

21.07 ECONOMIC DEVELOPMENT

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This clause provides local content to support Clause 17 (Economic Development) of the Planning Policy Framework.

Specific references to individual towns are also included in Clause 21.09 (Local Areas).

21.07-1 Key Issue - Economic growth

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Latrobe City is uniquely placed in the Victorian economy. With 90% of the states power generation occurring in the region, brown coal electricity generation accounts for around 20% of Latrobe City's Gross Regional Product (GRP). It is anticipated that approximately 20% of all jobs are directly or indirectly tied to the electricity sector. This means that mining and power generation underpins the broader manufacturing, maintenance and fabrication industries in the Latrobe Valley.

Latrobe City is recognised as one of Victoria's four major regional centres, along with Ballarat, Bendigo and Geelong. With a GRP of approximately \$4 billion and annual business turnover estimated at \$10.3 billion, the City makes a significant contribution to the Victorian economy.

Employment growth in Latrobe City is strong, and in recent years this growth has exceeded that in the three additional major regional centres.

Population growth, technology advances, the ageing workforce, globalisation and a future low carbon economy present both challenges and opportunities. Latrobe's history of industrial enterprise, successful adaptation and innovation means it is well positioned to embrace change and harness new opportunities to further diversify and strengthen the economy. A key competitive strength, that is recognised nationally, is the quality of the ~~manufacturing~~ manufacturing and engineering expertise that exists locally. From these strengths come many opportunities including a focus on support for education, training, brand development and industry development and attraction. Council will take a lead role in enabling the community to prosper from these changes, in particular the transition to a low carbon future.

The Latrobe City *Economic Sustainability Strategy 2016-2020* has an emphasis on job creation, industry diversification and the ability to offer opportunities to prospective investors Latrobe City has ~~two~~ areas of significant commercial importance which are as follows:

- Gippsland Logistics Precinct in Morwell.
- Latrobe Regional Airport in the Morwell – Traralgon corridor.
- Latrobe Regional Hospital and associated Health precinct in the Morwell to Traralgon Corridor.
- National Foods and associated Industrial / Commercial precinct in the Morwell to Traralgon Corridor.

Objective 1

To facilitate a vibrant and dynamic economic environment.

Strategies

- 1.1 Provide a balanced approach to economic development taking into account economic, social and environmental values.
- 1.2 Encourage the power generators to provide Victoria with a more flexible and cost effective response to meeting peak electricity load demands and provide larger reserves of electricity supply capacity.
- 1.3 Facilitate private and public sector investment and help create an attractive investment climate.

Objective 2

To facilitate new development and employment opportunities in Latrobe.

Strategies

- 2.1 Ensure adequate land availability for industrial and commercial growth.

- [2.2](#) Ensure that industrial and commercial development is of the highest quality particularly at the interface with residential land and at key township gateway locations.

Objective 3

[Facilitate the development of the Morwell to Traralgon Employment Corridor](#)

Strategies

- 3.1 Support [health services and related uses to locate within the Health Precinct](#)
- 3.2 Support [medium to large industrial development, including food processing to locate around National Foods](#)
- 3.3 Support [Bulky Goods and / or commercial uses complementary to industrial development at Princes Drive, Morwell](#)
- 3.4 Support [aeronautical and related uses to locate at the Latrobe Regional Airport](#)

21.07-2 Key Issue - Activity Centres

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Latrobe City is the retail centre for Gippsland and is home to the Traralgon Primary Activity Centre and Churchill Primary Activity Centre, Mid Valley Shopping Centre in Morwell, Stockland Plaza in Traralgon, the Moe Central Activity District (CAD) and the Morwell CAD. There has also recently been a substantial increase in new retail floor space in Churchill. The retail sector provides the highest employment of any sector in Latrobe City providing close to 4,000 jobs and

contributes \$385 billion to the local economy annually.

Council supports the existing main town neighbourhood and small town retail centres. No new centres should be supported unless demand can be demonstrated, as well as substantiating that existing centres would not be detrimentally affected.

