



**Latrobe***City*

# A STRENGTH LED TRANSITION

2016

A community aspiration  
for a strong, sustainable  
and prosperous future



**Latrobe***City*  
a new energy



*This document was created in November 2016 by Latrobe City Council. To obtain this information in languages other than English, or in other formats, please contact Latrobe City Council on 1300 367 700.*

# Welcome

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CR KELLIE O'CALLAGHAN, MAYOR

**With the recent announcement regarding the imminent closure of the Hazelwood Power Station, there is no doubt that the economy of the Latrobe Valley is changing.**

As with any significant structural economic change there is considerable noise from all sectors regarding the best way for this transition to be undertaken.

*Latrobe City Council stands side by side with its community poised and ready for the next phase of our economic evolution. We have an unrelenting belief that our economic transition and diversification must be undertaken in partnership with the community. It should be strengths based, building upon our years of toil, expertise and endeavour.*

A partnership with the community along with State and Federal Government must commence in earnest.

Bonded in a solid identity; united over hardship; resilient in the face of adversity; and well accustomed to living in a state of transformation – the region's population has demonstrated a readiness to embrace change.

The community is determined to be a willing partner in this journey. Council has observed this energy through a series of positive neighbourhood survey results including impressive rates of attendance and buy-in at community events designed to explore and gauge community sentiment for the path towards economic diversification of the industry base.

Latrobe City Council is now mobilising to support and sustain its community's aspirations for a path towards prosperity.

Working in collaboration with the community, Council is charged with the challenge of creating an environment conducive to facilitating those aspirations through to fruition.

Council believes the community's express desire to drive a successful transition must be nurtured by all levels of government through a congruous program of support systems, people networks, strategic projects and regional infrastructure.

Success will see a self-sustaining culture capable of nurturing new concepts and opportunities as they present, in an environment readily adaptable to change. We will be resolute in our determination not to repeat the destructive cycle of uncertainty for the future and existing in a state of economic vulnerability.

By acting now to harness community optimism, governments can expect an enduring positive return from their investment in the form of a connected, engaged and functioning community.

Cr Kellie O'Callaghan  
Mayor  
Latrobe City Council

## Background

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**Latrobe City is one of Victoria's four major regional cities, less than two hours' drive from Melbourne. It is known for excellence in engineering capability, education and health care, and as a cultural and commercial centre for Gippsland. It also produces most of Victoria's electricity from its extensive brown coal resource and is home to a highly skilled workforce.**

In 2010, Council adopted a ground breaking policy, 'Positioning Latrobe City for a Low Emission Future', which was the first of its kind in Australia. This important policy set the scene for Council's proactive approach to creating economic growth and moving towards a low carbon economy.

A further report, 'Securing our Future' was produced in 2013 to complement the transition policy and set out a series of immediate asks from the State and Federal Governments to assist the region to create real and sustainable jobs. The document also provided a report card to the community, ensuring a way for Council and the community to celebrate local successes. The majority of the initiatives detailed in the document have been implemented and completed.

In May 2016, Council adopted its new economic development strategy, 'Latrobe City Council Economic Development Strategy 2016-2020'. The key strategies contained within this document focus on three areas - education and training; branding and image; and investment attraction. It also includes a series of business support initiatives known as the 'Nuts and Bolts'. The strategy seeks to build on our strengths and reposition the municipality as the Engineering Capital of Australia.

On 21 July 2016, Latrobe City Council held a Community Conversation entitled, 'Securing Our Economic Future'. More than 100 community members attended this forum and shared their thoughts, ideas and aspirations with Council for a transition which would provide dignity to those who would no longer be employed in the power station sector, build hope for the future and create optimism for young people in our community.

Our Community Conversation was a wonderful event where the focus of our collective effort created a range of real life opportunities to engage and enrol the community as partners in the task before us.

***Council is working with the community to deliver a vision and transition which gives the community confidence; a transition which is grounded to some extent in community-led action.***

Following the community conversation, Council further held an Industry Think Tank, attended by a range of industry participants as well as some members.

Pleasingly, the results of the Industry Think Tank and the outcomes of the Community Conversation are wonderfully aligned.

These outcomes, combined with the work previously undertaken by Council, are now contained in this document.

## OUR BROWN COAL ECONOMY

Latrobe City currently supplies more than 90 per cent of Victoria's electricity generation requirements and is home to the extensive electricity distribution infrastructure links which connect the existing generation facilities to Melbourne and Victoria.

The low cost electricity generated in the Latrobe Valley from brown coal resources has contributed to Victoria's economic prosperity over the past 90 years.

Given the long history of electricity generation in the region, it is not surprising that this

sector dominates the economic profile of Latrobe City. A recent study by Compelling Economics (2008) found that electricity generation accounted for around 21 per cent of Latrobe City Gross Regional Product (GRP). Other major contributors are the coal mining sector (including services to mining) which accounts for 2.5 per cent of GRP and water, sewer and drainage services which contribute 1.4 per cent of GRP.

Employment in Latrobe City is heavily reliant upon the income obtained from electricity generation and coal mining activities, with about 3,100 (or 11

per cent) jobs linked directly to these sectors (ABS 2006 Census data). Furthermore, an additional eight jobs were found to be sustained in the local economy for every 10 jobs in the electricity sector (Compelling Economics 2008).

*Therefore, there are approximately 2,500 additional jobs sustained due to electricity activities giving a total of 5,600 (approximately 20 per cent) jobs related to the sector.*





## At A Glance

A long term economic development and transition platform, developed in collaboration with the community of Latrobe City.



## **Council's Diversification Position**

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Council is committed to endeavouring to model an inclusive, collaborative approach to expedite the planning, advocacy, development and support of the economic diversification effort with the community, for the community.

In establishing our strengths-based approach, Council's actions have been conscious of the need to honour every voice, each contribution and the value of the individuals' and collective view.

Throughout the Community Conversation and Business Industry Think Tank processes, the level of respect and generosity displayed by participants provided a clear indication that there was a genuine desire to move forward as a coordinated, unified community with a shared sense of purpose to bring about prosperity and surety for the future.

The community has a strong expectation that Council will provide leadership in the face of change and that Council will convey the concerns, hopes, aspirations and desires of the community to State and Federal Government leaders and decision makers.

