

# Economic Development Strategy

## 2022-2032



## Acknowledgement of ***Traditional Custodians***

The City of Perth acknowledges the Whadjuk Nyoongar people as the traditional owners of the lands and waters where Perth city is situated today and pay our respect to Elders past and present and emerging.



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A city that is **liveable**,  
**sustainable** and  
**prosperous**. Our  
aspiration for Perth.





## Message from the **Lord Mayor** **Basil Zempilas**

There is no doubting the growing importance of cities to the lives of its citizens and as the engines of prosperity for the economy. Cities are the focal point for commerce, knowledge and innovation, arts and culture, hospitality, recreation and public administration.

City residents, workers and visitors all play an important part in both contributing to and benefitting from the vibrancy of our city.

The COVID-19 pandemic and related health measures such as lockdowns and remote working have had a significant effect on our business community and there can be no doubt as to the pressures, hardship and uncertainty they have faced.

As I've previously said in the City of Perth's Strategic Community Plan, we all want to be part of an economically successful, flourishing and thriving city.

We continually strive for Perth to be liveable, sustainable and prosperous and this is the driving objective of the City's new Economic Development Strategy.

It will guide the City's efforts across the organisation and its projects and initiatives to ensure that we can recover as soon as possible from the impacts of the pandemic.

Once again Perth and its unique neighbourhoods will become buzzing centres of activity and events, full of life with businesses, workers, residents, students, investors, customers and visitors.

Our city is an amazing place, full of inspiration, growing innovation and opportunity. A City of Light, which shines for all in so many ways.



## Message from the **Chief Executive Officer** **Michelle Reynolds**

Never has there been a more important time for us to regain and expand the primacy of Perth as a centre for business and economic activity. The flow-on effects of the COVID-19 pandemic have severely impacted the Central Business District's function and we are now moving towards regaining confidence and repositioning Perth as a city where people want to be, day and night. The City has introduced a series of measures to retain and assist our local businesses to regroup, survive and thrive.

The City of Perth Act 2016 recognises the special significance that our City has as the State's capital — a centre for commerce, entertainment, culture and innovation. Our community and stakeholders remain at the centre of everything we do.

With the Perth City Deal set to deliver a world-class university campus in the CBD, we are well on our way to securing our place as a home of world-leading knowledge and innovation to help us attract diverse and emerging sectors.

This future-thinking Strategy will guide the City's efforts to rebuild as a liveable, prosperous and sustainable destination. It also gives a snapshot of our healthy visitor numbers before the pandemic.

Research, benchmarking, analysis and consultation have led to the development of this important Economic Development Strategy, which I am happy to present to you.



