, specific measures such as a % drop in unemployment, the creation of 'x' number of new businesses or jobs, a percentage increase in GRP, etc. have not been included because the overall influence on these goes beyond just the implementation of this strategy.

Periodically it is important to capture and analyse these types of datasets to identify any new and emerging trends in the economy, but positive or negative, these should not necessarily be entirely attributed to the implementation of this strategy.

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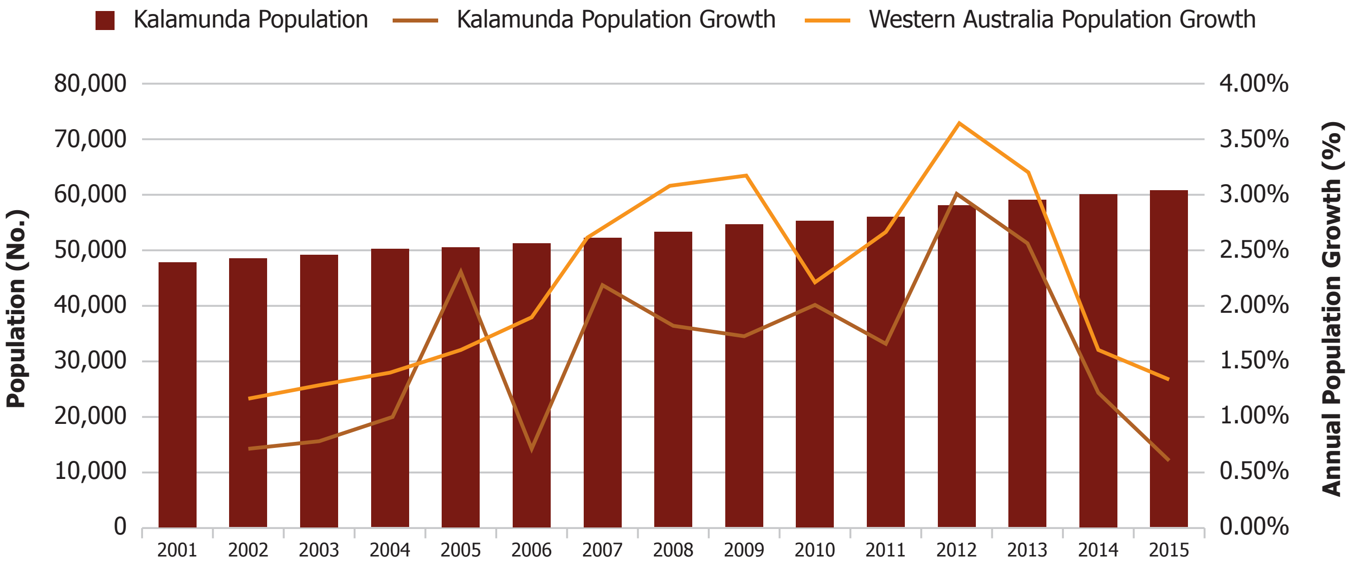
Appendix A: Socio-Economic Analysis

Population and Demographics

Population

Kalamunda's population increased from 48,743 in 2001 to 60,830 in 2015. Population growth has outperformed compared to that of Western Australia, with an average annual growth rate of 1.6% compared to 0.3%.

Figure A. 1. Population Growth, Kalamunda, 2001 to 2015

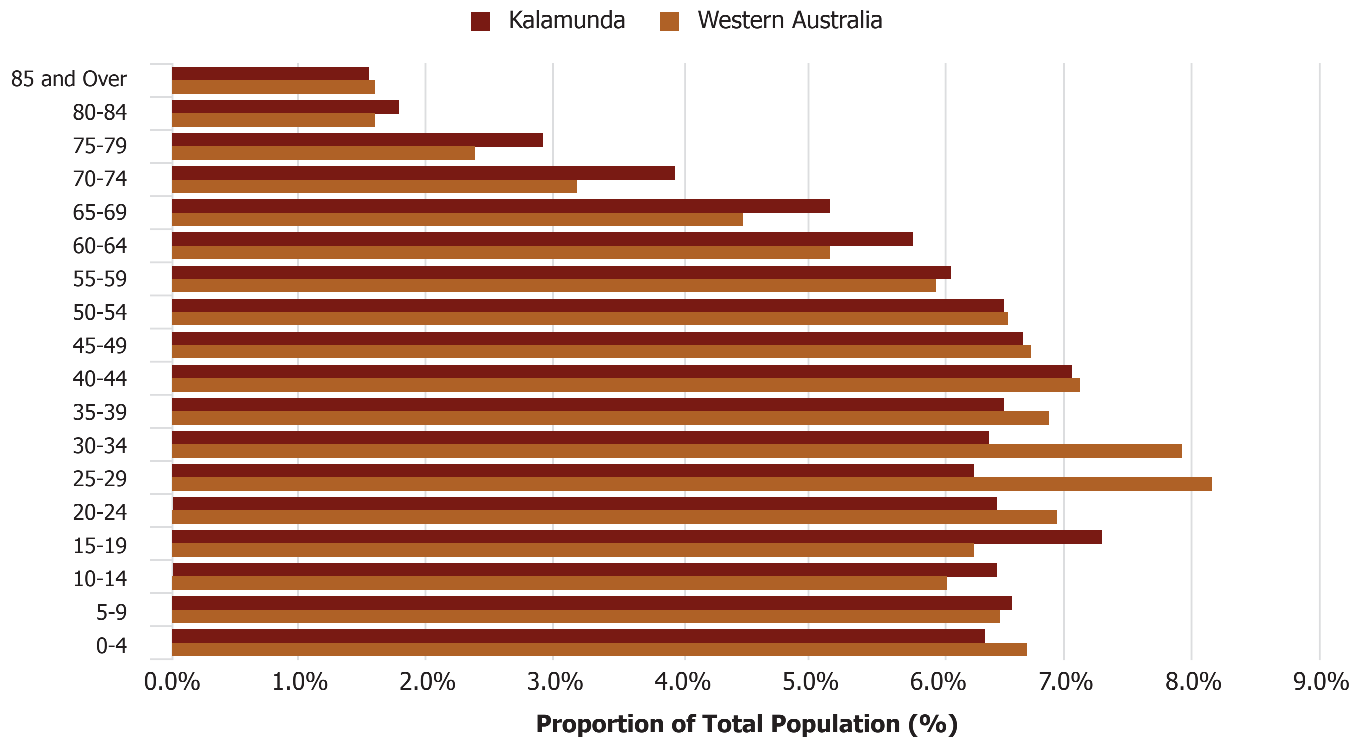


Source: ABS (2016a)

Population by Age and Sex

Kalamunda's population is older than Western Australia's with an average age of 38.1 years compared to 37.1 years in 2015. The most common age cohort in Kalamunda is persons aged between 15 and 19 years which represents 7.4% of the population.

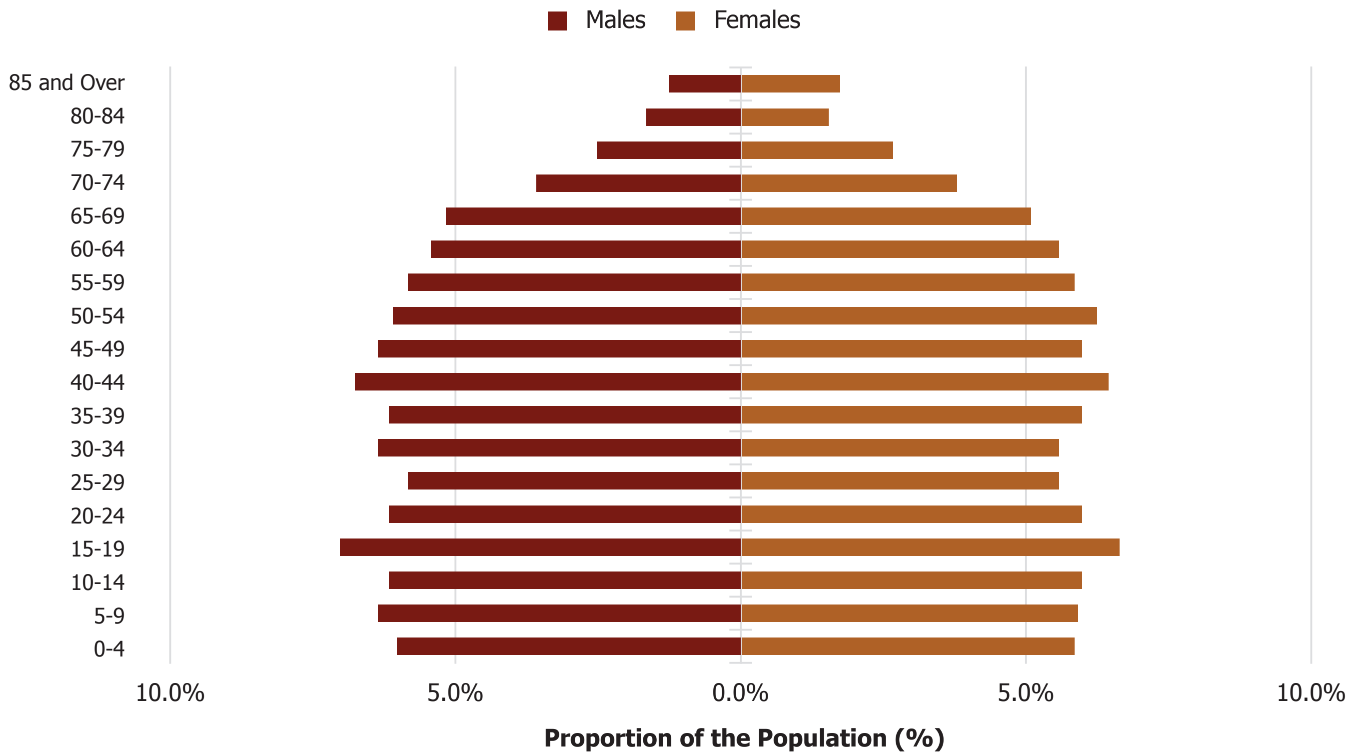
Figure A. 2. Population by Age, Kalamunda, 2015



Source: ABS (2016b)

Females comprise 50.6% of the total population. On average, females are older than males at an average age of 38.7 years compared to 37.4 years.

Figure A. 3. Population by Age and Sex, Kalamunda, 2015



Source: ABS (2016b)

Cultural Diversity

In 2011, approximately 70.5% of Kalamunda's residents were born in Australia. This compares to 67.3% of residents in Western Australia.

Other key sources of Kalamunda's population were:

- United Kingdom, Channel Islands and Isle of Man (13.2% of the population)
- New Zealand (3.8%)
- Southern and East Africa (2.3%)
- Maritime South-East Asia (2%).

In 2011, 1.8% of Kalamunda's population identified as Aboriginal and Torres Strait Islander, compared to 3.3% in Western Australia.

Table A. 1. Place of Birth, 2011

Place of Birth	Kalamunda	Western Australia
Australia	70.5%	70.5%
United Kingdom, Channel Islands and Isle of Man	13.2%	13.2%
New Zealand	3.8%	3.8%
Southern and East Africa	2.3%	2.3%
Maritime South-East Asia	2.0%	2.0%
Western Europe	1.6%	1.6%
Southern Asia	1.2%	1.2%
Southern Europe	1.1%	1.1%
Ireland	0.7%	0.7%
Mainland South-East Asia	0.6%	0.6%
Elsewhere	3.0%	3.0%
Total	**100.0%**	**100.0%**

Source: ABS (2012)

English was the most commonly spoken language in Kalamunda in 2011, with 91.7% of residents speaking it at home. This compared to 84.6% of residents in Western Australia.

Other languages commonly spoken at home in Kalamunda included:

- Italian (1.6% of residents)
- Chinese Languages (0.6%)
- German (0.5%)
- Indo-Aryan (0.4%).

Table A. 2. Languages Spoken, 2011

Languages	Kalamunda	Western Australia
English	91.7%	84.6%
Italian	1.6%	1.5%
Chinese Languages	0.6%	2.4%
German	0.5%	0.4%
Indo-Aryan	0.4%	1.1%
Iranic	0.4%	0.4%
Dutch	0.4%	0.3%
French	0.3%	0.4%
Arabic	0.2%	0.6%
Croatian	0.1%	0.3%
Other Languages	3.9%	8.1%
Total	**100.0%**	**100.0%**

Source: ABS (2012)

Household & Family Composition

The most common household type in Kalamunda in 2011 was one family households with only family members present, which formed 71.8% of all households in the area. The proportion of one family households with only family members present in Kalamunda was higher than Western Australia (64.1%). Since 2006, the proportion of one family households with only family members present in Kalamunda has decreased from 74%. Lone person households comprised 18.2% of all households in 2011, lower than Western Australia (22.2%). The average number of persons per household in Kalamunda was 2.7 in 2011.

Table A. 3. Household Composition, 2006 and 2011

Household Type	Kalamunda		Western Australia	
	2006	2011	2006	2011
One family households with only family members present	71.8%	74.0%	64.1%	64.1%
One family households with non-family members present	2.0%	1.4%	2.0%	1.4%
Two family households	1.4%	1.1%	1.3%	0.9%
Three or more family households	0.0%	0.0%	0.1%	0.0%
Lone person households	18.2%	17.8%	22.2%	22.9%
Group households	2.5%	2.1%	3.7%	3.3%
Visitors only	0.8%	0.7%	2.7%	2.2%
Other households	3.3%	2.9%	4.0%	5.0%
Total Households	**18,090**	**19,676**	**758,027**	**851,444**
Average persons per household	**2.7**	**2.7**	**2.6**	**2.6**

Source: ABS (2012)

The most common family type in Kalamunda in 2011 was couple families with no children, which formed 39.9% of all families in the area. The proportion of couple families with no children in Kalamunda was higher than Western Australia (38.8%). Single parent families comprised 13.9% of all families in Kalamunda in 2011, lower than Western Australia (14.5%). Same sex families comprised 0.4% of all families in Kalamunda in 2011, relatively consistent with Western Australia (0.5%).

Table A. 4. Family Composition, 2011

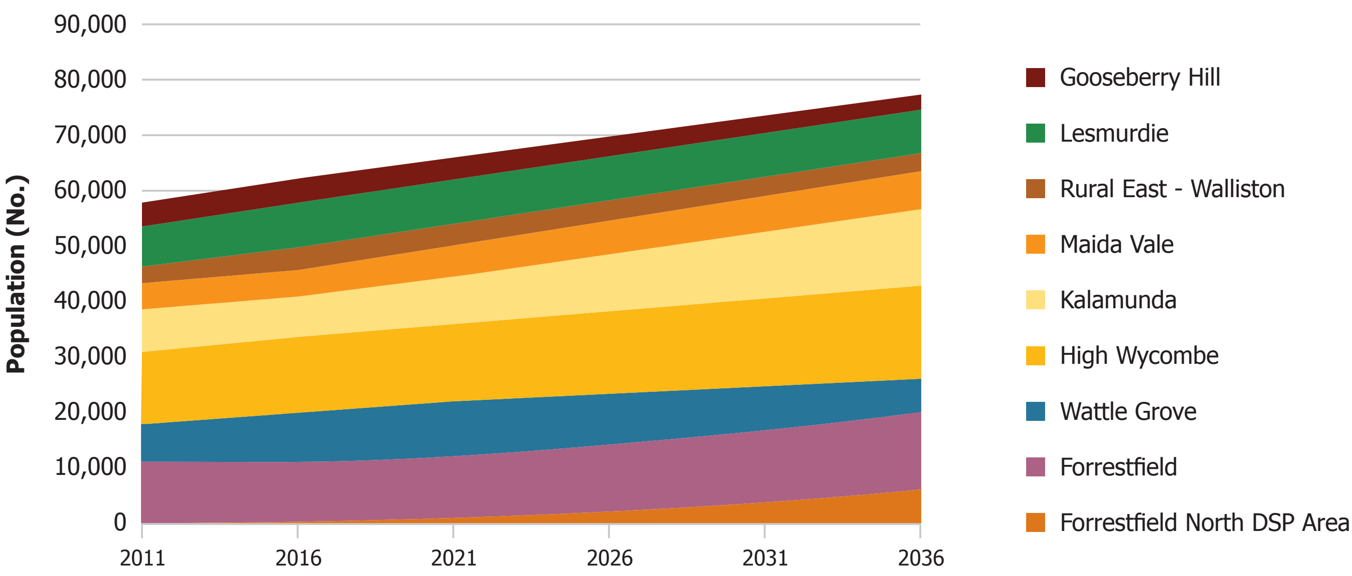
Family Type	Kalamunda	Western Australia
Couple family with no children	39.9%	38.8%
Couple family with children under 15	29.7%	31.8%
Couple family with no children under 15	15.4%	13.1%
One parent family with children under 15	7.1%	7.9%
One parent family with no children under 15	6.7%	6.6%
Other family	1.2%	1.8%
Same sex families*	0.4%	0.5%

Note:* same-sex couple families are included in all family categories
Source: ABS (2012)

Population Growth

The City's population is forecast to grow from 56,494 (2011) to 77,130 (2036).

