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Committee Secretary Standing Committee on Employment and Workplace Relations House of Representatives Parliament House CANBERRA ACT 2600 AUSTRALIA

Attention Committee Secretary

Submission to the Standing Committee on Employment and Workplace Relations

The City of Swan covers twenty five per cent of the metropolitan Perth area and has a diverse economic base with the major industrial areas of Midland, Malaga and Hazlemere, the broad acre farming in the Bullsbrook and Gidgegannup areas and the premier wine producing and tourism area of the Swan Valley. The City of Swan is also home to a large number of home based businesses and is the base for the largest network of business incubators in Australia.

The City of Swan has a strong commitment to employment and learning which is borne out by its Strategic Community Plan and as part of this the City's commitment to economic development.

The City of Swan continues to develop economic strategies to assist and support the development of employment opportunities within its boundaries and the development of an economic environment strategy is a major part of the City's community strategic plan "Foundations for the Future". Three of the key components of this plan which directly relate to Employment and Learning are job diversity, skill development and education.

Using its experience in the economic development area, the City of Swan wishes to make the attached submission to the *Inquiry into Employment: Increasing participation in paid work*.

yours sincerely

J Weigall

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CITY OF SWAN SUBMISSION TO THE INQUIRY INTO EMPLOYMENT

Terms of Reference

The terms of reference are:

To inquire into and report on employment issues in both rural/regional and urban/outer suburban areas, with particular reference to:

- measures that can be implemented to increase the level of participation in paid work in Australia; and
- how a balance of assistance, incentives and obligations can increase participation, for income support recipients.

The City of Swan (the City) is committed to Economic Development in the region and as such it's strengths lie in addressing the first point of reference for the Inquiry. The City will not comment on the second term of reference due to lack of direct experience and expertise.

Employment has implications for most other aspects of quality-of-life including community cohesion, personal well being and culture. It is therefore an important ingredient of a functional community.

Background

As the City of Swan is a fast growing urban fringe city the City will be commenting on employment issues in urban/outer suburban area with reference to the ways the City is developing employment opportunities for it's growing population.

There are several **issues** the City is facing in terms of employment opportunities in the area.

- 1. Current high unemployment
- 2. Under-employment
- 3. Changing from an old economy to a new economy
- 4. Low education level

The City of Swan is anticipated to experience significant growth in the next twenty years. In 2001 the resident population of the City of Swan was 82,126 people and the population is estimated to double by 2021 to 168,100 (ABS, 2001). With this growth it is desirable that the growing population of residents has appropriate education levels and skills to cater for the needs of local businesses.

The first of these is that the unemployment in the City is currently approximately 9%, which is above both the State and National Average. There is considered to be a high degree of 'hidden' unemployment in Swan with the accurate unemployment figure potentially being as high as16%. There is also potential for increasing underemployment (ie. people are not employed to their fullest capacity) of residents as the proportion of part-time and casual jobs are steadily increasing in the local and regional economy. This is mainly due to the growth in services, particularly in tourism, leisure and personal services.

Levels of unemployment and under-employment must be reduced to ensure that residents of the Swan region have sufficient income to provide for their personal and social needs. If unemployment and under-employment remain above average for the Swan region, then there is potential for rising income inequities that may result in social divisions or tensions within the community and hardships.

The City is also experiencing a slow change in the local economy from one dominated by primary and secondary industry and manufacturing (termed the 'old economy') towards a 'new economy' based on services (professional and personal) and technical/specialist knowledge.

To address these issues there is a need to coordinate the planning and provision of training and education programs between institutions, agencies and businesses.

The Swan region has a lower number of people who are tertiary educated compared with the average for the Perth region and it does not have any purpose built tertiary education facility. However, the local TAFE has made some strategic alliances with the Edith Cowan University.

There is a need to provide greater access to tertiary education opportunities for local residents, especially those sectors of the population that have traditionally been discouraged or disadvantaged from taking up tertiary education opportunities such as lower income people, ethnic and indigenous people, long-term unemployed. It is also important to provide opportunities for tertiary education given the high rates of population growth expected over the next 20-30 years.

Some sectors of the population have traditionally suffered from employment disadvantages such as youth, migrants, indigenous, and long-term unemployed.

Measures that can be implemented to increase the level of participation in paid work in Australia

To address the issues mentioned above the City has developed a framework policy known as *Foundations for the Future*.

As part of the City's Strategic Community Plan the goal for Employment and Learning is to ensure that "a broad range of employment and learning options are available locally to provide rewarding work for current and future local residents".

To reach this goal, the following strategic objectives need to be achieved:

Employment

- Employment and learning options are designed to assist and stimulate change from an 'industrial' economy to a 'knowledge based' economy by developing a 'knowledge economy' skill base whilst retaining existing agricultural and industrial strengths.
- Stakeholders involved in employment stimulation coordinate effort to maximise employment and learning outcomes.
- The value of the home-based and micro-business sectors as an employment multiplier and enterprise option are recognised and supported
- Self-containment is encouraged through provision of quality employment and enterprise options locally.

Learning and Skill Development

- Swan offers a diverse range of quality living options with high amenity to attract and retain workers, with skills aligned to current and future business needs, as residents.
- The strengths of the local skill base are enhanced and developed to assist local residents acquire rewarding employment or business opportunities.
- An educated, skilled workforce exists to meet business and industry's changing needs
- A diverse range of education options are available locally to meet employment and learning needs

Six Key Strategic Areas have been developed to address the City's goals and objectives for employment and learning.

The areas and actions which the City will implement are as follows;

- 1. An organisational commitment to economic development through developing a local employment policy and identifying the region's skill and employment strengths, including employment outcome requirements in planning (ie having an employment criteria when assessing commercial and industrial development applications).
- 2. Facilitate strategic economic development
- 3. Industry and enterprise development and support
- 4. Partnering, Joint ventures and Leveraging
- 5. Information and Knowledge
- 6. Economic incentives and mechanisms

The City is committed to providing employment opportunities for its residents and has an economic strategy in place to achieve the City's goals and objectives for employment and learning. The City identifies itself as an urban fringe municipality and believes other like organisations could learn for the City and in turn the City can further develop its actions and learn from others. The City recognises that partnerships between Governments are an important requirement to meet its employment and learning goals.