### **Council's objectives are to:**

- Galvanise the community to fight for what it deserves;
- Position Council as the lead in a bipartisan transition for the Latrobe Valley community;
- Unite and enrol the community, business and industry for a Diversification and Transition Plan which delivers tangible results for the municipality;
- Understand the community's interpretation of a successful transition; and
- Detail the community's vision of a successful diversification and transition to galvanise Governments around this vision.

### **Council seeks to:**

- Secure State and Federal Government agreement to establish a bipartisan committee to lead the transition of the Latrobe Valley.
- Secure funding for a range of transition and diversification opportunities—listed in this document and developed in partnership with Latrobe Valley's business, industry and community.
- Provide clarity regarding the role of Council, the community, business and industry, as well as the State and Federal Governments.
- Secure agreement that the role of our community in any transition is critical.
- Secure a long term commitment from the State and Federal Government to the task of transition and economic diversification.

***"Communities that have been excluded from decision-making are always less healthy than those that are included, and it's consistent everywhere."***

*Hazelwood Mine Fire Inquiry Report  
Volume 3*





## ***Seeking Support***

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**The initiatives and projects which follow have been crafted, created and supported by our community, business and industry. Many of the initiatives were raised and brought to Council by individual community members.**

Through a community conversation, ideas were exchanged, information shared, natural alliances formed and innovations inspired. These were then ranked and prioritised by the community in a shared cooperative process.

Our community has an energy, determination and passion to build a strong, sustainable and prosperous future. The initiatives developed are compelling and closely aligned to those also considered at the Industry Think Tank. The presence of such strong synergy across the community and industry is unique and testament to the strong collective wisdom of our community.



### Council is seeking to:

- Secure State and Federal Government agreement to establish a bi-partisan committee to lead the transition of the Latrobe Valley.
- Secure funding for a range of transition and diversification opportunities—listed in this document and developed in partnership with business, industry and the community.
- Provide clarity regarding the role of Council, the community, business and industry as well as the State and Federal Governments.
- Secure agreement that the role of our community in any transition is critical.
- Secure a long term commitment from the State and Federal Government to the task of transition and economic diversification.

*Council continues to advocate for funding into the projects and sectors which will deliver the greatest benefit to the Latrobe City municipality; to create the best prospect for the City and its community to contribute to both regional and national productivity.*

A partnership approach, across all levels of Government, private sector and the community, will allow us to capitalise on emerging opportunities.

To date the State Government has already committed to a Latrobe City Transition and Diversification Fund. This Fund, of an initial \$40 million, will seek to identify opportunity to build the economic capacity of the Latrobe Valley. While grateful for this commitment, Latrobe City Council seeks a further commitment from the State Government in the form of a 10 to 20-year funding package.

Council is in the process of developing a Federal Government request, it is likely that this request will be made under the banner of the Federal Government's 'City Deals' program.

Having experienced the long, exhausting social and economic decline associated with the privatisation of the former State-owned electricity generation sector, Council is adamant that any transition and diversification approach must be a commitment for the long haul. A 10-year commitment is required to ensure that the community receives the economic adjustment that they deserve.

# Wellness

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## LATROBE HEALTH INNOVATION ZONE

**Latrobe City Council has recently been declared by the State Government as a Health Innovation Zone—the first of its kind in Australia.**

The purpose of the Latrobe Health Innovation Zone is to ensure there is a continuing focus on addressing the poor health of the Latrobe Valley community, applying the principles of collective impact to the development and implementation of new health initiatives.

A Latrobe Health Assembly will be created to oversee work within the Health Innovation Zone. The Latrobe Health Assembly will be mostly community-led and work with local health agencies to find new and different ways to drive improvements in health and wellbeing. As a key component of the recently designated Latrobe Health Innovation Zone, the Assembly will pave the way for a new era of community engagement, health improvement and integration of health and community services for people with complex conditions.

At the recent community conversation a number of health and wellbeing projects were identified as opportunities for economic diversification, recognising the value that these initiatives have in driving employment, education and training outcomes, servicing the local community and building a sense of pride of place.

The State Government has committed \$26 million to the establishment and function of the Latrobe Health Innovation Zone.

## LATROBE REGIONAL HOSPITAL EMPLOYMENT

As the largest employer in Latrobe City and our pre-eminent regional facility, the continued development of the Latrobe Regional Hospital is important to the regional economy. Stage Three of the hospital's development will support increased employment and additional services, as well as underpin the long term health and wellbeing of the Gippsland community.

In the next stage of development eight theatres will be constructed complementing the Endoscopy Suites and Cath Lab. The recovery area will be expanded to support the extra theatre activity. A Central Sterilisation and Storage Department will be built to provide equipment to the theatre unit.

A 30 bed Critical Care/High Dependency Unit will also feature. This will adjoin the theatre block and complete the 'acute' focus on the building. The third level of the acute block will house plant and equipment to support the new extension.

Further expansion will include a three-storey 'L' shaped building to the north of the new ward block. This will house four to six 32-bed wards caring for a diverse range of patients from paediatric to medical. Provision will also be made for a special care nursery of 12 cots.

To support Latrobe Regional Hospital, Federation University will commence the operation of its Allied Health School program in 2019. This, combined with its nursing school, will provide local training for the community to service this expanded facility.

**Estimated cost: Completion of all stages \$300 million**

## AGED CARE HUB OF EXCELLENCE

As the home of Australia's first Health Innovation Zone, the Latrobe Valley is set to become the hub of health innovation, health prevention and innovative health services.

The establishment of an Aged Care Hub of Excellence would leverage from this work and position our community as the leading and possibly first Age Care Hub of Excellence in Australia.

This exciting initiative is the brainchild of our community and an inspirational opportunity to leverage from the strong health services history. This will be achieved by linking research, education, training and delivery of aged care services through the regional hospital and private providers. The Project would leverage outcomes and a transformation in affordable housing, skilled labour, Federation University, Federation Training and Latrobe Regional Health.