Figure A. 1. Population Growth, Kalamunda, 2001 to 2015



Source: Population id

The majority of this growth is forecast to be in the Forrestfield North DSP area, Forrestfield, Wattle Grove and High Wycombe. Some growth is expected in Kalamunda township (largely in and around the town centre), but otherwise little growth is expected in the hills suburbs and rural areas.

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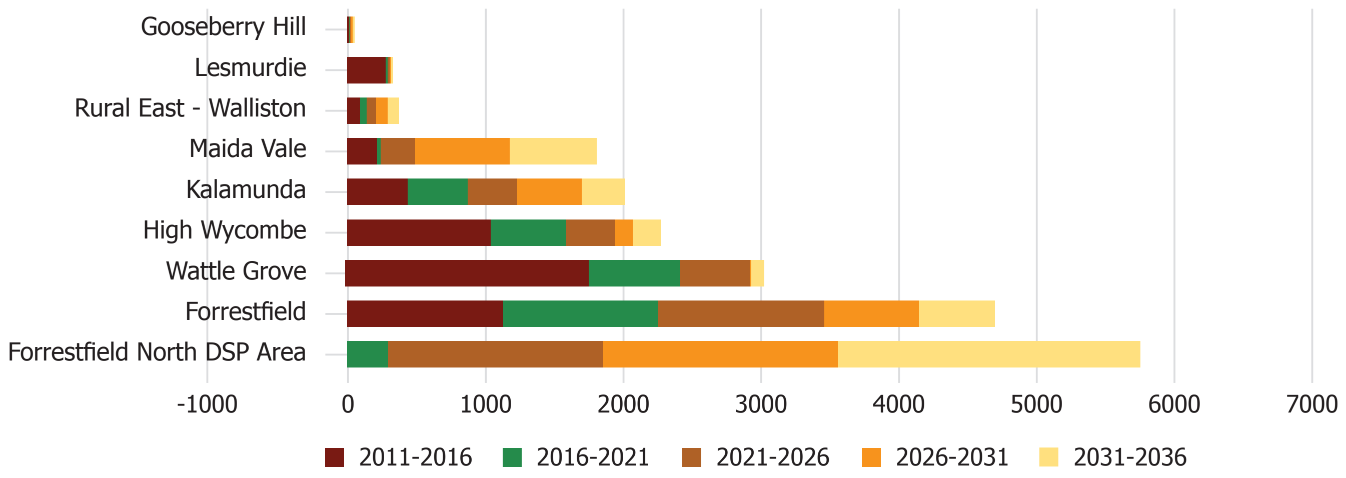
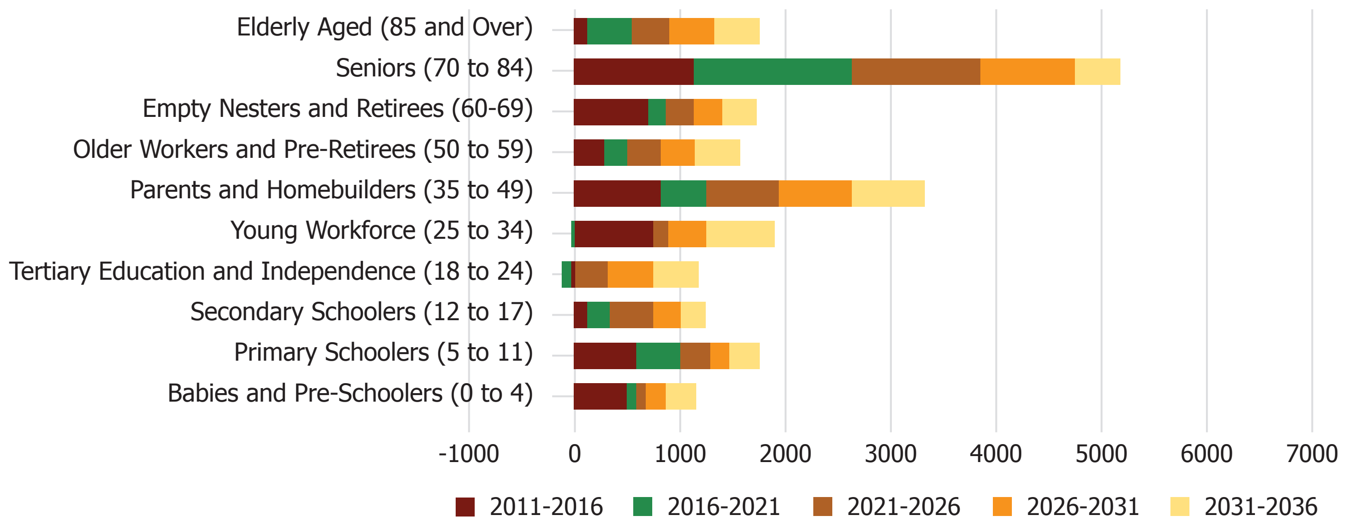
Figure A. 5. City of Kalamunda: Location of Population Growth 2011 - 2036



Source: Population id

The population growth is heavily skewed towards increases in older age groups, particularly over 70. For some periods (2011 to 2021) there is forecast to be a reduction in the number of 18 – 24 year olds in the City.

Figure A. 6. City of Kalamunda: Population change by service age cohort (persons)



Source: Population id

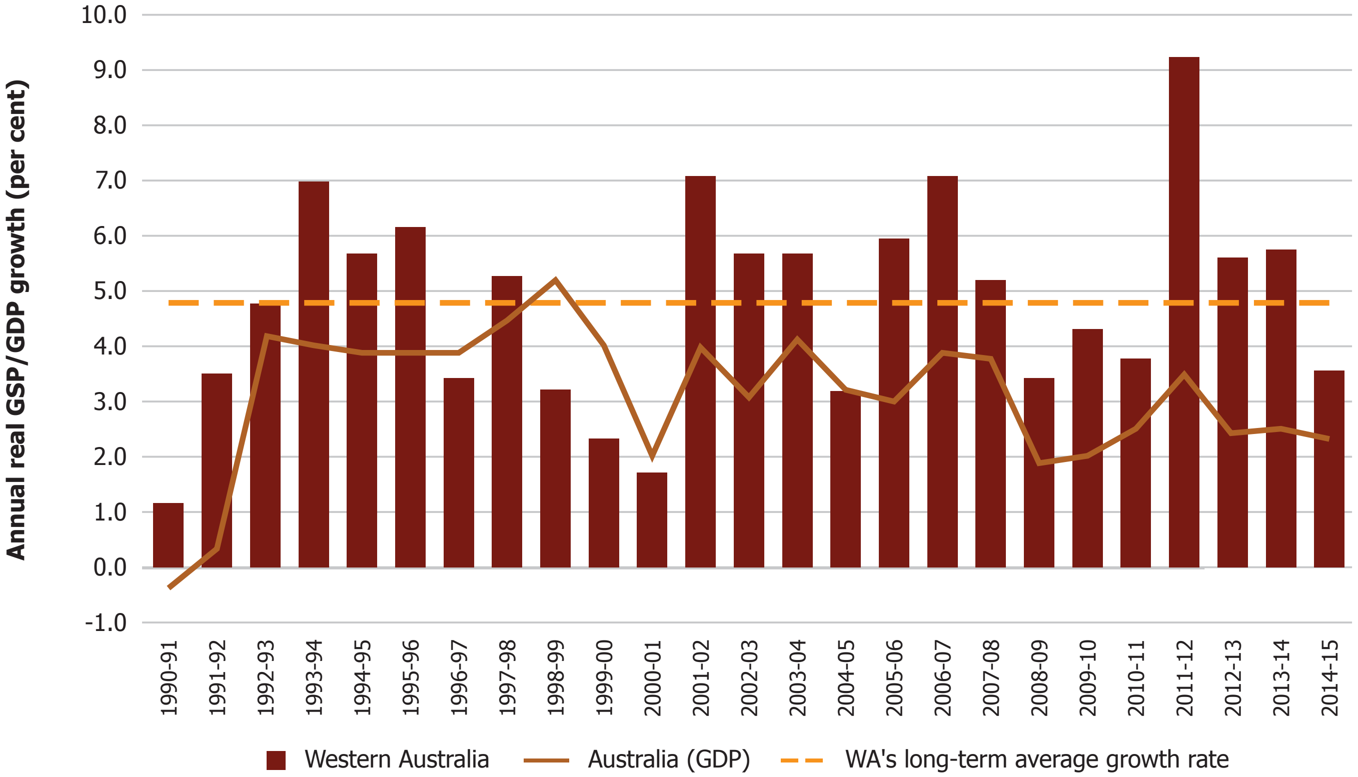
The consequence is a reduction in the proportion of parents and homebuilders (35 to 39) from 20.8% to 19.6% of the population and an increase in the proportion of over 70 year olds from 9.0% to 15.4% of the population.

Economy

The Western Australian Economy

Though the gap between the WA and Australia's economic growth rate has narrowed post-2012, WA's growth rate remains above the nation's growth rate.

Figure A. 7. Annual real growth of WA Gross State Product and national Gross Domestic Product: 1991 to 2015

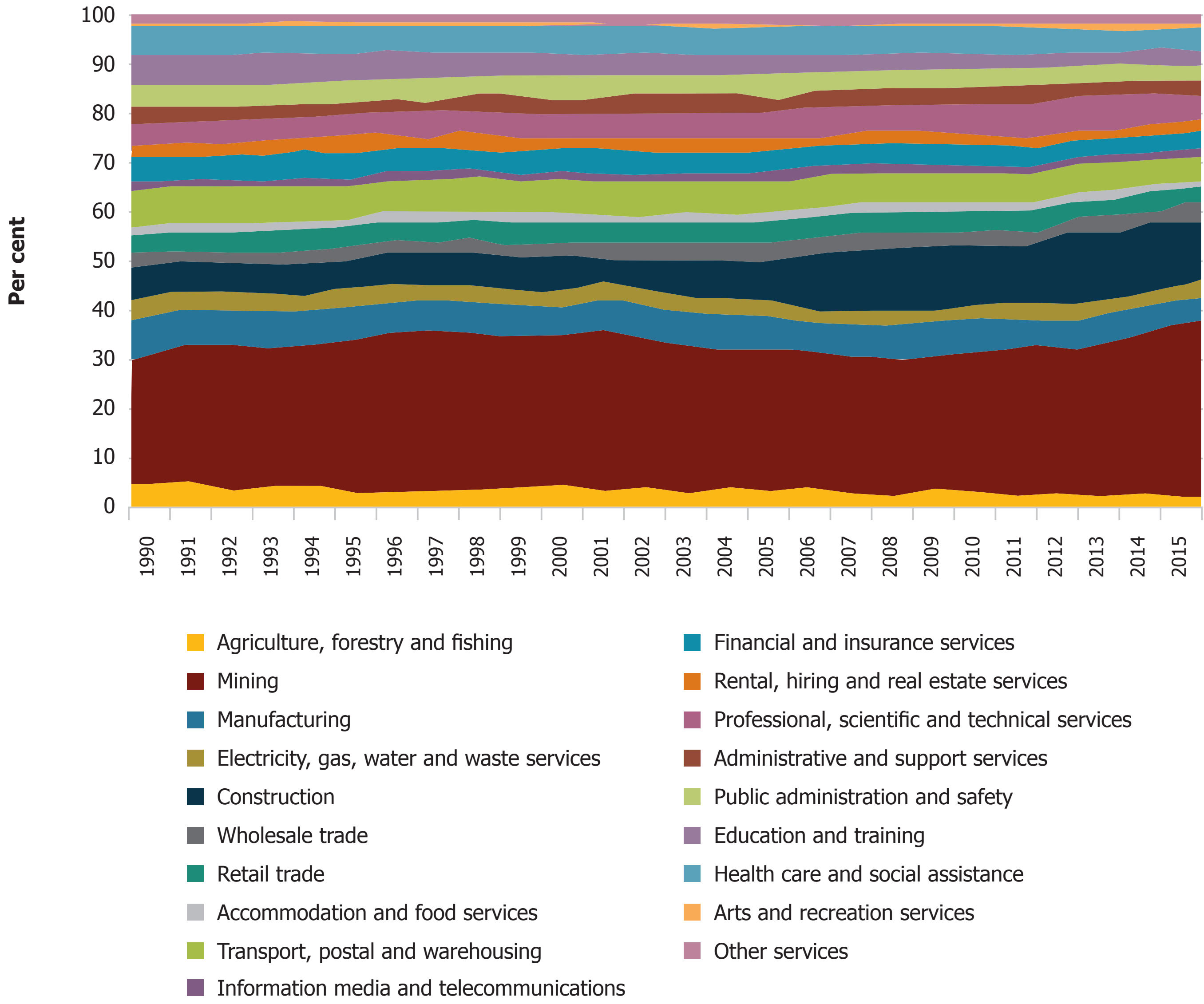


Note: GDP and GSP are derived from chain volume measures.

Source: Bankwest Curtin Economics Centre, ABD Cat No 5220.0

The below figure demonstrates the States ongoing dependence on the mining industry.