Retail floor space increases should be provided with a focus on increasing the vibrancy of town centres of the main towns so that the centres continue their role to complement each other in the retail hierarchy. Growth should occur with Morwell and Moe contributing to the majority of traditional retail format, with Traralgon servicing a market with some higher levels of disposable income, having a higher percentage of white collar workers. There is an opportunity to better define the retail hierarchy by reviewing the *Latrobe City Retail Strategy Review 2007* through activity centre planning or a municipal wide retail land use strategy.

An outcome of *Latrobe City Bulky Goods Retail Sustainability Assessment 2009* has led to the identification of two new dedicated bulky goods centres at Princes Drive, Morwell and Princes Highway and Stammers Road, Traralgon, in order to decrease expenditure leakage to competing centres outside of Latrobe. Current bulky goods expenditure results in the requirement for two bulky goods centres in the order of 15,000 – 20,000 sq.m each. Additional land on the two bulky goods sites at Princes Drive, Morwell and Princes Highway and Stammers Road, Traralgon should also be set aside for any future expansion of the bulky goods centres, prior to any new large format bulky goods centres being developed.

Objective 1

To identify appropriate locations for retailing activities.

Strategies

- 1.1 Implement any Latrobe City adopted retail land use strategy or activity centre plan.
- 1.2 Encourage neighbourhood shops providing local convenience goods and services in locations accessible to local communities in accordance with Structure Plans and endorsed development plans.
- 1.3 Encourage new shops that do not significantly detract from the function of the existing major retail centres.
- 1.4 Increase access to retail, convenience goods and services by encouraging increased residential housing choice within and around Primary Activity Centres to assist in strengthening and reinforcing those centres.

- 1.5 Encourage strong pedestrian and public transport connectivity to and between all activity centres.
- 1.6 Encourage the distribution of new bulky goods retailing to occur in Princes Drive, Morwell and Princes Highway and Stammers Road, Traralgon East in accordance with the Morwell and Traralgon Structure Plans.
- 1.7 Minimise the establishment of new centres or 'out of centre' large format supermarkets and retail developments, unless demand can be demonstrated as well as substantiating that existing centres would not be detrimentally affected.
- 1.8 Provide for localised convenience retailing.

Objective 2

To establish a network of activity centres which satisfy a range of retail, commercial, community and residential needs.

Strategies

- 2.1 Encourage a mix of retail, office, entertainment, commercial, government, residential, leisure and community uses within Primary Activity Centres as identified by Structure Plans and Activity Centre Plans.
- 2.2 Encourage increased intensity and scale of development within defined Primary Activity Centres.

Objective 3

To facilitate the growth of the Morwell, Moe, Traralgon and Churchill Town Centres.

Strategies

- 3.1 Implement any Latrobe City adopted activity or town centre plans.
- 3.2 Encourage a diverse range of land uses including accommodation, housing, office, retail, food and drink, transport, leisure, civic and community uses.
- 3.3 Encourage high quality, accessible and environmentally sustainable design.
- 3.4 Provide coordinated walking, cycling, pedestrian and vehicular movement.
- 3.5 Identify and encourage the development of integrated high quality public transport interchange.
- 3.6 Provide well located and accessible car parking areas in the centre.

Objective 4

To create vibrant, high quality, safe and active retail areas.

Strategies

- 4.1 Encourage active street frontages, including low level advertising signage and minimising blank walls to foster active and passive surveillance.
- 4.2 Support walkable spaces in retail areas in close proximity to community centres, including the provision of infrastructure such as bicycle racks
- 4.3 Support art in public spaces to enhance the public realm.
- 4.4 Support community centres in close proximity to schools, public transport, civic areas and parks.