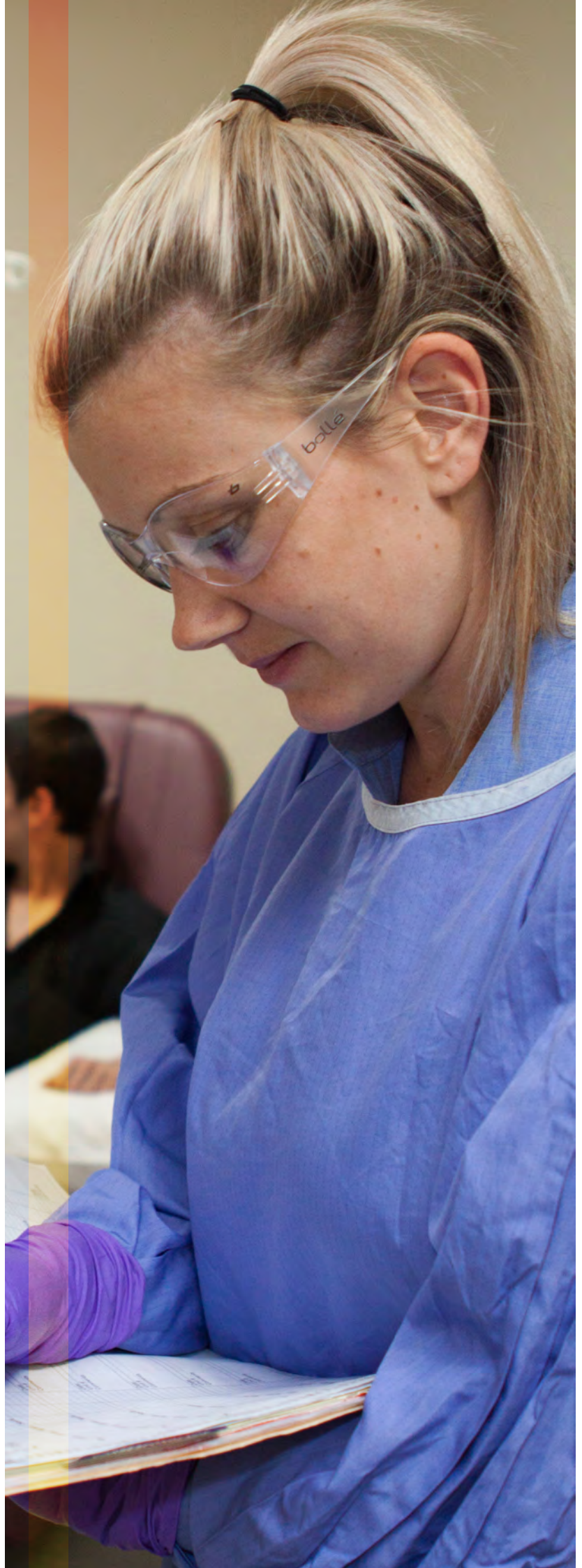
**Estimated cost: Business case \$80,000**

## EMPLOYEE TRANSITION CENTRE

This community inspired idea focuses on the development of large scale worker-owned community enterprises (based on the Cleveland Model). Businesses discussed by community include advanced manufacturing, intensive agribusiness, retail, food and fibre. The community considered a cooperative model which would focus not only on job creation but also the long term health and wellbeing of workers experiencing skill transition. A workers hub to provide support to displaced workers would seek to ensure appropriate reskilling and training for workers in traditional industries as well as contemporary mental health prevention, early intervention and support services.

The mental health and wellbeing of the community, in particular those currently employed by the power generators and those who experienced the transition of privatisation must be central to any diversification and transition approach.

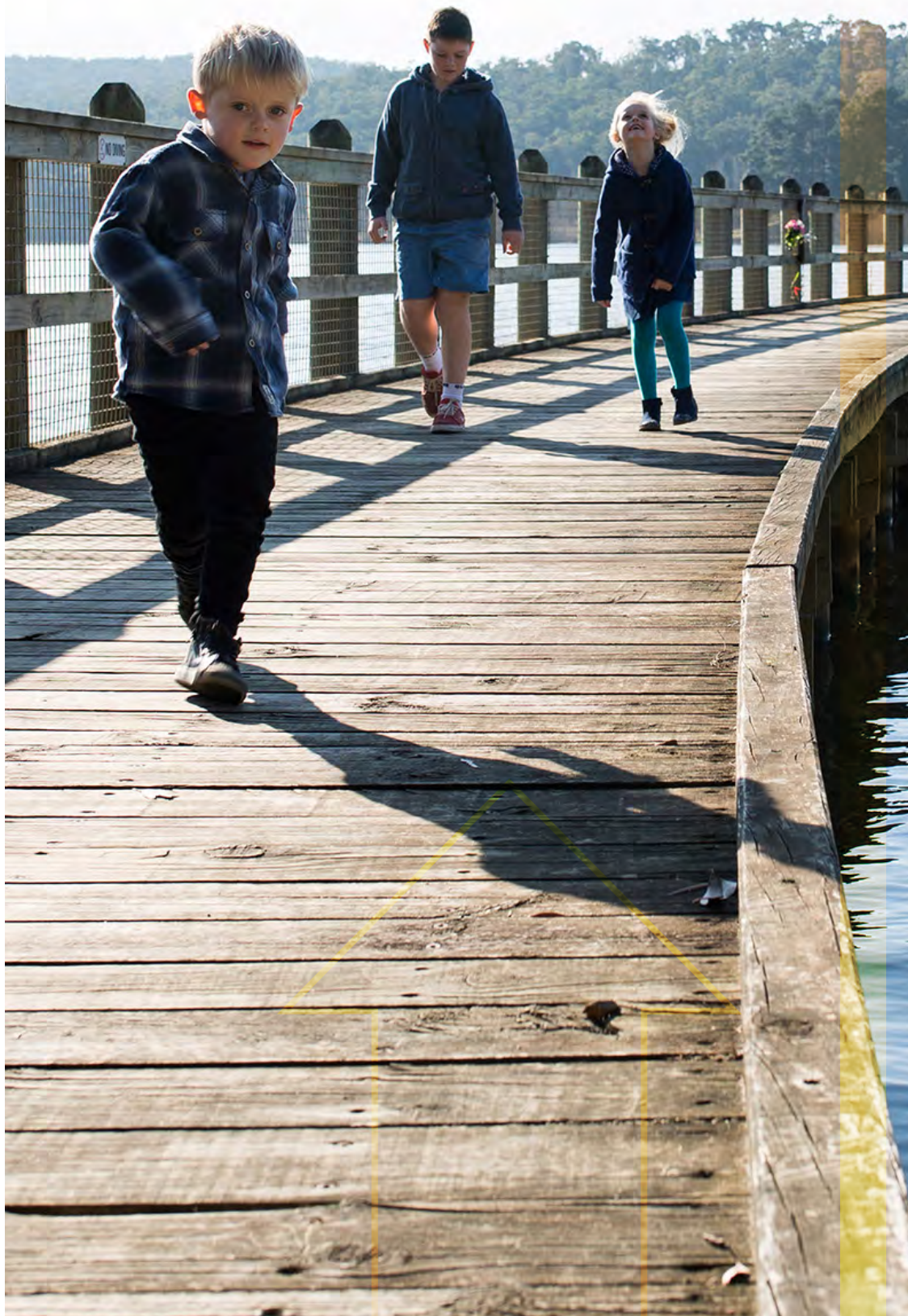
**Estimated Cost: Business case Development \$200,000**