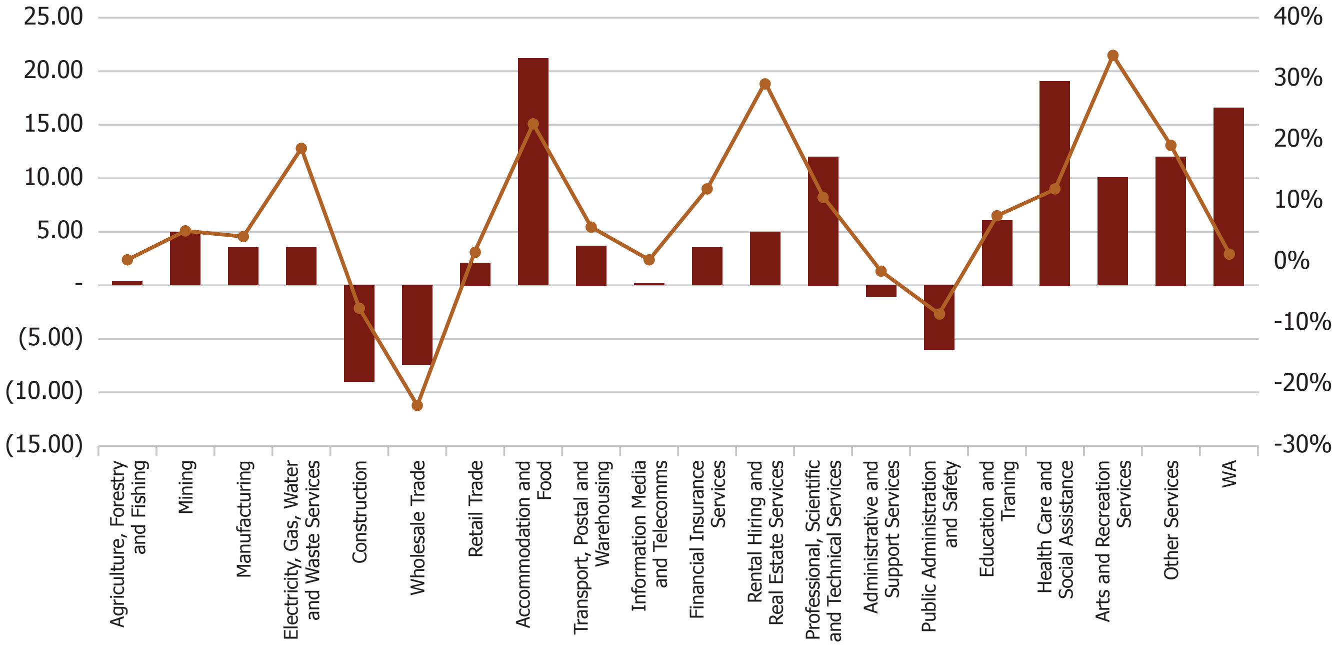
Figure A. 8. Industry contribution to GVA, WA, 1990 to 2015, per cent



Source: Bankwest Curtin Economics Centre. ABS Cat No 5220

Between August 2011 and August 2016 mining showed a small increase in employment, but there were substantial reductions in construction employment. This is consistent with the mining industry moving from the construction phase to the operational phase. Substantial growth in employment numbers and in proportion was seen in accommodation and food, professional scientific and technical services, health care and social assistance and arts and recreation services. It is noteworthy that a high proportion of professional scientific and technical services is servicing the operational phase of the mining industry.

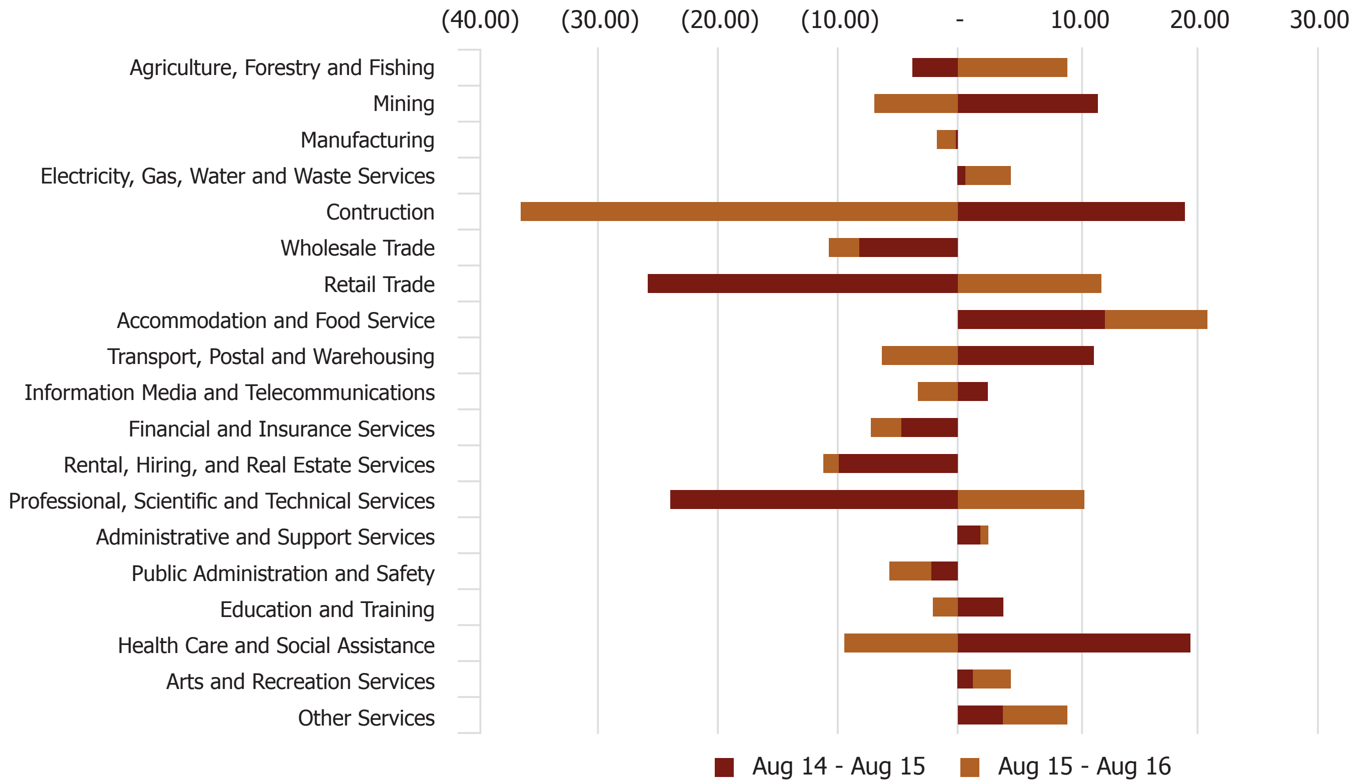
Figure A. 9. Labour Force, Western Australia, Change 2011 - 2016



Source: AEC; ABS Cat 6291.0.55.003

The changes are volatile from year to year. For example, both mining and construction employment increased in 2014 – 15, but declined in 2015 – 16. Consistent growth across the two years is seen in accommodation and food and arts and recreation services.

Figure A. 10. Labour Force, Western Australia, Change 2014 - 2015 and 2015 - 2016



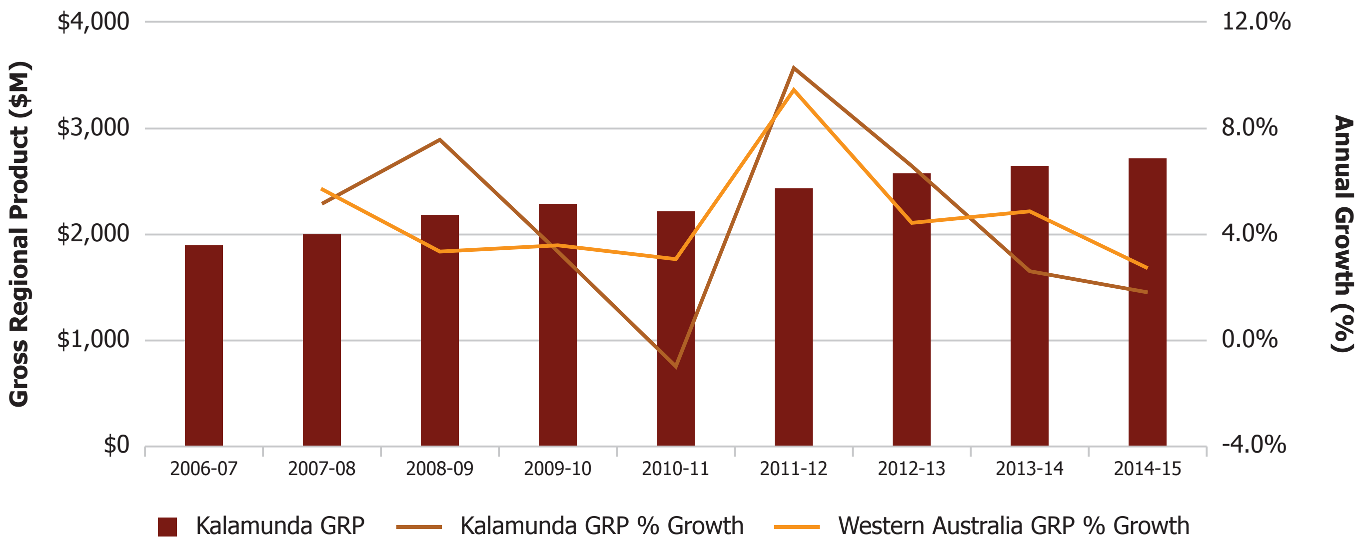
Source: AEC; ABS Cat 6291.0.55.003

Kalamunda Economy

Gross Regional Product

Between 2006-07 and 2014-15 the Kalamunda economy posted an average annual expansion of 4.5%, to reach $2.7 billion. In the latest year, the economy expanded by 1.9%. Kalamunda's economic performance between 2006-07 and 2014-15 was relatively consistent with Western Australia at 4.6% on average per annum. Since 2006-07, the peak in the local economy was in 2014-15 when it reached $2.7 billion.

Figure A. 11. Gross Regional Product, Kalamunda, 2006-07 to 2014-15



Source: AEC (unpublished a)

The most prominent sectors in the Kalamunda economy, in terms of contribution to Gross Value Add in 2014-15, were:

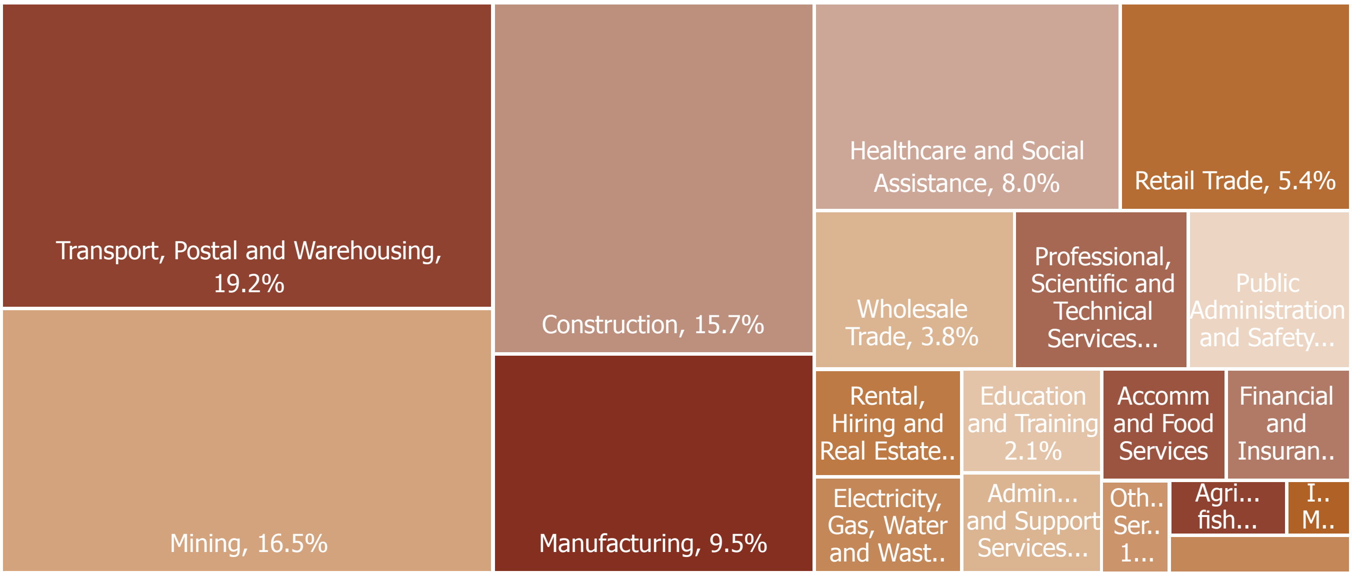
- Transport, postal and warehousing - $450 million (19.2% of total Industry Value Add)
- Mining - $386 million (16.5%)
- Construction - $366 million (15.7%)
- Manufacturing - $222 million (9.5%)
- Healthcare and social assistance - $188 million (8%).

The top five growth sectors between 2009-10 and 2014-15 were:

- Mining (61.1% growth)
- Rental, hiring and real estate services (42.8%)
- Agriculture, fishing and forestry (36.1%)
- Construction (33.9%)
- Accommodation and food services (29.8%).

The only sector which detracted from growth over this timeframe was professional, scientific and technical services, which declined by 11%.

Figure A. 12. Contribution to Gross Value Add, Kalamunda, 2014-15



Source: AEC (unpublished a)

Business Counts

In 2015 there were a total of 4,332 businesses in operation in Kalamunda. In term of business numbers, the most prominent sectors in Kalamunda were:

- Construction (21.4% of total)
- Professional, Scientific and Technical Services (12.6%)
- Transport, Postal and Warehousing (12.3%)
- Rental, Hiring and Real Estate Services (9.8%)
- Financial and Insurance Services (7.1%).

Table A. 5. Business Counts by Industry, 2015

Industry	Kalamunda	Western Australia
Agriculture, Forestry and Fishing	4.1%	8.0%
Mining	0.8%	1.4%
Manufacturing	4.5%	4.1%
Electricity, Gas, Water and Waste Services	0.5%	0.3%
Construction	21.4%	19.0%
Wholesale Trade	2.8%	3.1%
Retail Trade	5.1%	5.9%
Accommodation and Food Services	2.7%	3.8%
Transport, Postal and Warehousing	12.3%	6.4%
Information Media and Telecommunications	0.4%	0.6%
Financial and Insurance Services	7.1%	9.0%
Rental, Hiring and Real Estate Services	9.8%	10.9%
Professional, Scientific and Technical Services	12.6%	12.0%
Administrative and Support Services	3.7%	3.6%
Public Administration and Safety	0.3%	0.3%
Education and Training	1.3%	1.1%
Health Care and Social Assistance	3.8%	5.0%
Arts and Recreation Services	1.1%	1.0%
Other Services	5.8%	4.4%
Total	**4,332**	**217,353**

Source: ABS (2016c)

The most prominent size of businesses in Kalamunda in 2015 was sole traders (no employees) which formed 64.4% of businesses.

Table A. 6. Business Counts by Industry, 2015

Indicator	Kalamunda	Western Australia
Non Employing	64.4%	61.7%
1-4	25.7%	25.4%
5-19	7.8%	9.8%
20-199	2.1%	3.0%
200+	0.1%	0.2%

Source: ABS (2016c)

The turnover category that is most common of local businesses is the zero to $50,000 category. This category accounted for 23.4% of businesses in 2015.

Table A. 7. Business Counts by Turnover, 2015

Indicator	Kalamunda	Western Australia
$0-$50k	23.4%	23.9%
$50k-$100k	16.6%	15.7%
$100k - $200k	22.2%	18.2%
$200k - $500k	19.9%	19.2%
$500k - $2m	12.2%	15.3%
$2m - $2m+	5.7%	7.7%

Source: ABS (2016c)

Employment by Industry

Place of Work

There were a total of 15,360 persons working in Kalamunda in 2011 (by place of work). The industries which provided the most jobs in Kalamunda in 2011 were:

- Transport, Postal and Warehousing (16.3% of total)
- Manufacturing (11.9%)
- Construction (11.4%)
- Retail Trade (11.1%)
- Education and Training (10.3%).

When compared to Western Australia, Kalamunda has strengths in the areas of Transport, Postal and Warehousing (+11.6% points), Manufacturing (+3.5% points), and Education and Training (+2.2% points).