21.07-3

Key issue - Industry

The Latrobe Valley has one of the world's largest reserves of brown coal. Brown coal electricity generators in Latrobe currently supply approximately 90% of Victoria's electricity. Council supports the sustainable use of

brown coal as an energy source. Council is working with generators, clean coal researchers and government agencies to develop clean coal pilot plants and research facilities in Latrobe. Latrobe also has a large manufacturing base, established from the electricity generation sector. The Australia Paper Mill, located in Maryvale north of Morwell and Traralgon, is another important heavy industry site.

The industrial sector in Latrobe has been recognised as having three main dimensions:

The first is the heavy industrial complex which is currently sustained by the coal and timber resources. The main location of this industrial complex is in the south Morwell area and within the Special Use - Brown Coal zoned areas in association with the power stations and mines.

The second is the emerging industries, including those establishing in Churchill taking advantage of proximity to Federation University or east of Morwell with advantages such as the outfall sewer and other key infrastructure.

The third sector is local servicing industry providing for local community needs.

In all industrial areas the strategic direction is to encourage and support emerging and employment intensive industries. The strategic direction is to support the development and use of new industry in identified locations in Morwell, the [Morwell to Traralgon West Growth Corridor](#), and [Traralgon Traralgon](#). Large industrial parcels ~~identified~~[identified](#) on Structure Plans will accommodate new large, high amenity, low density manufacturing industry. The ~~employment investigation area within in the~~[Morwell to Traralgon West Growth Corridor will leverage Structure Plan leverages](#) off the Latrobe Regional Airport and Hospital and accommodate industry clusters linked to health, aeronautics or agriculture research and development. The strategic direction for industry in Churchill is to support the development of industry which benefits from locating in close proximity to the existing or future institutions.

Development of the Gippsland Intermodal Freight Terminal at Morwell will provide local industry with direct access to the national freight network. Preparations are currently underway for a large-scale logistics and distribution precinct that will adjoin the terminal site. Council has prepared a Master Plan and Project Plan for the development of a Gippsland Logistics Precinct (GLP) on land three kilometres east of Morwell. The development of the GLP will establish a centre for the efficient and cost effective movement of freight to and from the Gippsland region.

The Latrobe Valley, with its fertile soils also supports a vibrant agricultural industry. One of Australia's largest food and beverage producers has established a state of the art dairy processing plant in Morwell. Opportunities for the production of biomass and algae for electricity and fuel production are expected to provide further markets for agricultural products.

Objective 1

To maximise the potential for new industry, especially those that may benefit from the coal and electricity industry.

Strategies

- 1.1 Support the development of existing and new industries and infrastructure.

Objective 2

To promote increased rail use as a model for economic viability and sustainability.

Strategies

- [2.1](#) Develop the Gippsland Logistics Precinct in Morwell in a manner that maximises freight being handled by rail.
- 2.2 Facilitate a range of logistics activities on the Gippsland Intermodal Freight Terminal precinct in Morwell.

Objective 3

To ensure that industry and sensitive uses are planned and designed to minimise any potential detriment or loss of amenity.

Strategies

- 3.1 Encourage development and use that are compatible with agricultural activity.
- 3.2 Encourage uses compatible with the physical capability of the land.
- 3.3 Maintain the land resource for agriculture, conservation and timber production purposes.
- 3.4 Ensure that new development does not compromise existing and future infrastructure.

Objective 4

To ensure that sufficient supply and adequate choice of industrial land exists to accommodate the varying needs of the different types of industry likely to emerge in the future.

Strategies

- 4.1 Implement any Latrobe City adopted industrial land use strategy.
- 4.2 Maximise the potential of the high amenity location to the north of Princes Drive and east of Tramway Road in Morwell to attract large, low density, high amenity industries.
- 4.3 Ensure that each urban settlement has convenient and accessible industrial areas to provide local employment and self-sufficiency of sustainable urban form.
- 4.4 Retain the potential of the Morwell South Industrial Area and land within the Special Use - Brown Coal Area to function as important locations which are suited to major heavy industry.
- 4.5 Implement Masterplans for the ~~employment investigation area, Morwell to Traralgon Employment Corridor~~, Latrobe Regional Airport and Latrobe Regional Hospital ~~within the Traralgon West Growth Corridor~~ that accommodates industry clusters linked to health, aeronautics, food processing or agricultural research and development.