# ***Community Connectedness***

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## GIPPSLAND REGIONAL FAST RAIL AND TRANSPORT SERVICE IMPROVEMENT

Gippsland mainline rail services are the slowest and most unreliable in Victoria and connecting coach services are of variable quality and require improvement.

Compared with its Victorian Regional City counterparts, Gippsland's rail services require a significant uplift in frequency, reliability and quality.

The growth of Gippsland as a regional node is significantly constrained due to the paucity of dynamic and vibrant rail services. There have been no significant upgrades to the Gippsland corridor rail infrastructure since completion of the Regional Fast Rail project in 2005/06. Some commuter services from Warragul to Melbourne are now slower than in 2000.

Additionally Gippsland has received no benefit from major state investments such as the Regional Rail Link, the North Eastern line rebuild and investments in upgrading the Ballarat and Bendigo lines.

*Significant social benefits would result from improved rail services and specific infrastructure upgrading to support these services . The benefits would include jobs, education, health facilities, facilitation of social inclusion and tourist industry development.*

A lack of rail connectivity is considered to be a significant limitation to the economic growth and vitality of the Latrobe City economy.

The issue of rail becomes increasingly important in a transition scenario . The capacity for workers to—if necessary—travel outside of the municipality to other locations of employment will become essential . Failure to provide strong, reliable and frequent services may see families move out of the municipality as they seek alternate employment.

### Requirements are:

- Improved service reliability, frequency and less overcrowding
- Technical study to add capacity on the Dandenong Rail Corridor — \$1.5 million over two years
- Implementation of capacity building project for Dandenong Corridor — \$1.5 Billion over five years
- Other regional infrastructure upgrades (stations, passing loops, signalling, rolling stock) - \$500 million

## Community Connectedness

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### IMPROVED TRANSPORT CONNECTIVITY

The community believes improvement to transport infrastructure would significantly aid economic development within the municipality. Projects discussed included a dedicated rail line to Melbourne, improvements to Latrobe Regional Airport, bus services and better access to ports (Melbourne and South Gippsland).

**Estimated cost: Not known**

### TRARALGON EAST WEST LINK

Traralgon is a growing regional town in Victoria (circa 350 people per year for the next 15 years) with identified growth areas constrained by the Latrobe River and the coal mines.

Long term planning for residential growth for Traralgon needs to support Council's networked city concept and recognise the development potential of Glengarry and Churchill . Hindering the realising of this potential is a road network choke point. The point creates congestion at the Breed Street intersections of Kay Street and Princes Highway and compromises pedestrian and cyclist safety.

With new land lots ready to come online to the north of this point, Council will need to seek funding to construct a second crossing of the Traralgon Creek.

**Estimated cost: Preliminary costs estimate that a creek crossing may cost an estimated \$20 million**

### LATROBE CENTRAL STATION

Considerable enhancement have been planned and are proposed in this and other Council documents for the precinct around the Mid Valley Shopping Centre and the Federation TAFE Morwell Campus. Work is currently underway on the development of a High Tech Precinct at this site and Council is also considering a business case to establish a Exhibition and Events venue in the facility of Kernott Hall. This precinct is currently disconnected from major public transport infrastructure.

This proposal will see the establishment of a fit for purpose train station within the precinct to connect the education precinct, employment precinct and the Mid Valley Shopping Centre to the broader Morwell, Traralgon and Moe communities.

**Estimated cost: Not known**



## ***Building Economic Resilience***

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### **STATE AND FEDERAL GOVERNMENT DEPARTMENT DECENTRALISATION TO LATROBE CITY**

Hope for the future is paramount during times of change and uncertainty.

Having experienced the structural adjustment of privatisation, the Latrobe City community has clearly said it needs a signal that there is still confidence in the long term health and prosperity of our municipality.

The State and Federal Governments have the capacity to give this confidence immediately.

Both tiers of Government could send a clear signal that the future health of Latrobe City employment is strong and robust by supporting a process of department decentralisation.

For some time Latrobe City Council has advocated to the State Government to relocate at least 700 public service roles to the Latrobe Valley. Our calls for action have included requests that the Earth Resources and Energy Agency, Environmental Protection Authority and Consumer Affairs Victoria (due to the co-location with the Federal Department of ASIC) relocate over the next two to three years.

All have a strong connection to the Latrobe Valley and have the capacity to, through their decision making, policy and agenda setting, significantly impact the liveability of the Latrobe City municipality.

***Council believes that the State Government's Earth Resources and Energy functions should be co-located alongside Victoria's largest deposit of brown coal.***

The potential of this resource will entice development, innovation and exploration for many years to come. It makes perfect sense that regulation, oversight and policy development of this resource occur in the place of greatest activity.