Table A. 8. Employment by Industry, PoW, 2011

Rank	Industry	Kalamunda	Western Australia
1	Transport, Postal and Warehousing	16.3%	4.7%
2	Manufacturing	11.9%	8.4%
3	Construction	11.4%	10.8%
4	Retail Trade	11.1%	10.2%
5	Education and Training	10.3%	8.1%
6	Health Care and Social Assistance	7.4%	10.5%
7	Accommodation and Food Services	5.3%	6.1%
8	Other Services	4.4%	4.0%
9	Professional, Scientific and Technical Services	3.8%	7.3%
10	Wholesale Trade	3.5%	3.6%
11	Public Administration and Safety	2.9%	6.3%
12	Administrative and Support Services	2.6%	3.2%
13	Mining	2.4%	6.6%
14	Rental, Hiring and Real Estate Services	1.8%	1.7%
15	Agriculture, Forestry and Fishing	1.7%	2.5%
16	Electricity, Gas, Water and Waste Services	1.0%	1.2%
17	Financial and Insurance Services	0.9%	2.6%
18	Arts and Recreation Services	0.9%	1.4%
19	Information Media and Telecommunications	0.4%	1.1%
	Total	**15,360**	**1,112,332**

Source: ABS (2016c)

Between 2006 and 2011, total employment in Kalamunda increased by 27.4%. Industries which posted strong growth outcomes over the period between 2006 and 2011 included:

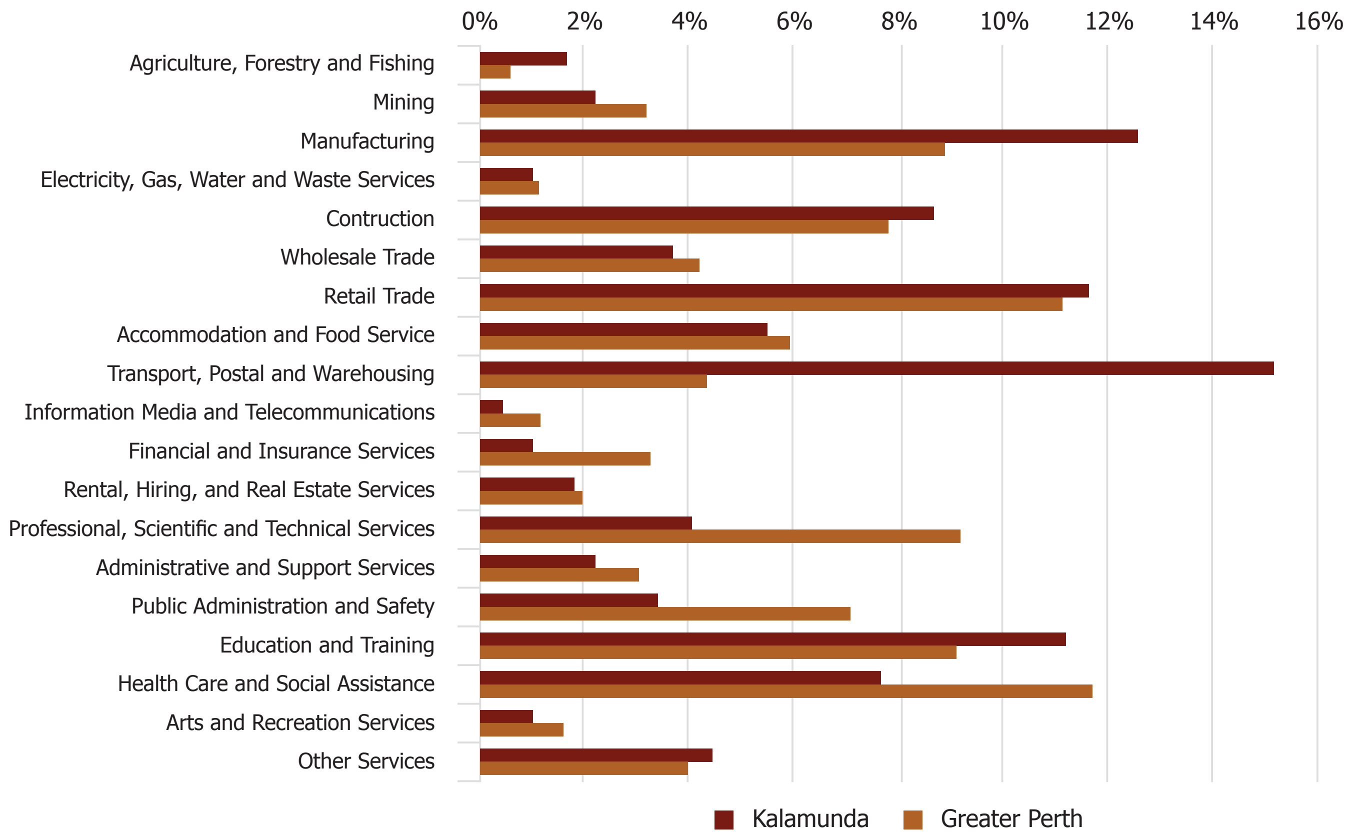
- Mining (an increase of 197 jobs or 116.6% from 2006)
- Transport, Postal and Warehousing (920 jobs or 58.2%)
- Other Services (186 jobs or 38.3%)
- Public Administration and Safety (120 jobs or 36.1%)
- Accommodation and Food Services (212 jobs or 34.8%).

The worst performing industries over the period in terms of percent growth in employment were:

- Agriculture, Forestry and Fishing (a decrease of -46 jobs or -14.9% from 2006)
- Financial and Insurance Services (-13 jobs or -8.5%)
- Rental, Hiring and Real Estate Services (-23 jobs or -7.8%).

Kalamunda has a high proportion of jobs in the transport, postal and warehousing, manufacturing, retail trade and education and training sectors.

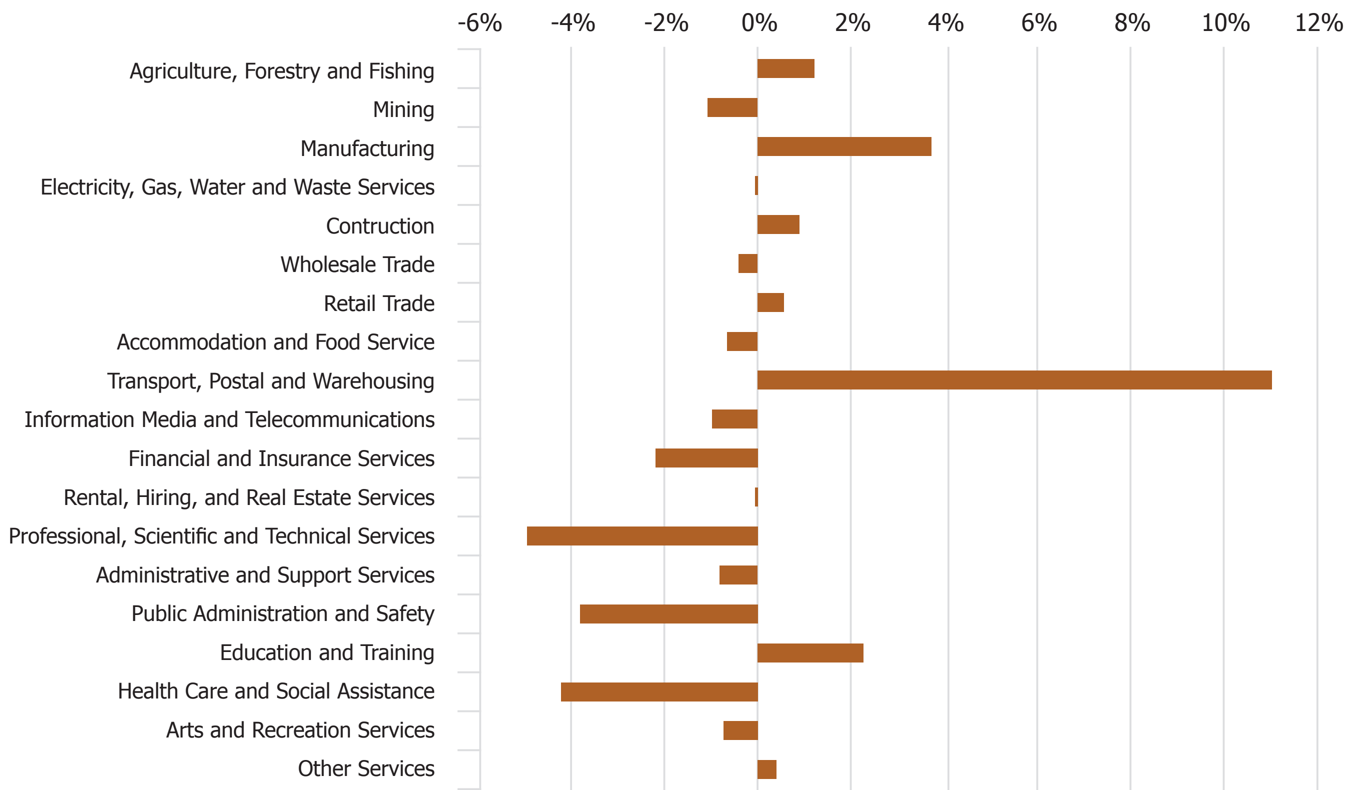
Figure A. 13. Employment proportion, Kalamunda and Greater Perth, 2011



Source: ABS Census 2011 (Employment - Place of Work)

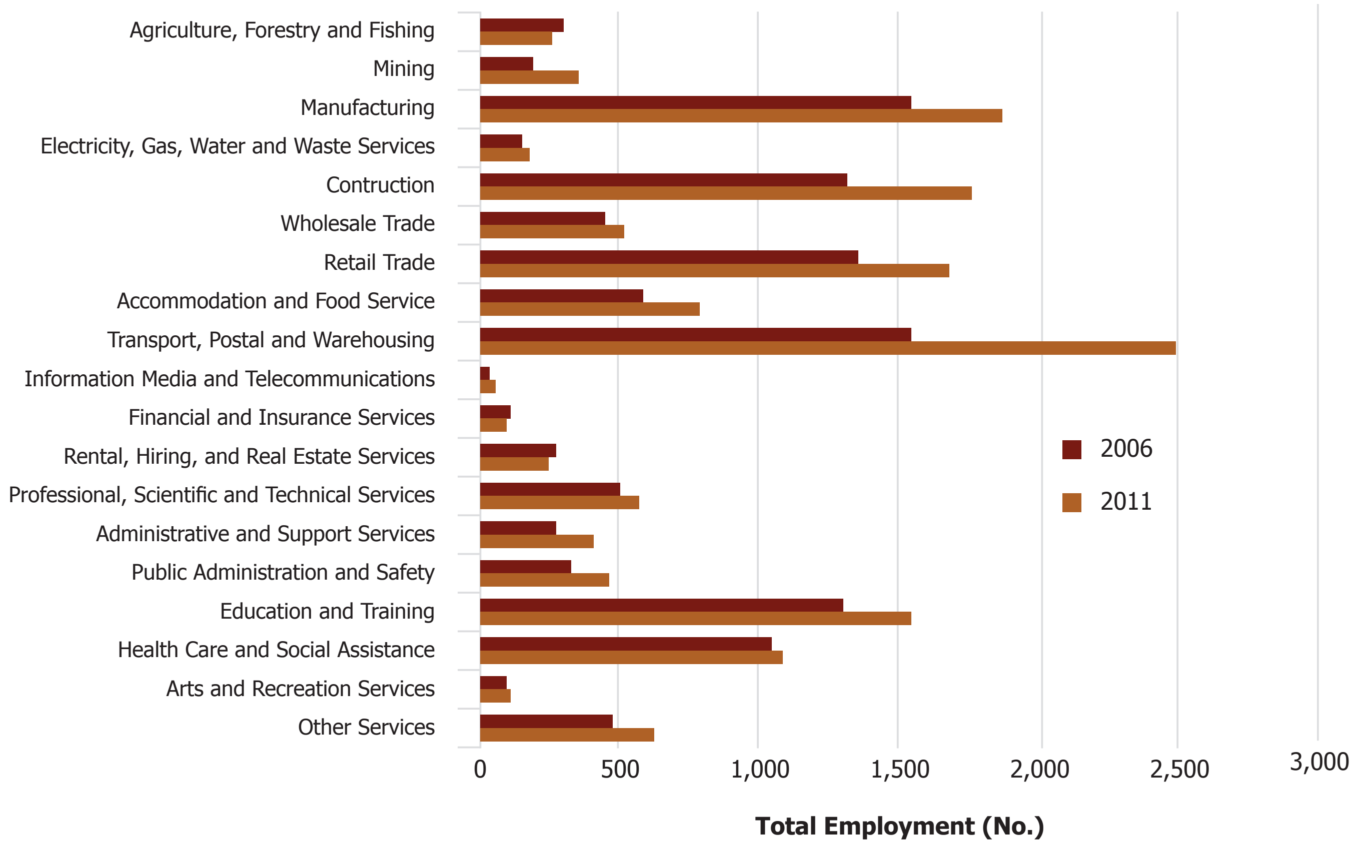
Kalamunda has a higher proportion of jobs than Greater Perth in the transport, postal and warehousing, manufacturing, education and training and agriculture sectors. It has a much lower proportion in the professional, scientific and technical services, health care and social assistance, public administration and safety and financial and insurance services sectors.

Figure A. 14. Employment proportion difference, Kalamunda and Greater Perth, 2011



Source: ABS Census 2011 (Employment - Place of Work)

Figure A. 15. Employment by Industry, Kalamunda, 2006 to 2011



Source: ABS (2007, 2012)

Place of Usual Residence

A total of 27,165 residents of Kalamunda were working in 2011 (by place of usual residence). The industries in which the most Kalamunda residents worked in 2011 were:

- Retail Trade (19.4% of employed residents)
- Manufacturing (11.9%)
- Construction (11.4%)
- Retail Trade (11.1%)
- Education and Training (10.3%).

When compared to Western Australia, the local labour force in Kalamunda has strengths in the areas of Transport, Postal and Warehousing (+9.4% points), Retail Trade (+9.2% points), and Manufacturing (+8.9% points).

Table A. 9. Employment by Industry, PoW, 2011

Rank	Industry	Kalamunda	Western Australia
1	Retail Trade	19.4%	10.2%
2	Construction	18.0%	10.3%
3	Manufacturing	17.1%	8.3%
4	Health Care and Social Assistance	16.8%	10.5%
5	Education and Training	14.2%	8.1%
6	Transport, Postal and Warehousing	14.0%	4.6%
7	Professional, Scientific and Technical Services	11.0%	7.3%
8	Public Administration and Safety	10.9%	6.3%
9	Wholesale Trade	9.2%	3.6%
10	Other Services	9.1%	3.9%
11	Mining	8.9%	6.3%
12	Accommodation and Food Services	7.7%	6.0%
13	Administrative and Support Services	5.5%	3.2%
14	Financial and Insurance Services	4.1%	2.6%
15	Rental, Hiring and Real Estate Services	3.2%	1.8%
16	Arts and Recreation Services	2.4%	1.4%
17	Electricity, Gas, Water and Waste Services	1.9%	1.1%
18	Agriculture, Forestry and Fishing	1.7%	2.4%
19	Information Media and Telecommunications	1.6%	1.1%
	Total	**27,165**	**1,097,825**

Source: ABS (2012)

Employment PoUR vs PoW

Analysis of employment by industry by place of work and place of usual residence, at the 1 digit ANZSIC level, suggests Kalamunda had sufficient local labour availability to meet its employment needs in 2011, with most industries recording higher numbers of workers in the area by place of residence than by place of work.

The industries with the best access to local labour in 2011 were:

- Health Care and Social Assistance
- Retail Trade
- Public Administration and Safety
- Professional, Scientific and Technical Services
- Construction.