21.07-4 Key Issue - Timber

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Latrobe City's large natural resource supports a productive timber and commercial forestry industry providing softwood, value-added hardwood, and paper products sold to domestic and export markets. Australian Paper is one of the largest paper manufacturing facilities in the southern hemisphere. The Maryvale complex leads the manufacture of high performance packaging supplies and office paper. Forestry projects are eligible under proposed schemes to generate carbon credits for sale to domestic and international markets. Council is also seeking to be a national leader in the timber industry, with the preparation of the *Wood Encouragement Policy 2014*. The Policy seeks to support the retention and expansion of the timber industry.

It is acknowledged that there is some infrastructure and rural amenity issues associated with timber production and these will need to be carefully managed. In particular, a challenge for Council is balancing the needs of timber operators accessing their coups with the concerns of residents of logging trucks near their properties.

Objective 1

To encourage environmentally sustainable timber production.

Strategies

- 1.1 Support and encourage timber processing and value-adding industries to expand and retain the timber industry in Latrobe City.
- 1.2 Strategically plan for road and rail haulage in conjunction with the industry.

21.07-5 Key Issue - Latrobe Regional Airport

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Council acknowledges that the Latrobe Regional Airport (LRA) is and has been a major economic generator for the City over many years and it is a large employer in the area. LRA is home to the only passenger commercial aircraft manufactured in Australia that successfully exports to global markets. The development and expansion of the LRA has created further opportunities for aviation-related businesses to establish on allotments with taxiway access to the main runway.

The expansion provides opportunities for aerospace and aviation related industries to expand or establish their operations at the airport.

LRA is integral to the regions transport network and provides a range of employment and recreation opportunities. Well-equipped and of a high standard, it ranks as one of the best regional airports in Australia. The airports supply of serviced industrial land has been expanded to facilitate enhanced aeronautical development.

The development and review of the LRA Master Plans, provides an opportunity to identify appropriate land use buffers and controls to better protect the Airport.

Objective 1

To promote and protect the operations of Latrobe Regional Airport.

Strategies

- 1.1 Support implementation of any adopted Latrobe Regional Airport Master Plan.
- 1.2 Support the application of appropriate land use controls and buffers around the airport.

~~4.1 Implement the Traralgon-Morwell Corridor Structure Plan to help identify appropriate uses surrounding the airport.~~

21.07-6 Key Issue - Health

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Latrobe City is a centre for health services to the broader Gippsland region. Contributing significantly to the local and regional economy, Latrobe City offers comprehensive and high quality health facilities. The region has an extensive range of specialist services including pathology, aged care, palliative care, community health, cancer support, immunisation, disability services, home care, physiotherapy, parenting, paediatric, child and adolescent services. Maryvale Private Hospital, Latrobe Regional Hospital (LRH) and Latrobe Community Health Service offer health and medical services and programs. LRH also houses the Gippsland Cancer Care Centre, making it possible for residents to receive comprehensive radiotherapy, oncology and chemotherapy treatments locally.

LRH is rapidly growing and is a major asset for the region. It is connected with Monash University (for medical purposes) and with Federation University (for nursing). New wards and theatres are being built and planned and the cancer care centre and allied health facilities have been extended together with the mental health wing and maternity extensions. The hospital is one of the largest employers in Gippsland.

Based on the last census, the fastest growing cohort (except for Traralgon) in Latrobe is the retiring 'baby boomer' generation of 60 years and over. This growth has implications for housing (smaller dwellings), connectivity within and between estates (walking and cycling on flat paths), provision of suitable public facilities and for long term health requirements. The City is well served by health facilities and this, in itself, is and will be a further attractor to the aging community. Such demands will have a flow-on effect and will increase employment opportunities in the health care sector, meaning that this will be one of the fastest growing employment sectors in Latrobe. The health care and services sector now employs a significant percentage of the workforce and this figure is growing. As the population ages, this will become more apparent, meaning Council needs to start planning for the aged care and retirement sector as these will become increasingly important.