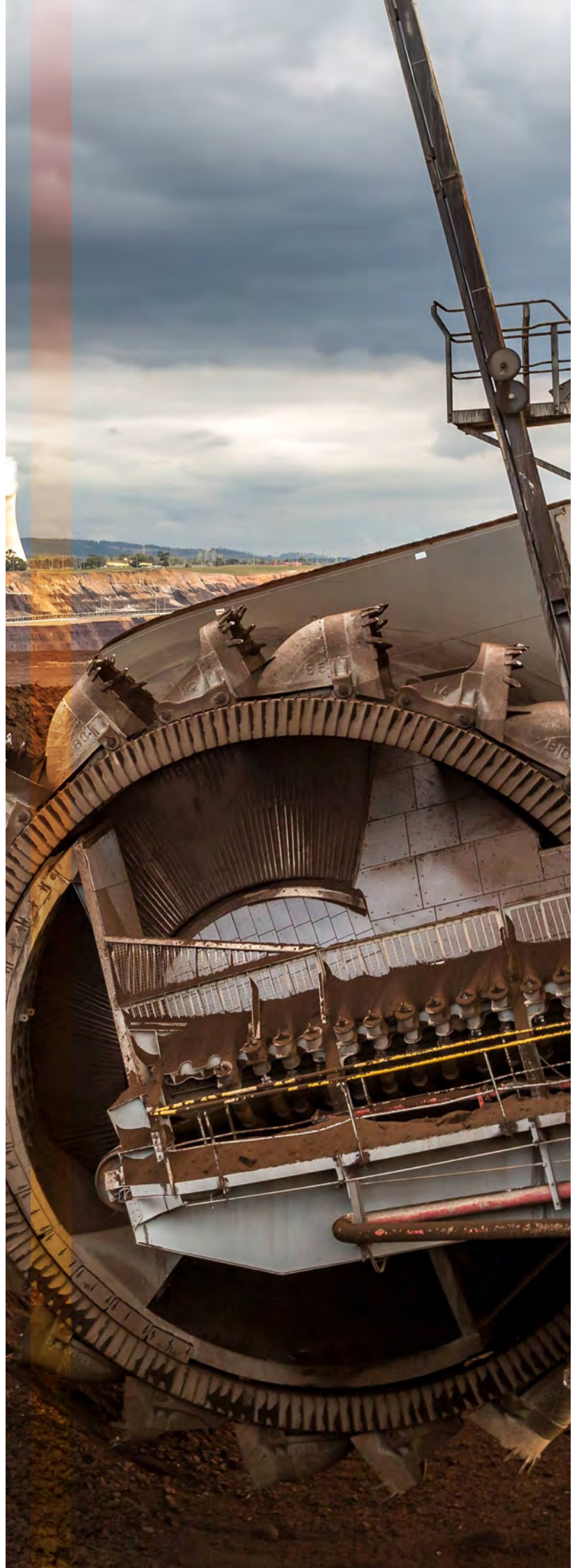
Regionalisation of State Government agencies is a familiar tool to assist communities facing economic transition, with the State having previously determined to relocate the Traffic Accident Commission and Worksafe Victoria to Geelong, and the Federal Government having located the headquarters of the NDIS to Geelong also. In recognition of the success of this approach Latrobe City Council urges the State Government to now apply this approach in the Valley.

Likewise, Traralgon is home to a range of Federal Government agencies including ASIC. An expansion of this service and the possible decentralisation of other Federal Government functions would anchor jobs into the transitioning economy.



Agriculture Minister Barnaby Joyce recently noted the positive impacts of the Coalition Government policy to relocate Canberra-based rural research and development agencies to where 'boots hit the dirt' in rural and regional Australia creating Centres of Excellence.

To this end, Latrobe City believes that establishing a CSIRO—Brown Coal Innovation, to explore, examine and consider alternative uses of brown coal in the Latrobe Valley would support industry advancement and secure the long term future of this rich and abundant resource.



## **Building Economic Resilience**

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### **FEDERAL GOVERNMENT OUT POSTING**

Out-posting is a form of teleworking where an employee has a formal agreement with their employer to work in a location other than the office. Out-posting and teleworking uses information and communications technology to stay connected to other employees and work systems.

In 2013, the majority of APS agencies (78%) had fully developed telework strategies in place, with only a small proportion (8%) reporting they had no policy in place.

Approximately 25% of APS agencies reported they had approved all applications for teleworking and approximately another 26% of APS agencies had approved more than half of applications.

The most common reason for not supporting an application for telework was that the nature of the work was not suitable for telework.

Latrobe City's proposition is to position Latrobe City as a preferred out-post location and to call upon each Federal Government Departments to identify at least ten positions in each Department for re-location to Latrobe City as a out-post opportunity.

***There are eighteen Federal Government Departments. Should each Department identify ten positions to relocate to Latrobe City, there would be an immediate injection of 180 new roles.***

Staff could be co-located in one building, that building could become the out-post Hub for the Federal Government—further reinforcing the Federal Government's footprint in and commitment to the Latrobe City.

### **INDUSTRY INNOVATION FUND**

A fund to support research, development and business cases for innovative opportunities that capitalise on the regions strengths should be established. This fund should be administered by Council, with support for Regional Development Australia. It could support initiatives in:

**Value Added Timber:**  
Opportunities for the utilisation of wood waste (e.g. cellulose and lignin) to create new products, such as plastics, bio fuels and timber engineered products.

**Advanced Manufacturing:**  
Supporting local engineering businesses to refocus their skills in areas such as defence procurement and large engineering projects.

**Food Technology Centre:**  
Examine the potential for the establishment of a Food Technology Centre in Latrobe City.

The Fund would need to establish guidelines and contribution requirements.

**Estimated cost: \$10 million**

### **LATROBE VALLEY BUSINESS GROWTH FUND**

The local small to medium enterprises provide the economic and social fabric across the Valley. Supporting existing businesses to expand and grow often leads to the most sustainable development. Previous examples such as Safetech and Morwell Shopfitters demonstrate that prudent investment support can lead to long term sustainable employment and development opportunities.

*A fund should be established to support businesses that can demonstrate that investment support will lead to business growth and jobs.*

**Estimated cost: \$4 million**

### **ROYALTIES INVESTMENT FUND**

With the increase in coal royalties proposed by the State Government, Latrobe City Council believes that a portion of these royalties should be diverted to a Latrobe City Fund. Diverted royalties would address the declining percentage of contribution to rates revenue from the electricity sector under the order in Council arrangements. The burden of reducing percentage will otherwise be borne by our ratepayers who are some of the most disadvantaged. Provision must also be made to compensate for the lost rates revenue following the closure of any of the electricity generators to avoid this revenue being redistributed to the ratepayers—will only further service to exacerbate hardship within our community.