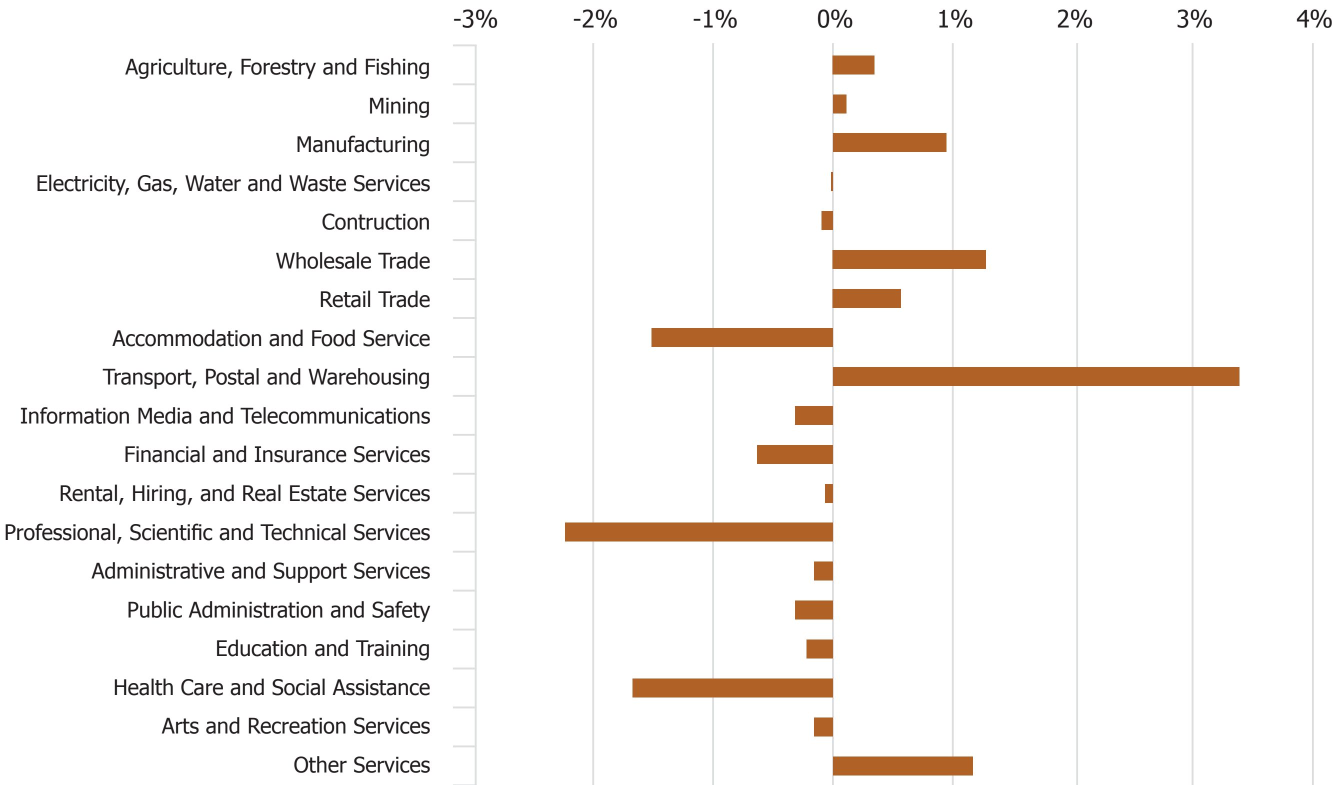
Table A. 10. Employment by Industry, PoW vs PoUR, 2011

Industry	Place of Work	Place of Residence	Difference
Agriculture, Forestry and Fishing	263	266 (1%)	3
Mining	367	1,363 (5%)	996
Manufacturing	1,832	2,633 (9.7%)	801
Electricity, Gas, Water and Waste Services	155	293 (1.1%)	138
Construction	1,752	2,765 (10.2%)	1,012
Wholesale Trade	537	1,419 (5.2%)	882
Retail Trade	1,701	2,979 (11%)	1,278
Accommodation and Food Services	821	1,190 (4.4%)	369
Transport, Postal and Warehousing	2,499	2,153 (7.9%)	-346
Information Media and Telecommunications	62	244 (0.9%)	182
Financial and Insurance Services	144	623 (2.3%)	478
Rental, Hiring and Real Estate Services	273	494 (1.8%)	221
Professional, Scientific and Technical Services	585	1,685 (6.2%)	1,101
Administrative and Support Services	396	850 (3.1%)	454
Public Administration and Safety	452	1,681 (6.2%)	1,229
Education and Training	1,580	2,180 (8%)	600
Health Care and Social Assistance	1,132	2,581 (9.5%)	1,449
Arts and Recreation Services	136	375 (1.4%)	239
Other Services	672	1,391 (5.1%)	718
Total	**15,360**	**27,165**	**11,805**

Source: ABS (2012)

Workers living in Kalamunda are more likely than the Greater Perth average to work in the transport, postal and warehousing, manufacturing and wholesale trade sectors and much less likely to work in the professional, scientific and technical services, health care and social assistance and accommodation and food services sectors.

Figure A. 16. Employment proportion difference, Kalamunda and Greater Perth, 2011

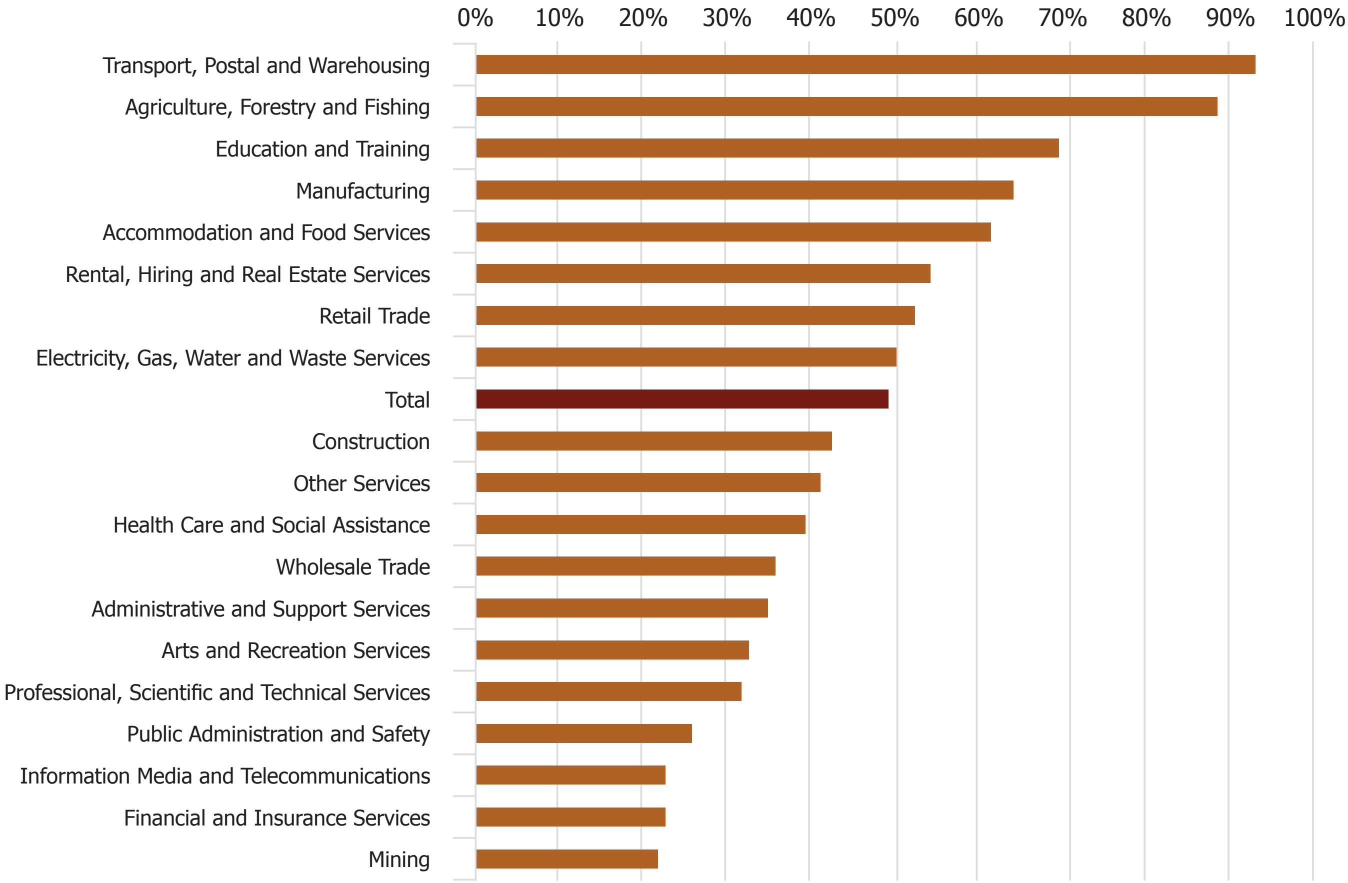


Source: ABS Census 2011 (Employment - Place of Usual Residence)

Kalamunda – Self Sufficiency

Kalamunda has a relatively low rate of employment self-sufficiency (49%). Only the Transport, Postal and Warehousing and Agriculture, Forestry and Fishing sectors have employment self-sufficiency rates at over 70%.

Figure A. 17. Kalamunda – Employment Self Sufficiency

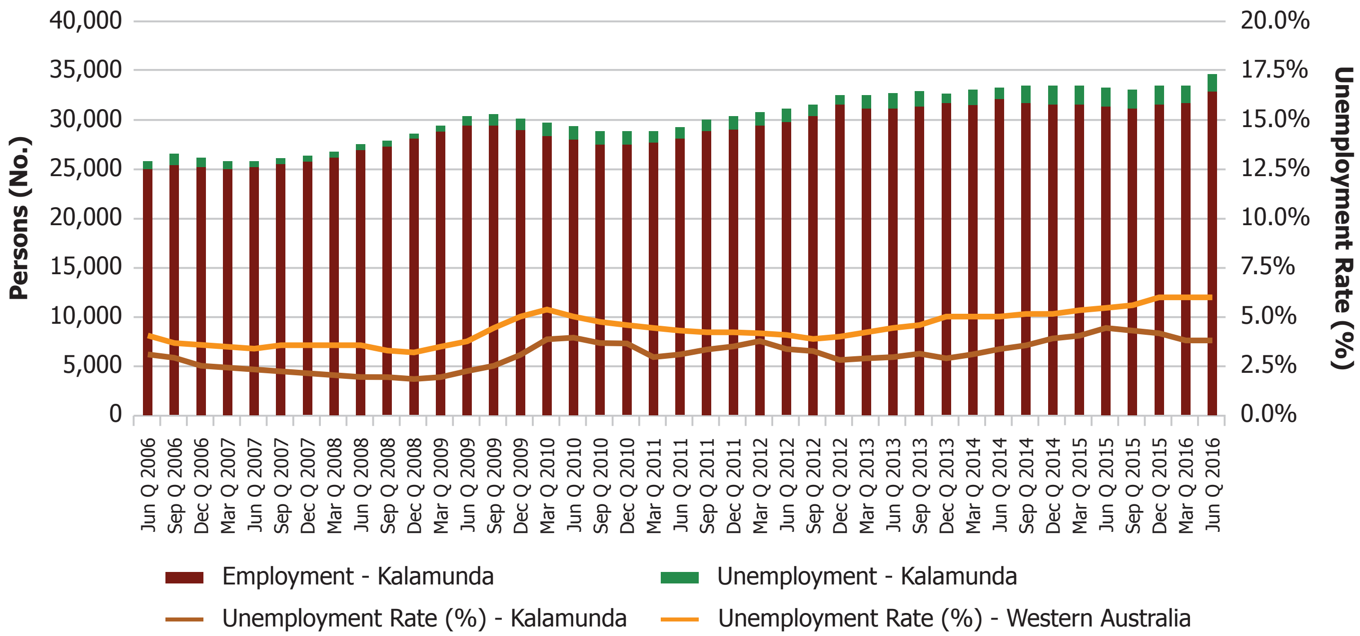


Source: ABS Census 2011 (Employment)

Unemployment and Labour Force

In the latest quarter, (June 2016) the Kalamunda labour force expanded by 0.1% to 33,406. Over the past 5 years, the performance of the local labour force has outperformed compared to Western Australia, expanding by 13%. Over the same time frame, the number of persons unemployed in Kalamunda has expanded by 39.1%. As a result, over the past 5 years, the unemployment rate in Kalamunda has increased by 0.7% points. In the last quarter, the unemployment rate remained steady at 4.2%.

Figure A. 18. Unemployment and Labour Force, Kalamunda, 2006 to 2016



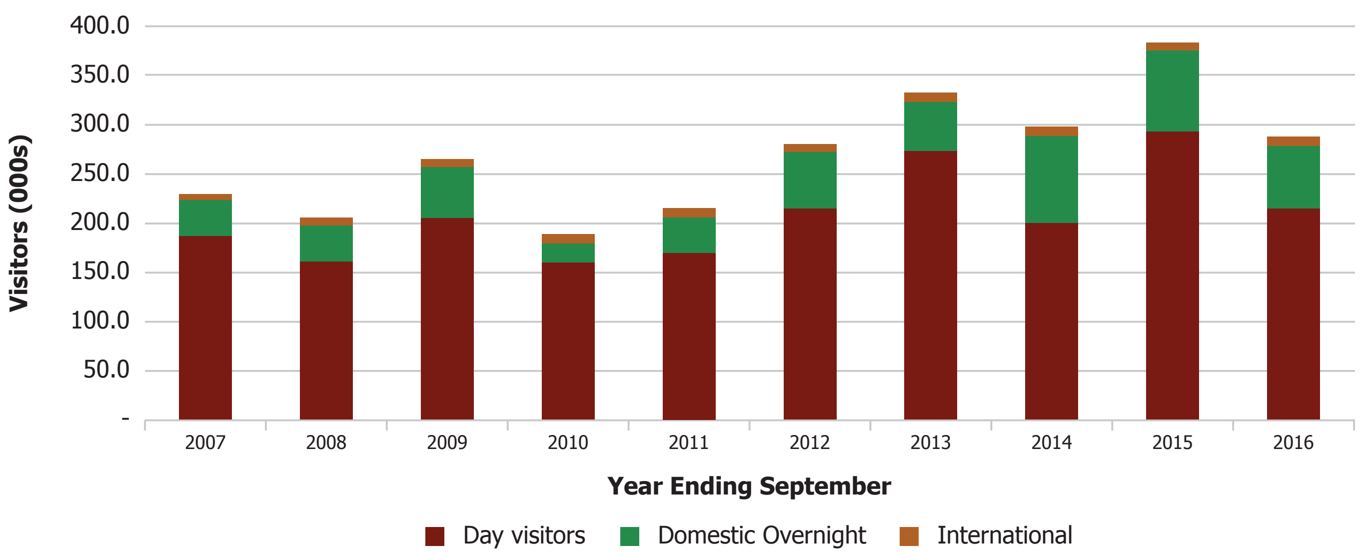
Source: Department of Employment (2016)

Tourism

Total Visitors

The City of Kalamunda received 272,700 visitors for the year ending September (YES) 2016, comprising 73% (200,000) day visitors, 23% (61,400) domestic overnight visitors and almost 10,900 international visitors. Average growth over the last five years has been around 8.7%, fuelled by growth of 26% by the domestic overnight market and 17% from the international market (albeit off a low base). Growth in visitation to the City by the day market has increased by 9.1% over the last five years.

