



## Melbourne's North: an economic narrative

### Background

Melbourne's northern metropolitan region comprises the seven local government areas of Banyule, Darebin, Hume, Merri-bek, Mitchell, Nillumbik and Whittlesea. It is one of Melbourne's most rapidly growing regions with a current population estimated at 1,077,725 – forecast to reach 1.5 million by 2036.<sup>1</sup> Twenty percent of Melbourne's population live in Melbourne's north, with population growth continuing to outstrip jobs growth.

It is a region with significant cultural and linguistic diversity, being home to many new arrivals to Australia and with 35 per cent of the population speaking a second language. It is also the metropolitan region with the largest proportion of Aboriginal and Torres Strait Islander people.<sup>2</sup>

The size of Melbourne's north and its rate of population growth (2.8 per cent per annum compared with 1.6 per cent per annum for the rest of Melbourne) imply a large and rapidly increasing need for new and upgraded infrastructure, from the fast-growing fringe areas to the densifying inner suburbs.<sup>3</sup>

Not only is the region diverse in population, it is also varied in geography and development form, from bustling inner-city metropolises such as Northcote, Brunswick and Ivanhoe, to middle ring suburbs like Coburg, Preston, Broadmeadows and Heidelberg, to the outer urban growth areas found in Hume, Whittlesea and Mitchell and the peri-urban areas of Nillumbik and Banyule.

Melbourne's north has developed in a similar pattern to the rest of Melbourne, with most jobs in the inner areas, close to the CBD and adjacent to radial transport routes, while most population growth is in the outer areas where infrastructure development and jobs still lag behind population growth. Sixty per cent of the workforce travel outside the region for work.<sup>4</sup>

This highlights the lack of development of precinct planning in the north, the need for more jobs near where people live and the mismatch between local employment needs and local skills.

Industry types in Melbourne's north vary from wholesale and retail to arts and culture, construction, advanced manufacturing, health and social services, education and training.

<sup>1</sup> Victoria in Future 2019, Department of Environment, Land, Water and Planning

<sup>2</sup> ABS Census data 2016

<sup>3</sup> Northern Horizons 2020

<sup>4</sup> ABS Census data 2016



The region has a powerful and resilient economic history dating back to a strong textiles, clothing and footwear sector and automotive manufacturing industry. As these sectors declined due to global competition, Australia's reduced protection policies and the rise of advanced technologies, the regional economy in Melbourne's north adapted and rebounded with a modern economy featuring advanced manufacturing, high technology, innovation, knowledge-based industries, creative arts and cultural businesses, retail, entertainment and tourism, health and education. The region is now home to 75,000 businesses and contributes \$40 billion per annum in gross regional product.<sup>5</sup>

Melbourne's north is characterised by strong collaboration and leadership between its local governments, industry and education, largely steered by the Northern Councils Alliance and NORTH Link and, in many instances, backed by state and federal government. Collaboration between key stakeholders resulted in the production of *Northern Horizons*,<sup>6</sup> an extensive research report outlining the major infrastructure needs for the region.

At the request of the Australian Government, stakeholders across Melbourne's north and west launched a North and West Melbourne City Deal Plan proposal in August 2020,<sup>7</sup> providing a roadmap for intergovernmental investment in the two regions. This plan addresses the issues of economic and employment development needed where people live, backed by investment in transport connectivity, community and education. Regional stakeholders are still advocating for this plan.

In *Plan Melbourne 2017–2050*,<sup>8</sup> the Victorian Government designated national employment and innovation clusters, metropolitan activity centres and state significant industrial precincts to guide policy in facilitating employment hubs/precincts to boost jobs growth where people live, enabling development of the 20-minute city.

Nominated employment hubs/precincts in Melbourne's north are:

- La Trobe National Employment and Innovation Cluster (NEIC)
- Broadmeadows and Epping Metropolitan Activity Centres (MACs)
- Cloverton/Beveridge planned Metropolitan Activity Centre (MAC)
- the Northern State Significant Industrial Precinct (NSSIP).

<sup>5</sup> ABS Census data 2016

<sup>6</sup> Northern Horizons 2020

<sup>7</sup> North and West Melbourne City Deal Plan 2020-2040

<sup>8</sup> Plan Melbourne 2017-2050, Department of Environment, Land, Water and Planning



## Key issues

Despite a strong economic evolution, the number and type of businesses in Melbourne's north have not grown at the rate needed to generate the number of jobs required to keep pace with population growth. And many disadvantaged groups continue to miss out on job opportunities. Employment hubs in the region suffer from a paucity of intra and inter regional transport connections. Many residents commute over two hours per day to work.

Key issues require action from all levels of government, industry and education if Melbourne's north is to grow and provide opportunities and positive outcomes for all its residents. The option to do nothing will have disastrous social and economic effects.