Council proposes the establishment of a Royalties Investment Fund where a proportion of the State's mining royalties are ring fenced for the Latrobe City community. Funding would be used to improve infrastructure and services across the municipality. Funding could be directed to projects such as those listed in this document with a strong focus on jobs growth, economic growth and community capacity building.

**Estimated cost : \$200 million**

### **ZERO EMISSIONS BROWN COAL POWER GENERATION**

Latrobe City has an abundance of brown coal. It is a rich resource which has been the foundation of our community's economic prosperity for more than 100 years. The move to a low carbon future has meant the attractiveness of this resource as a power generation fuel has been questioned. However, the richness and versatility of this resource cannot be left to languish. Council believes that the State and Federal Government, through a unique partnership could establish one of the world's first zero emission brown coal power generating facilities in the Latrobe Valley. This facility would demonstrate to the world the ingenuity of Australia's scientists and engineers whilst also expanding and potentially leveraging the international attractiveness of this resource.

Carbon capture and storage (CCS) should be pursued as a viable option to deliver zero emissions carbon.

Council supports the ongoing zero carbon use of brown coal and believes there needs to be a range of policy signals sent from the State and Federal Governments to support investment, innovation and technological exploration in this space.



**J.BURROWS**  
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**A4 PREMIUM WHITE  
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# Building Economic Resilience

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## ENGINEERING HALL OF FAME AND MUSEUM

Latrobe City has a long and proud history of engineering excellence. The region has largely been built through strong immigration—these immigrants brought a solid work ethic and capacity for innovation.

Sir John Monash designed and constructed the Yallourn Power Station as well as the former Yallourn Township. His legacy can be seen on many of our engineering facilities and power generators.

The technology developed in the Latrobe Valley was leading for its time and the machinery developed to extract coal and generate electricity was replicated in many other areas.

Latrobe City Council seeks to embrace, celebrate and leverage this historical strength by establishing an Engineering Hall of Fame and Museum.

The Engineering Hall of Fame and Museum will serve as an inspiration to our young people while creating a place based point of relevance to the State And Federal Governments focus on Science, Technology, Engineering and Mathematics (STEAM).

Further enhancement of the Powerworks facility may create visitation and tourism leverage opportunities for the Hall of Fame.

**Estimated cost: \$25 million**

## DIVERSIFIED BIO REFINERY PROJECT

Pre-Feasibility Study Funding Request:

The Australian Paper proposed integrated bioproducts mill will install a new waste to energy boiler system with a capacity of 350,000 tonnes of urban waste each year. When completed this will supply 157.5 tonnes per hour of steam at 6,300KPa and 380 degrees Celsius with continuous operation. Waste to energy releases the Black Liquor for product development. This diversified biorefinery at Maryvale should produce several products, such as bioenergy and biochemicals to mitigate risks and maximise returns. Research into a more diversified waste to energy project would enable the development of a regional cluster structure for local bioenergy and biochemical production. The target products would include precursors for petrochemicals, plastics and chemical industries; wood-based chemicals, such as fuels, pharmaceuticals, oils, water purification chemicals, and flocculants; and biochemicals and converted products. This pre-feasibility study has initial pre-focus on the most industrially advanced technologies, such as pyrolysis, while at the same time keeping options open for more diversified product portfolio.

**Estimated cost: \$2 million**

## CARBON CAPTURE AND UTILISATION

Council urges all levels of government to reframe their relationship with CO2.

Through the use of technology and innovative practice, Council believes that with adequate investment, research could be undertaken to find a solution to transform CO2 from an output to a usable asset.

Funding for accelerated research opportunities need to be considered utilising the best “researcher talent” in Australia or beyond.

## Community Liveability

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### GIPPSLAND REGIONAL AQUATIC CENTRE

The Gippsland Regional Aquatic Centre project is a redevelopment of the existing Traralgon outdoor swimming pool into a new indoor/outdoor aquatic facility with disability access and children's facilities.

*The centre would be the only competition 50 metre indoor facility from eastern Melbourne to the New South Wales boarder and will be centre of swimming in the Gippsland Region.*

An opportunity also exists to consider a day spa thermal pool element to this facility. This would be one of the first facilities of its kind in Gippsland and be a significant draw card for the municipality. Council proposes to undertake work to explore feasibility possibly within the space of a private public partnership arrangement.

**Estimated cost: \$40 million**

### ENHANCED LIVEABILITY

The theme of community liveability took centre stage during our Community Conversation. The community recognise that job creation and the development of an attractive, well serviced, connected community is critical to attracting and retaining highly skilled staff and their families.

This theme incorporates various projects including attractive street scaping, more bicycle and walking tracks, community gardens, enhancement of blue and green assets across the community and infrastructure that facilitates community connectedness, health and wellbeing. The community believes the future of the Valley is more than economics and the social and cultural aspects of life in the Latrobe Valley are of equal measure.

**Estimated cost: \$20 million including the walking track from Morwell to Traralgon**

### ICONIC WALKING TRACK—MORWELL TO TRARALGON

Central to the community's vision for greater health and wellbeing outcomes was a walking path from Morwell to Traralgon. This iconic path would create a range of benefits including:

Providing enhanced opportunities for the community to walk, ride, run, stroll and move.

Connect the communities of Morwell and Traralgon. The path will provide opportunities for residents to explore their environment, discover the assets of other towns and create greater shared understanding and knowledge of life beyond their township boundaries.

Provide visitation drive. A large iconic walking track has the potential to leverage from the Gippsland Plains Rail Trail. The Latrobe City tourist offering is ostensibly activity and event based, an enhancement of the tourism offering could support greater visitation.

**Estimated cost: \$2 million**

## POSITIVE BRANDING

Our community are proud to live in the Latrobe Valley. They derive considerable joy in knowing that as residents, the Valley has serviced as the engine room for the Victorian economy. But despite the ferocious pride of our community—there are image issues all the more recently exacerbated by the Hazelwood Mine Fire, the closure of the Princes Freeway due to slippage on the mine wall and perceptions of air quality in the Valley.