Figure A.19. Visitation to City of Kalamunda (year ending September 2016)

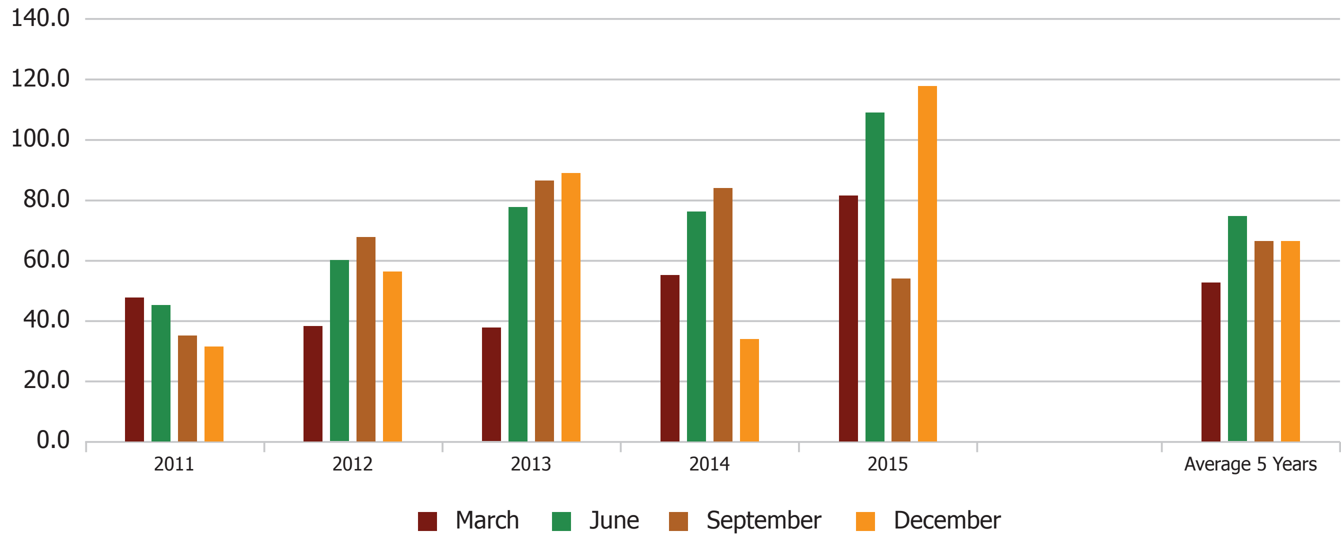


Source: TRA (2017a & 2017b)

Seasonality

Long term trends indicate that overall, Kalamunda exhibits a fairly even distribution of visitors throughout the year. This bodes well for developing a well-round destination.

Figure A.20. Seasonality Profile of the City of Kalamunda (2011 – 2015)

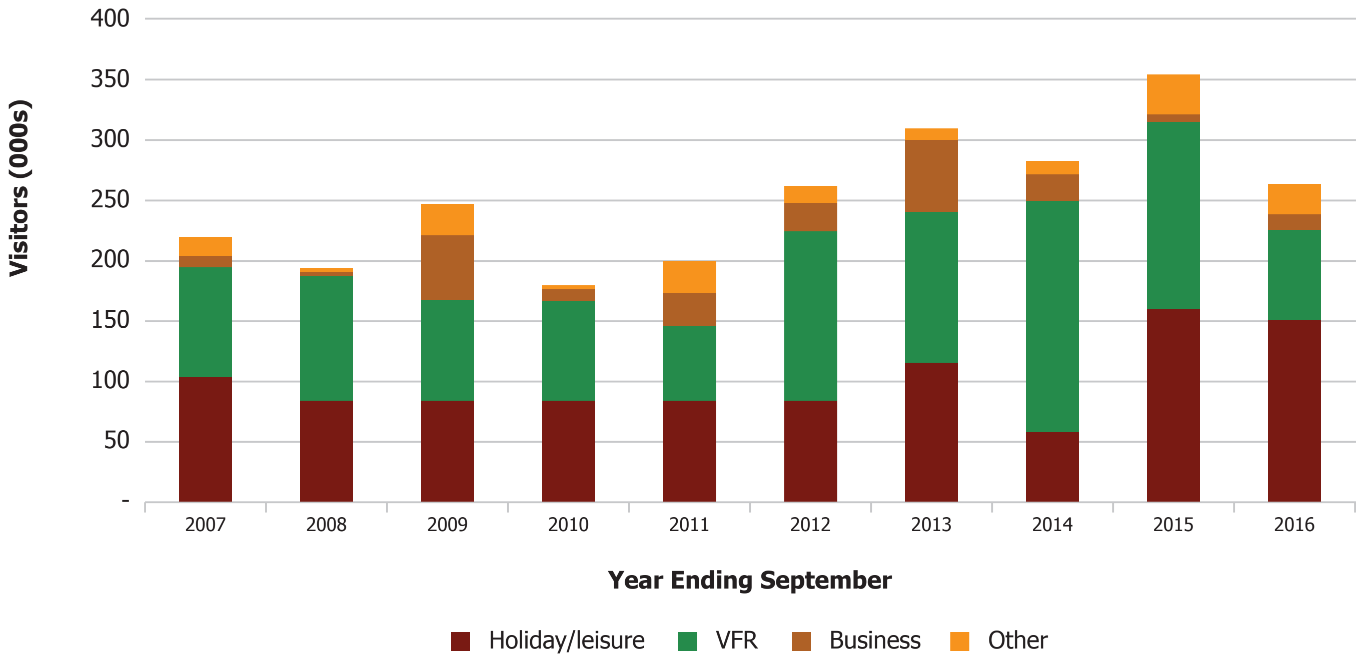


Source: TRA (2016a & 2016b)

Visitors by Reason

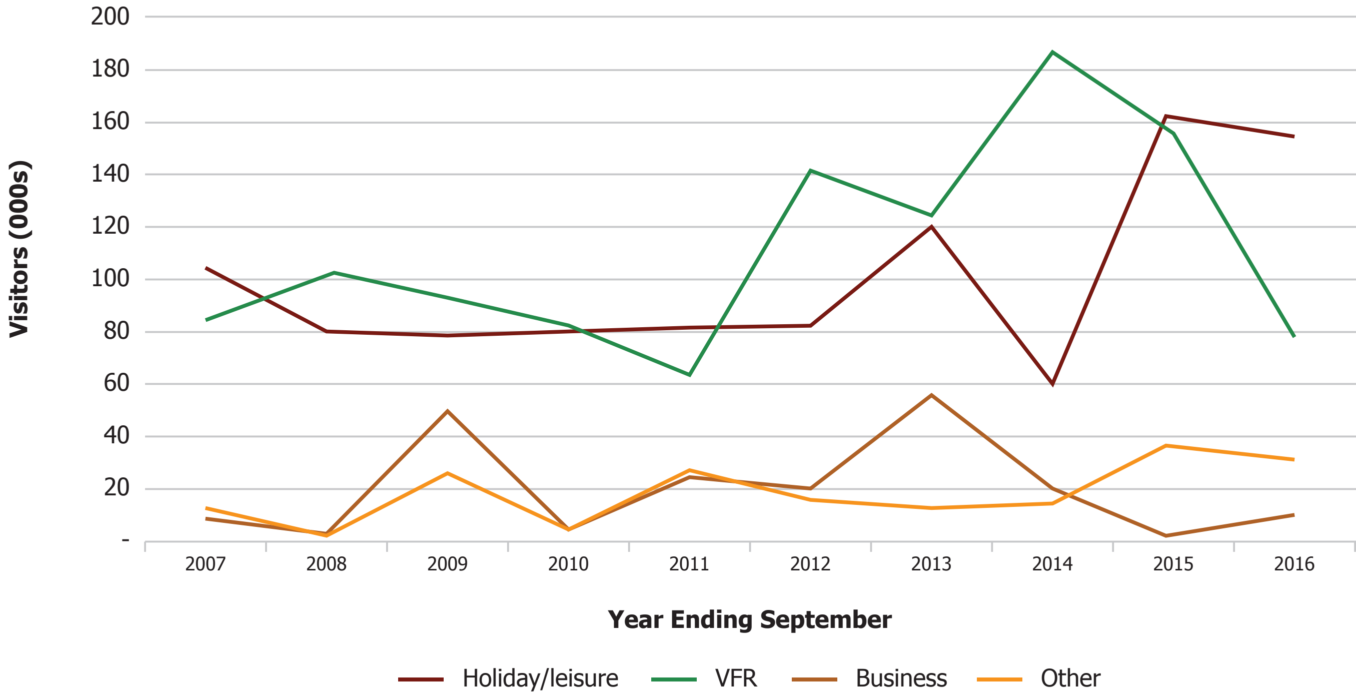
Traditional holiday and Visiting Friends & Relatives (VFR) are the major reason for visiting Kalamunda, accounting for an average of 39% and 47% respectively over the last five years. With average growth of 31% taking place within the traditional holiday market over the last five years, demand from this market sector accounted for 56% of total visits for YES 2016. The 'business' and 'other' market segments have also shown significant growth (albeit off a low base) over the last 5 years, averaging at 19% and 25% respectively. In the case of 'other reason' for visiting Kalamunda, the majority of this has been associated with personal and medical related reasons.

Figure A.21a. Visitors to City of Kalamunda by Main Reason for Visit (year ending September 2007-2016)



Source: TRA (2016a & 2016b)

Figure A.21b. Visitors to City of Kalamunda by Reason, Market Trends (year ending September 2007-2016)



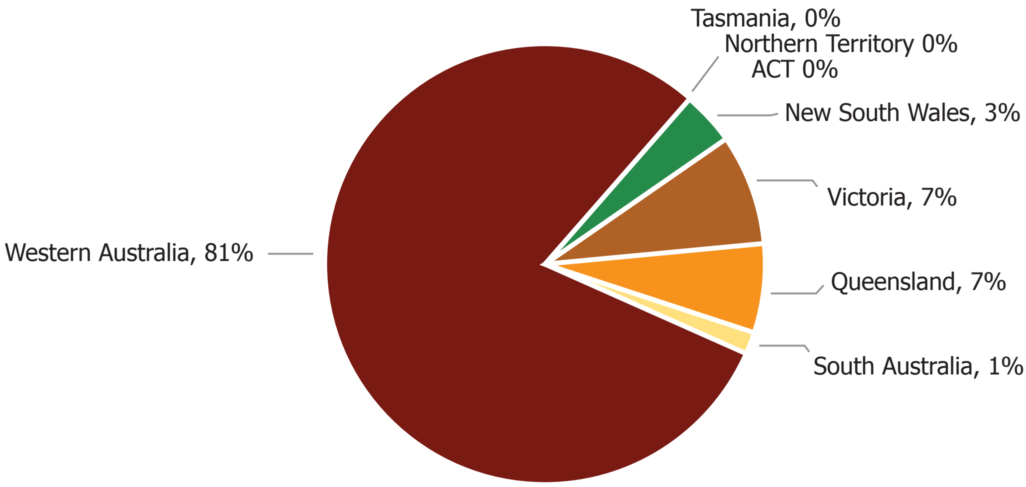
Source: TRA (2016a & 2016b)

Source of origin

Interstate v Intrastate Visitors

Kalamunda is dominated by intrastate visitation, and accounted for 90% of total domestic overnight visits for YES 2016. Growth in interstate visitation over the last five years has averaged at 34%; compared with intrastate visitation which has averaged at 5%. With respect to market share, visitors from Victoria and Queensland are the key sources of interstate visitation, however, cumulatively, this only accounted around 4,500 visitors for YES 2016. Greatest growth in interstate visitation over the last five years has been from Victoria (albeit off a low base).

Figure A.22a. Source of Origin of Domestic Overnight Visitors to Kalamunda (average year ending September 2012-2016)

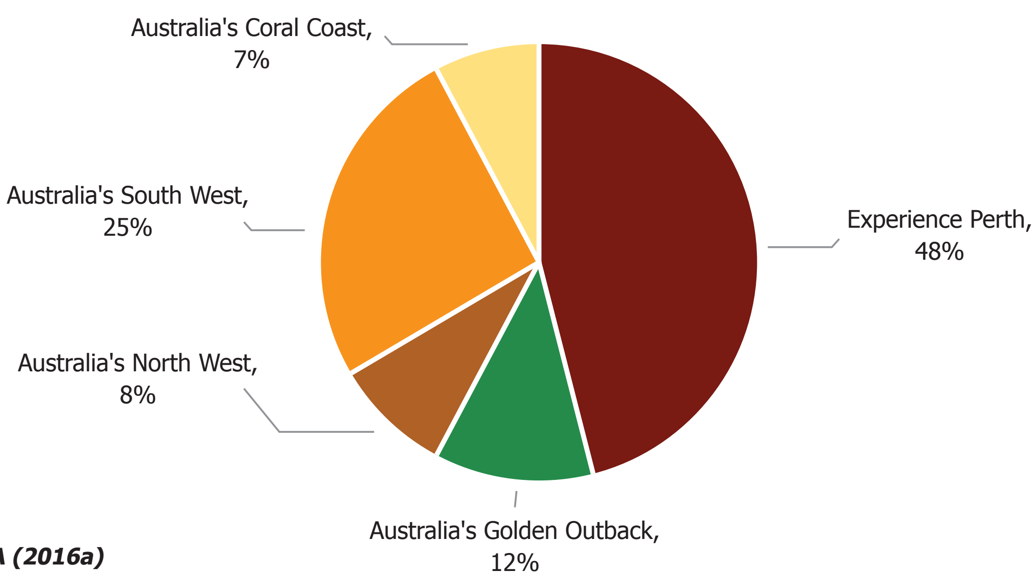


Source: TRA (2016a)

Domestic Overnight Visitors

At a State level, over the last five years, an average of 48% of all domestic overnight visitors to Kalamunda originated from the Experience Perth tourism region. Growth from the Perth region has been remarkable at 87%. Australia's South West is the second largest source market for domestic overnight visitors (at 19,600 visitors for YES 2016) and, after the Experience Perth region, has yielded the highest level of regional growth over the last five years (at around 55%). Demand from other intrastate regional tourism regions is high and highlights the importance of growing the local market and satisfying their demand before directing marketing dollars further afield.