Objective 1

To promote and protect the operations of Latrobe Regional Hospital.

Strategies

- ~~4.1~~ 1.1 ~~Facilitate~~ Support the implementation of the Latrobe Regional Hospital Master Plan including the expansion of the Latrobe Regional Hospital.

~~4.4 Implement Traralgon-Morwell Corridor Structure Plan to help identify appropriate uses surrounding~~

21.07-7 Key Issue - Education

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Latrobe Valley boasts a number of highly regarded public and private primary and secondary schools along with a fully serviced campus of Federation University at Churchill. Together with Federation Training,

Apprenticeships Group Australia, and the Gippsland Education Precinct, a vast range of educational options are available in the region.

Objective 1

To promote and protect the operations of Federation University.

Strategies

- 1.1 Support implementation of a Federation University Master Plan at the Churchill campus.

21.07-8 Key Issue - Information Technology

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Latrobe is a regional leader in information communication technology. Combining traditional with new technologies, the industry has developed a highly skilled workforce and has the capacity to service expanding local industry and business providing innovative IT solutions to commercial and industrial businesses throughout Australia and internationally. The shared business services sector in Latrobe continues to grow with increasing numbers of private and government call centres operating across the region.

Objective 1

To encourage the growth of information technology in Latrobe.

Strategies

- 1.1 Support the development of information communications technology hubs and precincts in Latrobe.

21.07-9 Key Issue - Tourism

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Tourism is estimated to inject about \$93 million per year into the local economy. The sector is made up of small businesses, with a few medium sized businesses operating in the accommodation and conference sector. Latrobe hosts many widely recognised events including national and international sporting events. Latrobe City has identified events, business tourism and conferencing as market opportunities that would enhance the trade of existing retail, food and entertainment businesses.

The significant natural assets and biodiversity of the Gippsland region present tourism opportunities and the Latrobe economy, utilising a hub and spoke model, can benefit from these regional strengths. Council will continue to work with Destination Gippsland and Tourism Victoria to progress regional tourism initiatives, as described in the Strategic Business Development section of this strategy.

Objective 1

To encourage environmentally sustainable tourism opportunities and establish a point-of-difference in tourism product.

Strategies

- 1.1 Strengthen the attraction of Latrobe City as a conference and major events destination.

21.07-10 Stone Resources

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Latrobe contains significant stone resources including basalt, gravels, sands and limestone. There are significant resources in the extractive industry, including mineral sands north of Morwell and Traralgon that need to be protected. State Policy sets out objectives for the identification and protection of stone resources through the concept of 'Extractive Industry Interest Areas'. These areas are identified on the attached policy map and consideration will be given to the protection of stone resources within these areas when considering applications for development and use.

Objective 1

To protect significant stone resources to ensure an adequate supply of stone in future years.

Strategies

- 1.1 Ensure the protection, development and use of stone resources.
- 1.2 Ensure that the long term protection of stone resources is in accordance with the recommendations in the *Latrobe Supply Area Extractive Industry Interest Areas Strategy 1999*.
- 1.3 Protect existing extractive industry sites by separating incompatible land uses and by physical separation.