*While our community are proud of their industrial heritage and the engineering excellence that exists within our community, the community wish to transform the public persona of this municipality.*

This community idea is about changing the internal and external perceptions of Latrobe City. Externally the community wish to engage an audience about the extraordinary liveability of our community—of our strength, our generosity, our warmth, our creativity and our tenacity. The community wishes to partner with Council to develop a brand where the unique essences of what it is to live and work in Latrobe City resets expectations of the external audience and provides a source of proud reflection for residents.

**Estimated cost: \$1 million per year for five years**





# Community Liveability

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## PUBLIC HEALTH AND WELLBEING PLAN IMPLEMENTATION

Council is required to produce a Municipal Public Health and Wellbeing Plan to facilitate partnerships to develop local health planning priorities, and to support initiatives that promote positive health and wellbeing. In Latrobe City 60 per cent of people are classified as either overweight or obese. 53 per cent are classified as at risk of short term alcohol related harm. 53 per cent do not meet the recommended dietary guidelines for fruit and vegetable consumption. In addition, Latrobe City residents experience one of the highest rates of family violence in the State. Additional support for the Municipal Public Health and Wellbeing Plan will provide an opportunity to undertake action to transform, not only the health narrative within the municipality, but also components of the lived environment.

**Estimated cost: \$2 million per year for 10 years**

## MORWELL EVENTS AND EXHIBITION CENTRE

Council owns and operates Kernot Hall in Morwell. This tired and dated 40-year old facility no longer presents the municipality as a vibrant cultural centre. A transformation of this space is required to deliver the events, exhibitions, meetings and functions centre our community deserves.

This year, Council will undertake research and analysis into the Morwell Events and Exhibition Centre Concept.

A redeveloped Kernot Hall is projected to provide a centrally-located, high quality, meeting/event/exhibition facility that will generate significant economic, social and cultural returns. Its co-location with the future Innovation Precinct only adds to the importance of this key Community Liveability initiative.

**Estimated cost: \$25 million**

## COMMUNITY DEVELOPMENT AND CAPACITY BUILDING EXPANSION

Supporting a community through transition will be the centre piece of Council's approach. Council's community development and capacity building work will be expanded to undertake significant engagement and communication with the community during the transition and diversification process. Council will ensure the community is enrolled in the task and meaningful partners in the work of the State, Federal and Local Government solutions. A significant resource investment will enable Council to enhance the narrative and ensure that the community is active in the transformation space.

**Estimated cost: \$1 million per year for 10 years**



## FUNDED

### LATROBE CREATIVE PRECINCT—TRARALGON

The Latrobe Creative Precinct will build a major cultural hub in Traralgon.

This offers a significant value proposition for Latrobe City and the broader Gippsland community.

*It will provide a contemporary, versatile and high quality arts facility. This will blend arts development, presentation capability, vocational training, learning and participation programs with a broader engagement with the creative industries and the community.*

It will provide the critical mass needed to realise the development of a vital creative precinct in the Traralgon CBD that can have a positive impact across Latrobe City and the wider Gippsland region.

This is seen as a value proposition for the community beyond the contribution a new performing arts centre can make as a stand-alone facility.

Program funding to ensure that this facility is able to quickly achieve its full potential would provide a much needed boost. Council's funding capacity will be constrained in future budgets as rate capping starts to impact our operational budget and asset management.

**Funding secured: \$30 million.**



# Economic Growth

A man with a beard, wearing a dark blue polo shirt, is focused on working on a large, green, industrial component. He is using a tool connected to a red coiled hose. The component has several circular openings and is mounted on a white frame. The background shows a factory setting with blue structural elements and overhead lighting.

## CBD REVITALISATION & COMMERCIAL ACTIVATION

Vibrant CBD's are critical to the continued health and vitality of Latrobe City's major township. Attractive, generous and appealing landscapes in CBD precincts which highlights opportunities for community connectedness, celebrate the unique strengths of teach townships and provides a setting for local place-based economic growth to support a brighter more prosperous future for our community.



## Traralgon

The Traralgon Activity Centre Plan seeks to activate and enhance the rail precinct and its connection to the CBD. Considered a key asset of Traralgon, the rail precinct is a key revitalisation opportunity.

**Traralgon Activity Centre Plan Implementation. Estimated cost \$30 million**

## Morwell

Following the Hazelwood Mine Fire, the State Government provided funding for the development of an Urban Design Revitalisation Plan, Future Morwell. The Future Morwell Urban Design Revitalisation Plan has a strong focus on walkability, the greening of public space, greater connectedness and cohesion between the town's green and blue assets and a significant upgrade of the commercial business district. Supported by a community steering group the Future Morwell Urban Design Revitalisation Plan is a 20-year horizon for Morwell.

Projects 1-5 have been funded by the State Government. In addition to these five projects, the Plan has a comprehensive series of recommendations designed to enhance the economic outcomes that should be considered for future funding.

Projects 1-5 include:

1. Revitalisation Plan
2. Morwell Circuit
3. Township Entry
4. Events
5. Branding

**Estimated cost of remaining elements approximately \$20 million**

## Moe

Council has recently completed Stage 1 of the Moe Activity Centre Plan, Rail Precinct Revitalisation, Stage 1.

Stage 1 has included construction of:

- Library
- Council Operations
- Café
- Community meeting rooms
- Community training rooms
- Consultancy rooms
- Civic Plaza
- Green roof and garden
- Community commercial kitchen.

**Moe Activity Centre Plan – Stage 2-5. Estimated cost \$20 million**



## Economic Growth

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### MORWELL TRARALGON CORRIDOR – MASTER PLAN AND DEVELOPMENT PLAN

The surrounding precinct, including the Latrobe Regional Airport, has been identified as one of Latrobe City's employment precincts and provides a significant opportunity to plan the long term development of the hospital and surrounding land following the recent adoption of the Traralgon Growth Areas Review and Latrobe Regional Airport Masterplan.

### HOUSING LAND SUPPLY

Approximately 5,000 new dwellings will be required across Latrobe City over the coming 15-year period 2016 to 2031.