Figure A.22b. Source of Origin of Domestic Overnight Visitors to Kalamunda (5 year average year for year ending September 2012-2016)

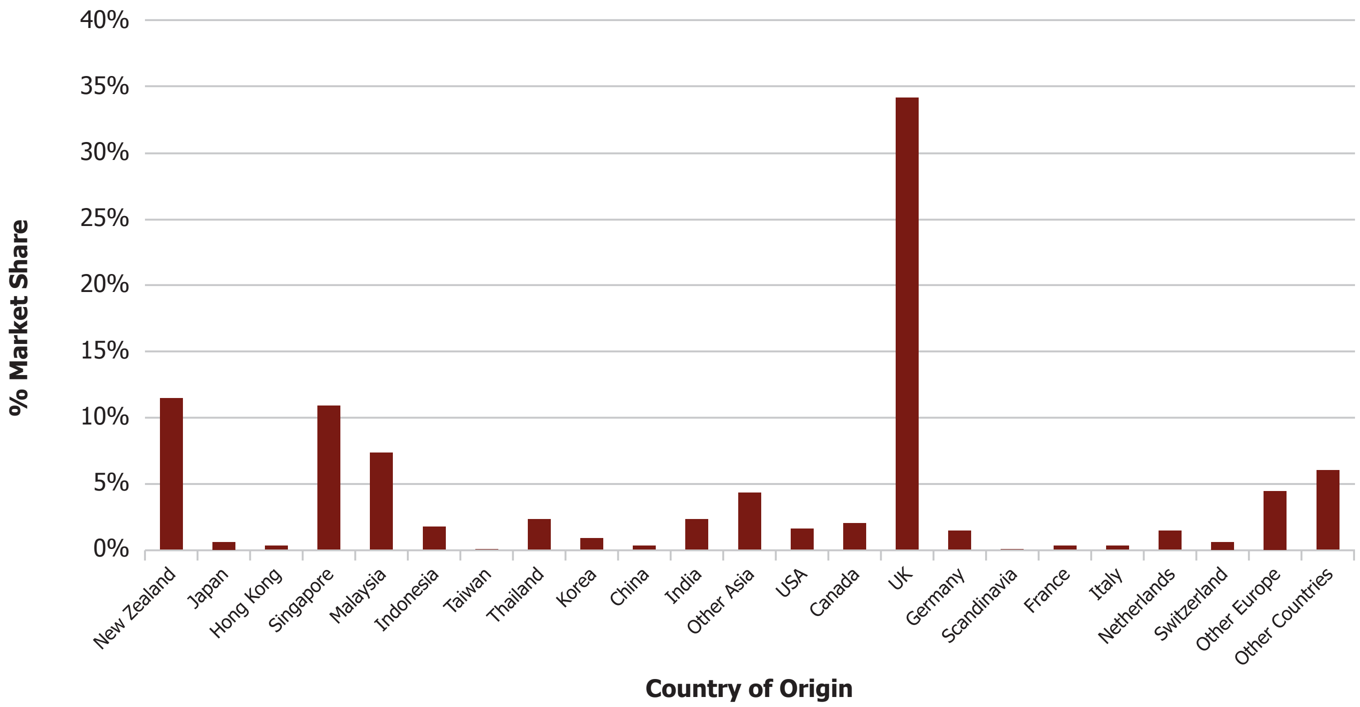


Source: TRA (2016a)

International Visitors

The largest source markets for international visitors to Kalamunda are from the UK, Singapore, Malaysia and New Zealand. Whilst these markets remain the most popular source markets, there has been significant growth in visitors from other European countries.

Figure A.22c. Country of Origin of International Visitors to Kalamunda (average over 5 years, year ending September 2012-2016)

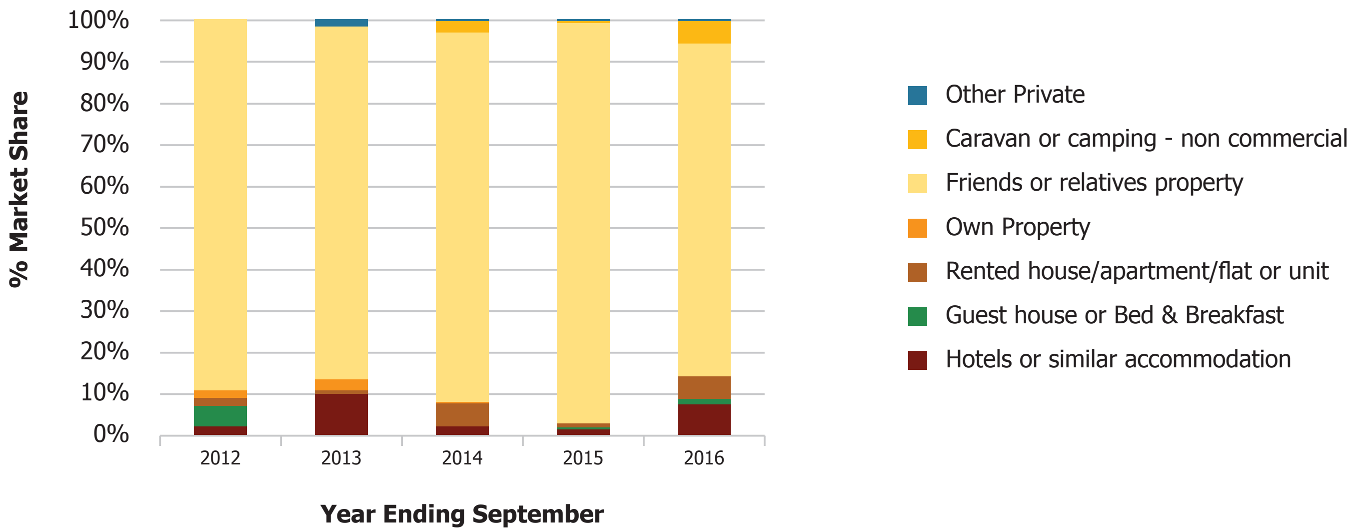


Source: TRA (2016b)

Type of Accommodation Used

Overall, there is an approximate 80%:20% split between private and commercial accommodation used by overnight visitors to Kalamunda. With regards to private accommodation, there is a strong preference (93% of visitors for YES 2016) by overnight visitors to stay with friends and relatives, and suggests a lack of alternative accommodation options in the City. Non-commercial camping and caravanning accounts for around 6% of overnight accommodation used in the hire for YES 2016.

Figure A.23. Type of Accommodation used by Overnight Visitors to Kalamunda (year ending September 2012-2016)

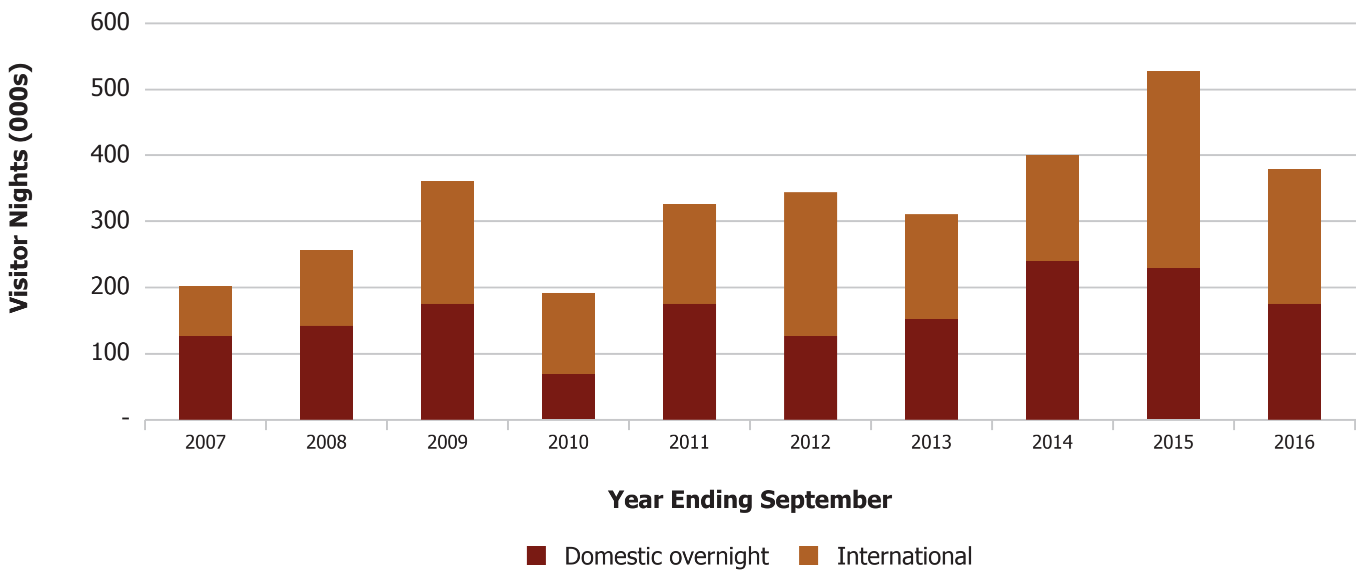


Source: TRA (2016a & 2016b)

Visitor Nights

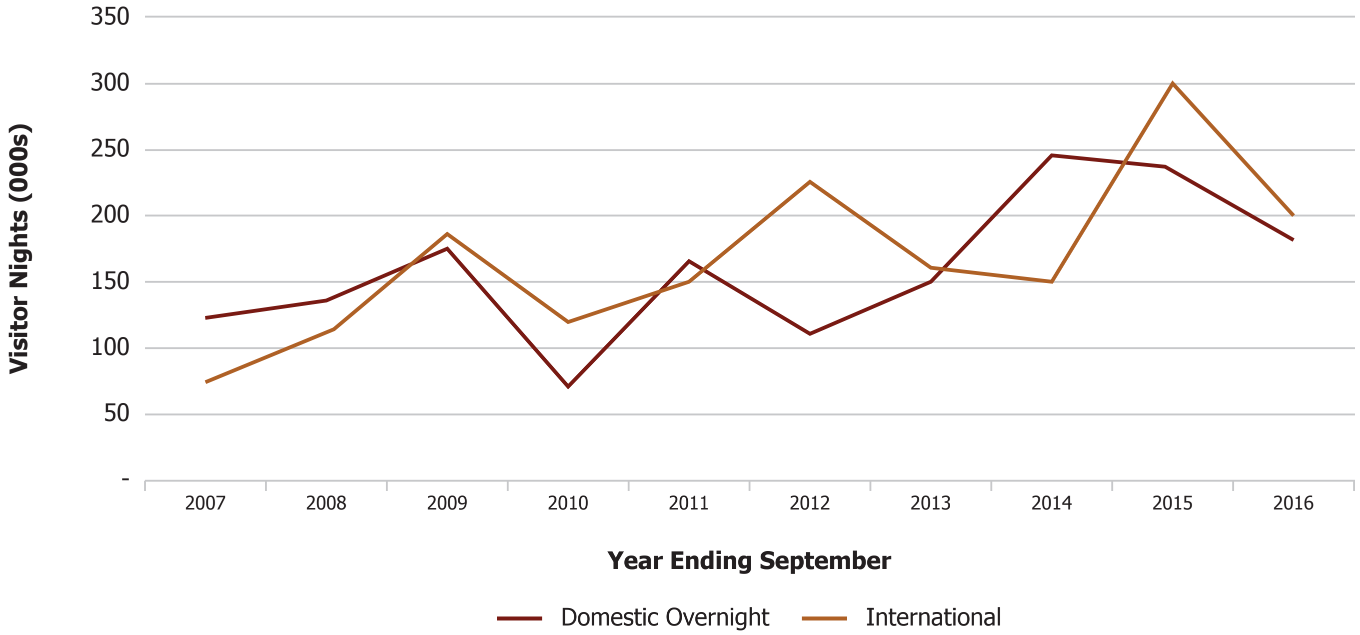
The number of visitor nights in the City of Kalamunda numbered just over 382,700 in YES 2016, and represented an increase of 5.7% over the previous year YES 2015. Demand for overnight accommodation is shared fairly evenly between the domestic and international markets. The domestic market accounted for 47% of visitor nights (178,100 visitor nights) to Kalamunda for YES 2016, with the international market comprising the 53% balance (204,600 visitor nights for YES 2016).

Figure A.24a. Visitor Nights in City of Kalamunda (year ending September 2007-2016)



Source: TRA (2016a & 2016b)

Figure A.26b. Average Length of Stay in City of Kalamunda, Market Trends (year ending September 2007-2016)

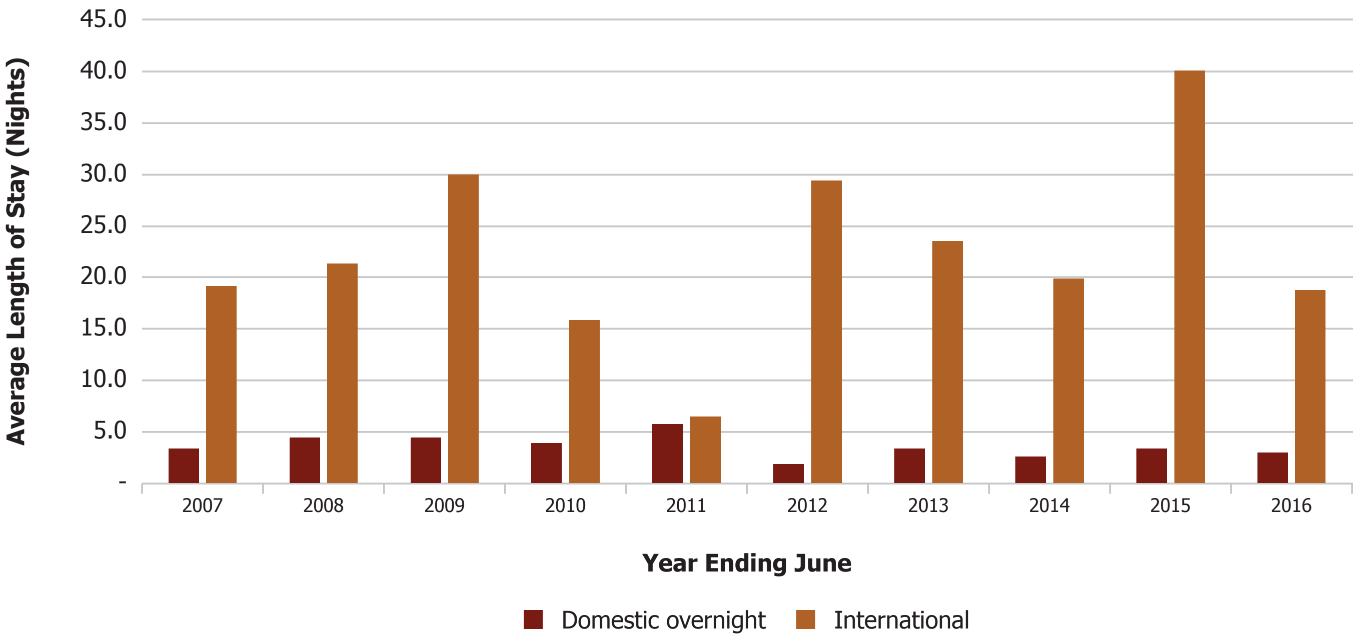


Source: TRA (2016a & 2016b)

Average Length of Stay

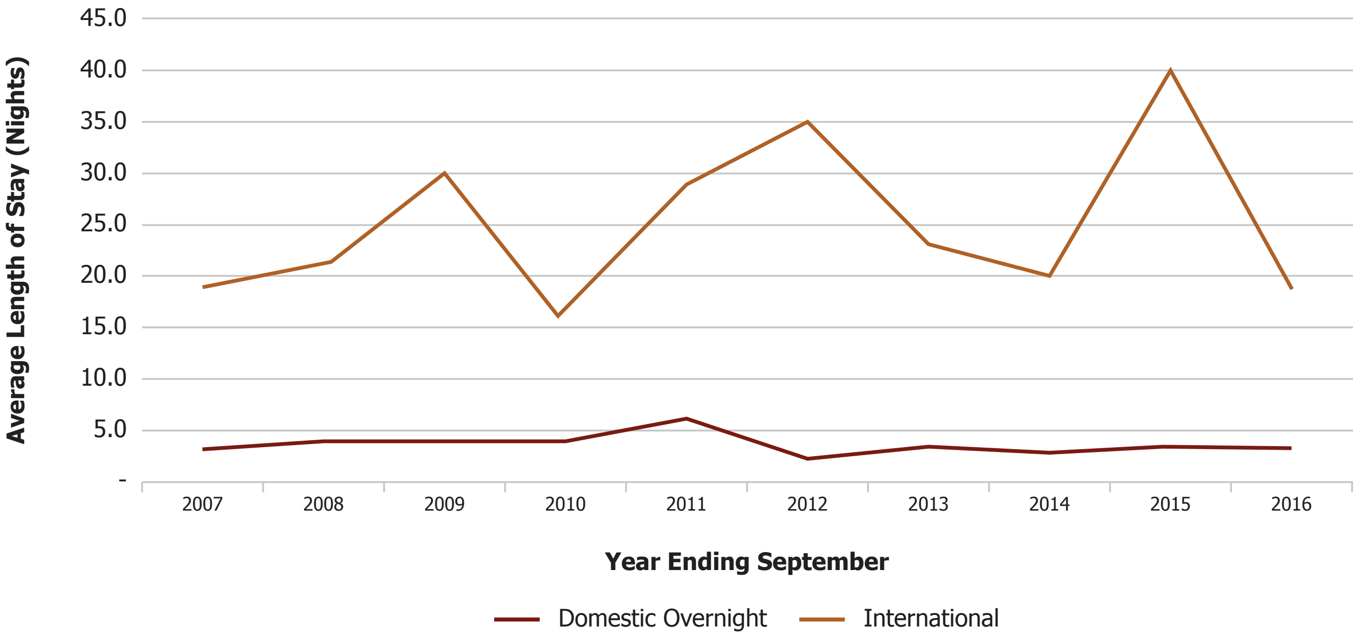
Average length of stay for domestic overnight visitors was 2.9 days in YES 2016 and 18.8 days for international visitors. Whilst the average length of stay by domestic overnight visitors has remained broadly stable over time, the average length of stay by international visitors has fluctuated – most likely in response to macroeconomic influences (such as exchange rates and volatile financial markets).