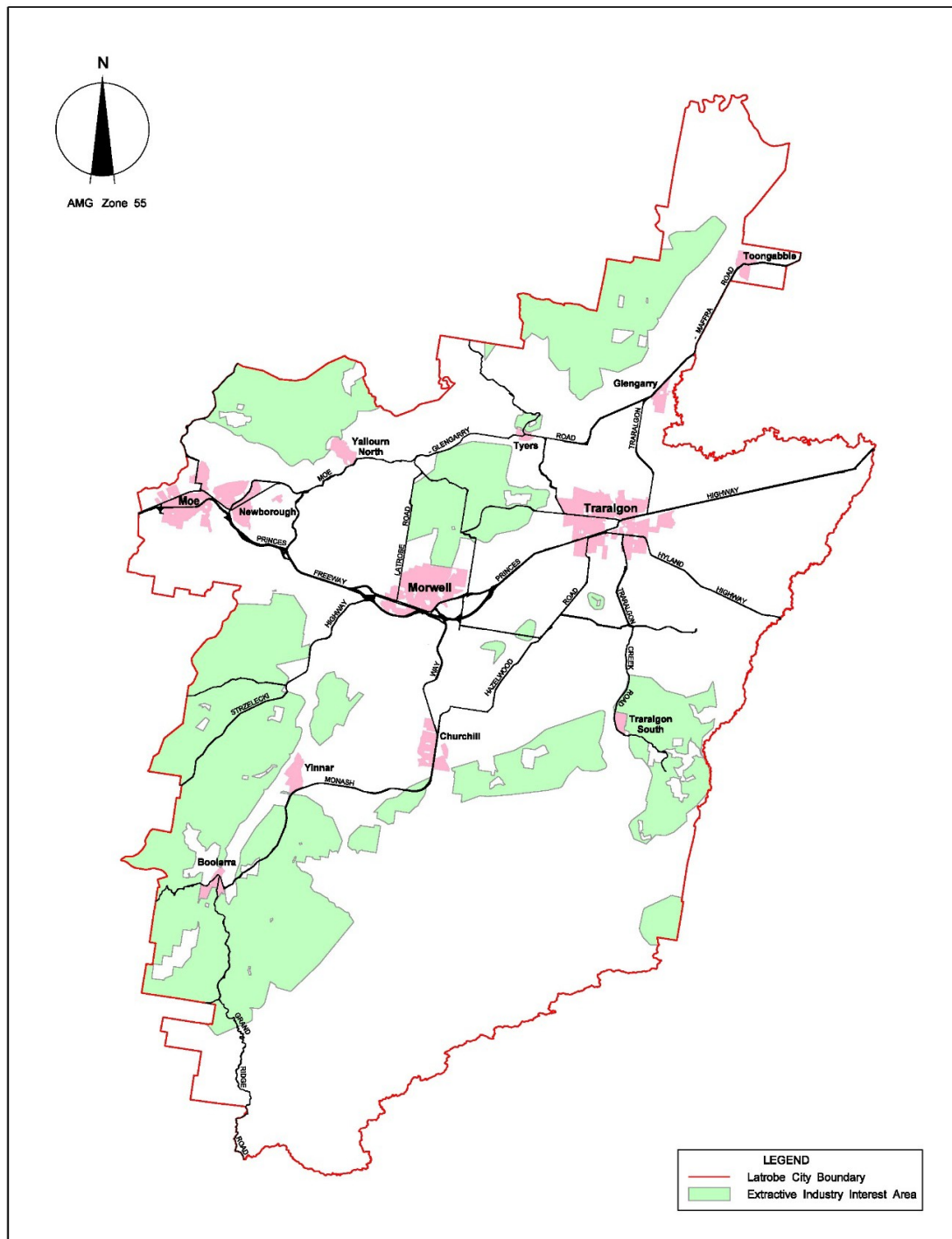
21.07-11 Implementation

The objectives, strategies and policy guidelines arising from this clause are implemented through the application of appropriate zones and overlays as described in Clause 21.10.



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Latrobe Supply Area - Extractive Industry Interest Area 1999



LATROBE PLANNING SCHEME - LOCAL PROVISION

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|  | <p>SCALE 1:200 000</p>  <p>KILOMETRES AUSTRALIAN MAP GRID ZONE 55</p> | <p>LATROBE SUPPLY AREA - EXTRACTIVE INDUSTRY INTEREST AREAS 1999</p> <p>POLICY</p> |
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