Latrobe City has an excess of residential zoned land (in the order of 1400ha) which can easily accommodate the area required for this dwelling growth rate (approximately 450ha). However it is estimated that only 10% (45ha) of this land is 'shovel ready' for housing projects due to the high costs associated with delivering infrastructure to these areas making development unviable.

**Estimated \$27 million is needed to assist in 'Unlocking Barriers for Infrastructure Delivery'**

### LAKE NARRACAN

The development of the Lake Narracan precinct will require significant infrastructure upgrades to allow this residential precinct to be fully realised through provision of sewer, water and roads. The total costs of these upgrades are in the order of \$15 million, this includes a \$5 million cost to provide sewer and water to Council owned land on the lake foreshore.

Three Council managed foreshore parks are proposed which will allow the Latrobe city community increased access to the lake and an opportunity to explore and connect with this unique lake environment. In addition there are prospects for expansion of an existing Council managed caravan park creating employment and tourism opportunities. Landscape concept plans are currently being developed to assist Latrobe City Council in creating a vision for the Lake Narracan precinct.

These Foreshore Parks will include a new district level playground, viewing areas overlooking the lake, wetland areas, boardwalks, and incorporate an existing jetty and beach creating a vibrant hub for the precinct.

The Lake Narracan precinct also proposes a government school and community facility over the long term.

**Estimated cost \$16 million**

### DEFENCE ENGINEERING

Many of the businesses with engineering skills in Latrobe Valley are positioning their businesses to be able to transition away from a reliance on the electricity generation sector to new industries, such as defence. The Defence Materials Technology Centre has been working with an initial cohort of engineering firms to benchmark their capability against world's best practice for fabrication in defence materials. It is expected that the number of firms will increase as the program expands. The engineering capability in the region is repositioning to be able to provide services in the defence sector.

Latrobe City is well positioned to help its local businesses take advantages of these opportunities. To enable this to happen Latrobe City Council is seeking State Government support to establish a Defence Procurement Business Office similar to that in Geelong. In addition, State Government support is sought to engage a defence specialist (\$100,000 x 3 years) to work with the local businesses to take advantage of the coming opportunities.

**Estimated cost \$5 million**



## TOURISM

Latrobe City has a diverse tourism offering which features a significant range of events and sporting activities.

Tourism is a key economic driver which creates jobs and injects funds into regional economies.

Into the future Latrobe City needs support to build a holistic approach to tourism development with opportunities connected to the natural features and assets of our community.

Already detailed in this report, the Engineering Hall of Fame has the opportunity to build on our industrial heritage.

Situated alongside the Hazelwood Power Station, the Hazelwood Pondage is a unique tourism asset which draws visitors from across Eastern Victoria. The Pondage remains a minimum 22 degrees allowing a variety of water activities to take place all year round. Popular activities include sailing, boating, water skiing, yachting, canoeing and swimming.

Most recently, Hazelwood Pondage became home to Victoria's only Barramundi growing program. The warm water asset has the potential to become a fishing icon for anglers across the State. The recent announcement by Engie that the Hazelwood Power Station will close means that without intervention this unique tourism asset will decline as the waters cool.

Latrobe City believe that in this adversity lies an opportunity to consider alternative, low emission options to continue to heat the Pondage and to build Latrobe City's reputation as the only Barramundi fishing ground in Victoria.

Should some areas of the Latrobe City tourism offering decline, investment will be required to ensure that visitation numbers remain strong across the municipality.

Opportunities may include:

- Innovative solution continue the warm water in the Hazelwood Pondage
- Regional Mountain Bike Track Venue
- Tourism Road Development
- Regional Motor Sports Complex
- Linking the Yallourn North and Newborough through the Rail Trail.









# Education

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## HIGH TECH PRECINCT

A working group, with membership from Latrobe City Council, Federation University, Federation Training, Department of Education and Regional Development Victoria, is developing a business case for a High Tech Precinct in Latrobe City. Key focus areas will be food and fibre, health and advanced manufacturing. The precinct will bring industry and education together to advance research and development; to provide innovative solutions to product development and further education.

This project involves the development of a world class education and innovation precinct in the Latrobe Valley that would connect secondary students and their learning to industry, higher education and tertiary education.

Establishment of the Precinct is expected to:

Better equip the regional workforce and support Latrobe Valley's economic transition

Address and improve Latrobe Valley's low educational attainment rates and improve social outcomes

Maximise education, economic and social value by co-locating school, higher education, tertiary education and industry

Provide students with 'real-life' learning and industry based problem solving skills

Improve pathways between school and higher education

Attract industry investment in research and development to drive innovation, productivity and job creation.

**Estimated cost: \$15 million**

## FEDERATION ACADEMY FOR AVIATION

Federation Training and others are developing Academy's for Aviation at the Latrobe Regional Airport. The facility will provide training and education for light aircraft maintenance, including engineering, fabrication, avionics, aerospace, defence. It will be one of only two centres in Australia that can undertake training and education.

**Estimated cost: \$4 million**

## FEDERATION UNIVERSITY STUDENT ACCOMMODATION

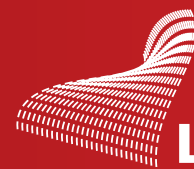
Federation University Student Accommodation seeks to establish a vibrant and dynamic student hub within the Traralgon CBD. Student accommodation will provide more attractive living accommodation options for students studying at the new Latrobe Performing Arts Precinct – an innovative education partnership with Latrobe City Council. Harnessing the economic power of students from around Victoria, Australia and the world, will boost the regional economy, strengthen cultural diversity and enhance education and liveability outcomes for the City's young people.

**Estimated cost: \$35 million**

## MORWELL LEARNING VILLAGE @ THE MORWELL COMBINED SCHOOL

The early years of life are the most critical. Children in Latrobe City measure as vulnerable in a range of Australian Early Development Census figures making them amongst some of the most vulnerable in the nation. 50 per cent of children in Morwell and Churchill measure as vulnerable in at least one domain with over 30 per cent of children measured as vulnerable in two domains. Early years education is a significant positive influence in child health and development. Investment in an innovative approach to place based education, where the interplay of social, environment and biological factors can be considered would support enhanced development outcomes for some of the Latrobe City's most disadvantaged young people.

**Estimated cost: \$5 million**



**LatrobeCity**  
*a new energy*