Figure A.26a. Average Length of Stay in City of Kalamunda (year ending September 2007-2016)



Source: TRA (2016a & 2016b)

Figure A.26b. Average Length of Stay in City of Kalamunda, Market Trends (year ending September 2007-2016)

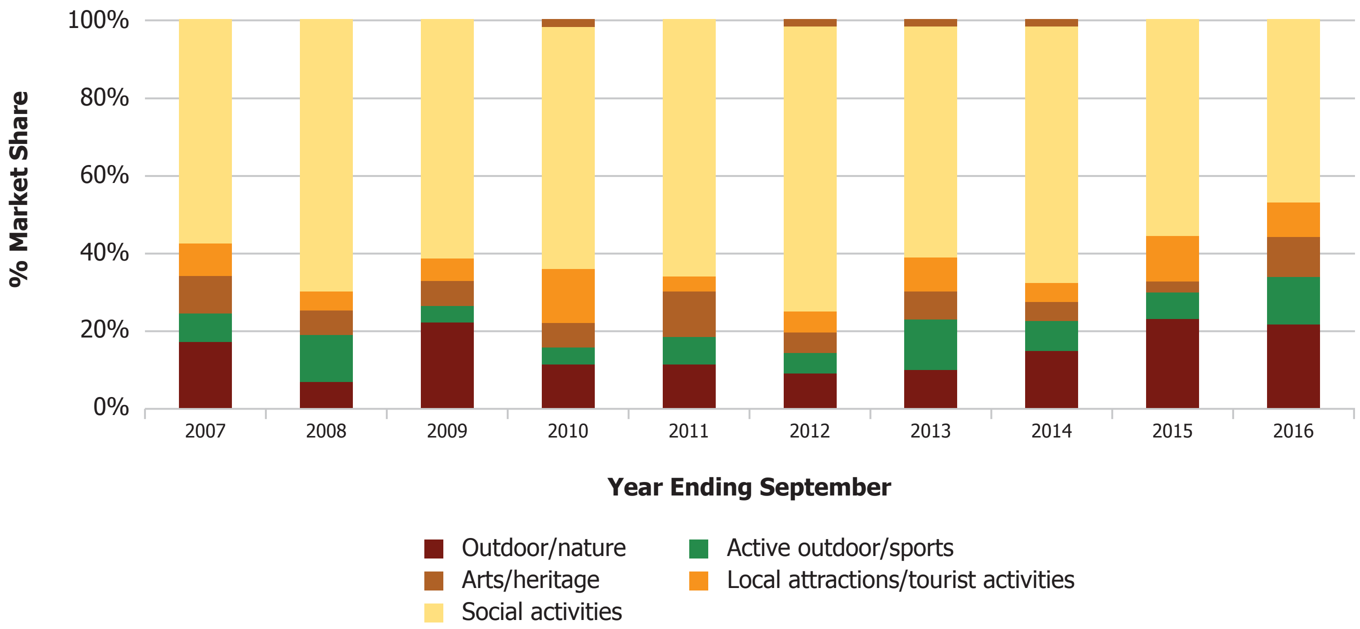


Source: TRA (2016a & 2016b)

Types of Activities

Social activities (including shopping for leisure, dining out, visiting friends and relatives, amongst several other activities) are the most popular type of activity undertaken by visitors to Kalamunda, with 48% of visitors engaging in social activities during their trip for the year ending September 2016. This is followed by participation/engagement in outdoor/nature activities (23%), active outdoor sports (12%), arts/heritage activities (10%) and visiting local attractions (8%).

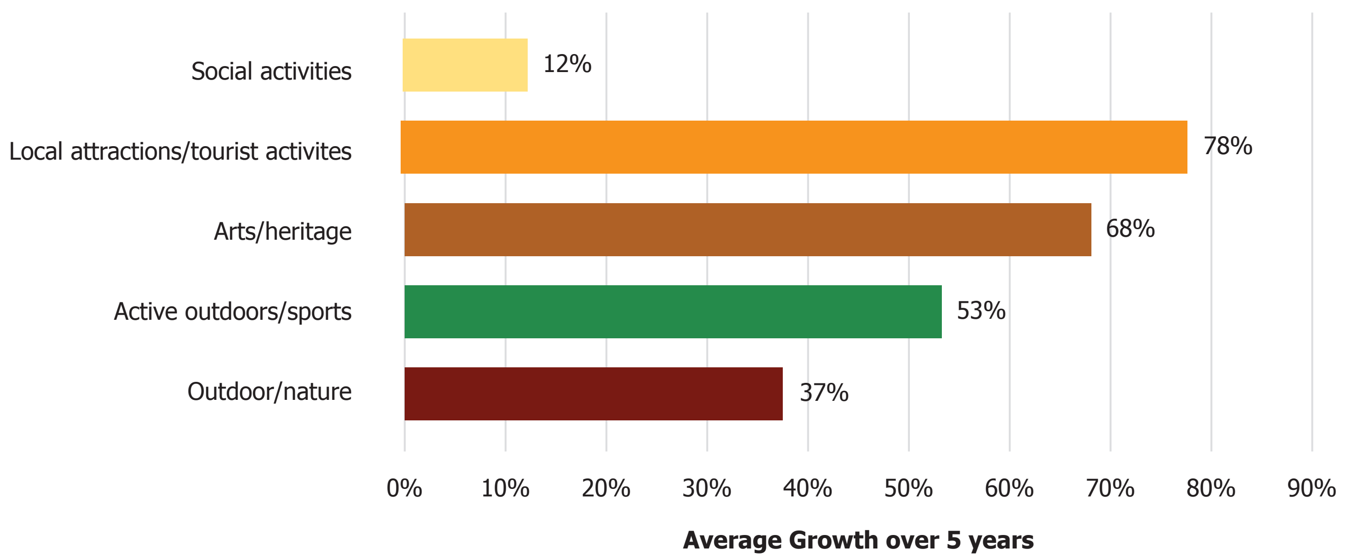
Figure A.27a. Types of Activities undertaken by Visitors to Kalamunda (year ending September 2007-2016)



Notes: * Visitors may engage in more than one type of activity
Source: TRA (2016a & 2016b)

With respect to growth trends, over the last five years, while engagement has in social activities has remains a popular activity, demand by visitors to actively experience and participate in what the City has to offer has shown significant growth. Whilst visits to markets and wineries and guided excursions have shown a significant increase over the last five years, but there remain several avenues of opportunities to maximize the natural and outdoor adventure offering of the City.

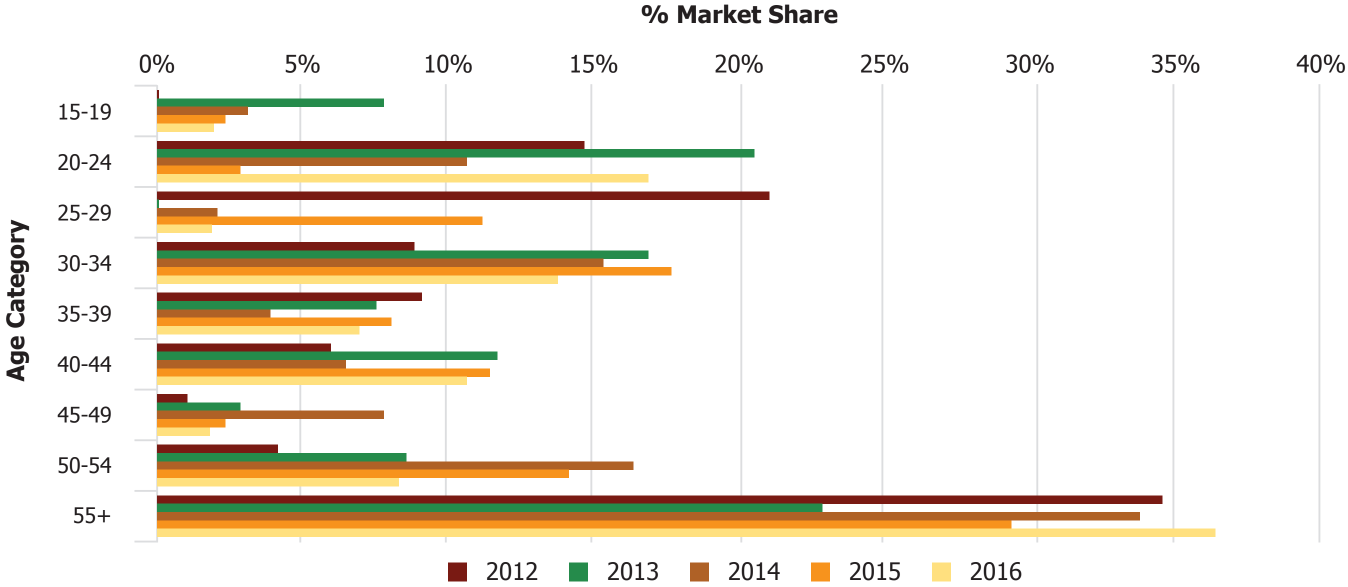
Figure A.27b. Growth in Activities by Visitors to Kalamunda (year ending September 2007-2016)



Age of Visitors

The City of Kalamunda is a popular visiting spot for the over-55 age group. Over 36% of visitors to the area are aged over 55. For the most part, these older visitors tend to spend less and engage in more passive activities but, at the same time due to their wide travel experiences tend to favour destinations which offer points of difference, expect good quality products and value for money. While the latter is of utmost importance, increased opportunities to deliver active and engaging experiences. Given that older visitors (particularly retirees) are usually restricted to fixed incomes, so rises in the cost of living (i.e. fuel, interest rates, etc.) can impair their spending levels and ability to conduct leisure travel. Particularly noteworthy however is the increased number of visitors falling into the 20-24 and 25-29 age group categories, and is indicative of an increased opportunity for outdoor adventure activities to satisfy this market cohort.

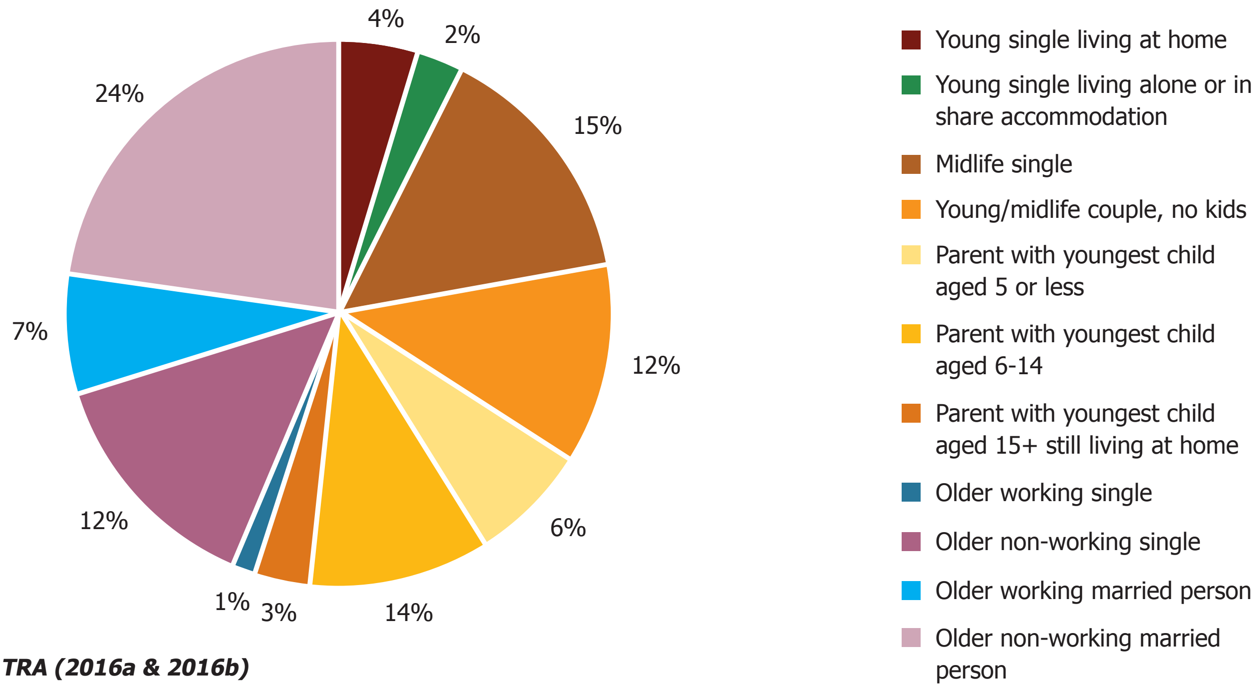
Figure A.28a. Age of Visitors to City of Kalamunda (year ending September 2012-2016)



Source: TRA (2016a & 2016b)

TRA data reinforces this breakdown of visitors to the region with 44% of "older" visitors, 23% of "parent" visitors and 33% of "young" visitors coming to the region.

Figure A.28b. Lifecycle of Visitors to City of Kalamunda (year ending September 2016)



Source: TRA (2016a & 2016b)

Tourism Summary

Table A.11. Snapshot Overview of Tourism Volume and Patterns of Visitation to Kalamunda for the year ending September 2016

Indicator	Volume YE Sept 2016	% Market Share YE Sept 2016	Ave Growth over 5 years (2012-2016)
Number of visitors			
Domestic day	200.4	73%	9.1%
Domestic overnight	61.4	23%	26%
International visitors	10.9	4%	17%
Total	**272.7**	**100.0**	**8.7%**
Visitor nights			
Domestic visitor nights	178	47%	6.5%
International visitor nights	205	53%	15.2%
Total/Ave	**382.7**	**100%**	**5.7%**
Ave length of stay			
Domestic overnight visitors	2.9	-	-3%
International visitors	18.8	-	4%
Overall	**5.3**	**-**	**-4%**
Main Purpose of Visit			
Holiday	152	56%	31%
VFR	78	29%	17%
Business	10	4%	19%
Other	31	11%	25%
Main Activities during Trip[1]			
Outdoor/nature	107	23%	17%
Active outdoor sports	54	12%	9%
Arts/heritage	46	10%	5%
Local attractions/tourist activities	36	8%	8%
Social activities	228	48%	61%
Age Profile[2]			
15-19	4.9	2%	-
20-24	46.3	17%	-
25-29	5.4	2%	-
30-34	37.1	14%	-
35-39	20.7	8%	-
40-44	30.2	11%	-
45-49	5.0	2%	-
50-54	23.8	9%	-
55+	99.3	36%	-

Note:
September 2016 represents the most recently available tourism statistics for Australia (including State, tourism region, LGA and SA2 level).

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