These key issues include:

- jobs growth needed to match the rate of population growth
- jobs needed near where people live
- barriers to employment (including low educational outcomes, poor transport connections, lack of skills and experience)
- lack of precinct planning in Melbourne's north
- diversity in jobs growth needed to provide employment across the spectrum of management, professionals, technical and trades, clerical and administrative, sales and customer service
- a mismatch of skills and employment needs
- a need for improved educational and training opportunities and outcomes to enable local people to obtain local (and other) jobs
- a need for increased access to employment, health and education hubs
- a need for further development of sustainable communities.

The key issues are addressed below in a proposed plan to focus on economic development and jobs growth, employment accessibility, education and training, and sustainable communities.



## Strategy for community and economic development in Melbourne’s north

Strategic objective	Key issues	Actions
Economic development and jobs growth	<ul style="list-style-type: none"> <li>Jobs growth to match the rate of population growth</li> <li>Job diversity across all occupational groups, and especially in the professions and highly skilled groups</li> </ul>	<ul style="list-style-type: none"> <li><b>Advocate for accelerated investment and development of precincts across Melbourne’s north</b></li> <li><b>Work with stakeholders invested in precinct development</b></li> <li><b>Continue to advocate for the Beveridge Intermodal Freight Terminal (BIFT)</b></li> <li>Update the Regional Investment Attraction Strategy to grow new and existing businesses</li> <li>Develop a Regional Jobs Strategy to ensure local jobs for local people</li> <li>Develop a regional business network to create B2B opportunities and local/regional procurement, and support businesses to employ locals and people from groups typically under-represented in the workforce</li> <li>Build on the benefits of the Indigenous and CALD communities through development of multicultural businesses with local and export opportunities</li> <li>Leverage off the success of the Melbourne Innovation Centre by gaining funding for site redevelopment in Alphington and developing further business incubators across the region.</li> </ul>
Employment accessibility /transport connectivity (the 20-minute city)	<ul style="list-style-type: none"> <li>Need more jobs where people live</li> </ul>	<ul style="list-style-type: none"> <li><b>Continue to advocate for planned, complete development of the designated employment hubs in Broadmeadows, Cloverton, Epping and La Trobe</b></li> <li><b>Advocate for an employment hub(s) in the Inner North (similar to the Footscray MAC in Melbourne’s west) and Beveridge</b></li> <li>Take into consideration the <i>Northern Region Transport Strategy</i> and <i>Northern Region Transport Study Stage 2: Bus Networks</i> when developing statewide transport plans</li> <li>Continue to advocate for the OMR/E6 transport route</li> <li>Continue to advocate for the Melbourne Airport Rail Link and the Suburban Rail Loop, ensuring connectivity within Melbourne’s north and between the north and the rest of metropolitan Melbourne</li> <li>Advocate for local bus routes to connect local residents to major transport/employment hubs</li> <li>Develop ‘working from home’ hubs and job hubs to support flexible working modes</li> </ul>



Education and training	<ul style="list-style-type: none"><li>• Improve education and training outcomes across all demographic groups to improve employment opportunities</li><li>• Equity in education – employment pathways for all</li></ul>	<ul style="list-style-type: none"><li>• <b>Develop an education and training strategy including primary, secondary, post-secondary and higher education as well as lifelong learning opportunities that create and promote the benefits and pathways from education to employment</b></li><li>• <b>Work collaboratively across government, industry and education to establish a scholarship fund for socio-economically disadvantaged students</b></li><li>• <b>Develop student placements and projects, particularly for disadvantaged young people to give them genuine workplace experience (this could be led by local government)</b></li><li>• <b>Develop a Women in Leadership program (eg Hume’s Women in Leadership program could go region-wide)</b></li><li>• Develop a social procurement policy and plan for large-scale projects</li><li>• Develop a youth education and employment program to help young people improve their educational and employment outcomes</li></ul>
Sustainable communities	<ul style="list-style-type: none"><li>• Lack of housing diversity, affordable and social housing</li><li>• Lack of open space</li><li>• Lack of sufficient tree canopy</li><li>• Lack of sufficient health services</li></ul>	<ul style="list-style-type: none"><li>• Develop a regional housing strategy to improve housing diversity as well as affordable and social housing to meet demand</li><li>• Develop and implement a regional strategy to increase open space across the north in line with the rest of Melbourne</li><li>• Develop and implement ‘A Greener North’ action plan to increase tree canopy in line with the rest of Melbourne</li><li>• Continue advocacy for a new hospital in Melbourne’s north in line with the rapidly growing population</li><li>• Work with Northern Health and all levels of government to increase health services (both preventative and acute) to meet the growing population.</li></ul>