# City at a glance



## Population

30,971

Estimated population<sup>1</sup>

7.11%

LGA residential growth rate<sup>1</sup>  
#1 Nationally



## Productivity

\$56.5bn

Gross Regional Product<sup>5</sup>

\$3.04bn

Annual Local Spend<sup>6</sup>



## Businesses

12,570

Local Businesses<sup>5</sup>

\$274/m<sup>2</sup>

Average Rent A-Grade Office<sup>7</sup>



## Jobs

183,906

Local Jobs<sup>5</sup>

\$335,000

Value-added per worker<sup>5</sup>  
#1 Nationally

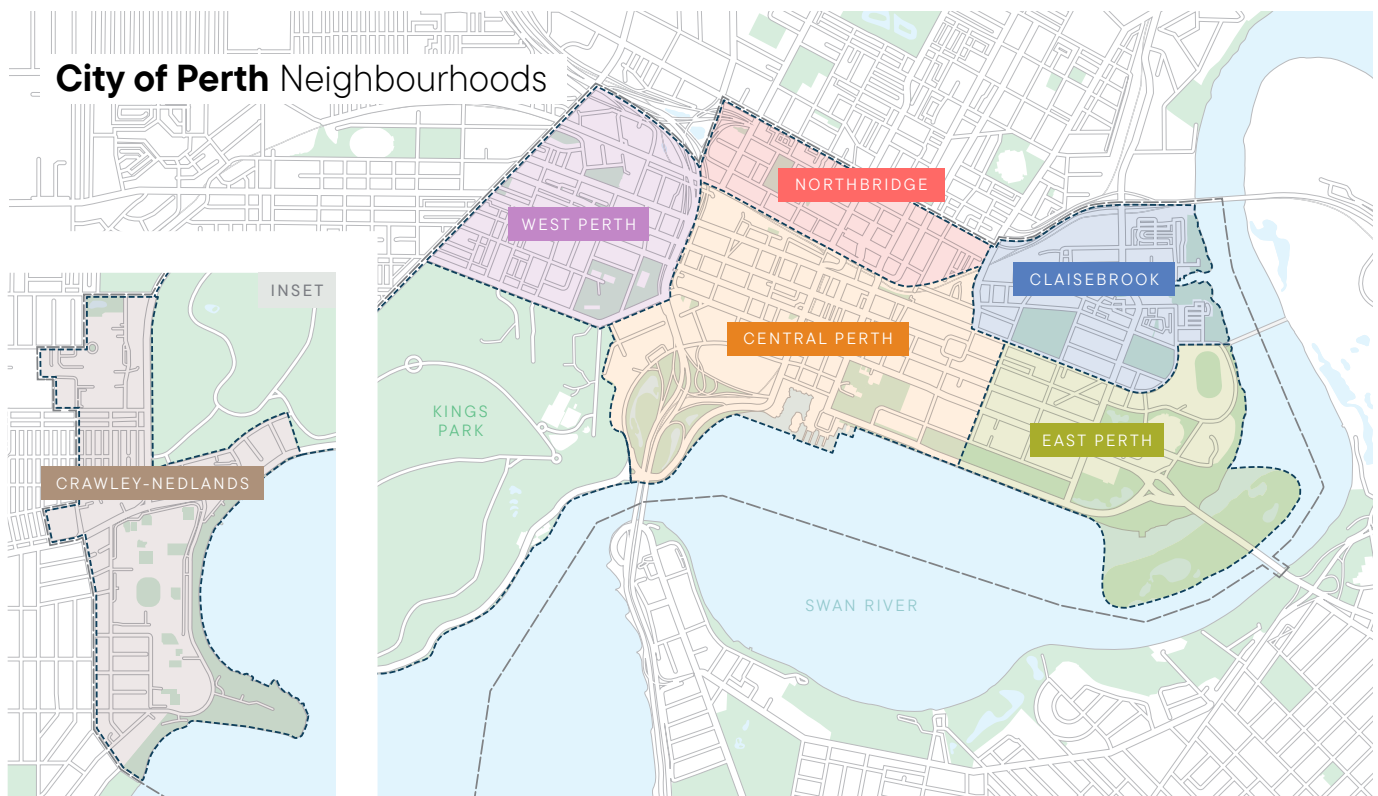
## Industries by output Top Three<sup>5</sup>

1. Mining
2. Insurance Services
3. Professional, Scientific & Technical Services



## Industries by employment Top Three<sup>5</sup>

1. Professional, Scientific & Technical Services
2. Public Administration & Safety
3. Healthcare and Social Assistance



### Data Sources

<sup>1</sup> Profile.id 2021

<sup>2</sup> REMPLAN 2020

<sup>3</sup> ABS 2016

<sup>4</sup> REIWA 2021

<sup>5</sup> Economy.id 2020

<sup>6</sup> Spendmapp by Geographia 2021

<sup>7</sup> Colliers International 2021

<sup>8</sup> IPSOS Life in Australia

<sup>9</sup> Economist Intelligence Unit Global Liveability Index 2021

## Housing Affordability

**\$450**

House Median Rent<sup>4</sup>  
#1 Nationally

**\$380**

Units Median Rent<sup>4</sup>



## International Relationships



**11**

Formal International  
Relationships

**Founding Member**

World Energy Cities  
Partnership (WECP)



## Liveability

**#1**

Liveable metro  
location in Australia<sup>8</sup>

**#6**

Most liveable  
city in the world<sup>9</sup>



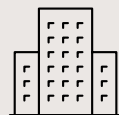
## Wages

**\$1,859**

Median weekly income Perth<sup>3</sup>

**\$125,529**

Average wage per FTE job<sup>2</sup>  
#1 Nationally



## Perth City Deal

**2,300+**

Ongoing jobs created

**\$1.7bn**

In Lg, State and Federal Funding



## GMT+8 Timezone

**1.7bn**

Estimated population

**15**

Countries located in the  
timezone



# Background

Australia's capital cities are the engine rooms of employment activity nationally. Our capital cities are largely service based and knowledge economies attracting workers in these professions.

Capital cities are important as they provide clustered locations of individuals and organisations which results in increased frequency of interactions that stimulate innovation and economic activity.

Prior to the COVID-19 pandemic, Australian capital cities accounted for 69% of gross domestic product (GDP) and 69% of businesses. In Australia, 80% of the value of all goods and services is generated on 0.2% of the nation's land mass.

Our cities are where many of Australia's future jobs are being created and they will continue to be the centres of commerce for innovation and knowledge, education, tourism, retail, arts and culture, generating a growing importance of economic and social life. Strong capital city economies are therefore crucial to a strong national economy.

In fact, 15% of Australian GDP is generated in our four biggest capital cities of Sydney, Melbourne, Brisbane and Perth – more than any single industry.

Perth is the capital city of Western Australia, and the City of Perth is the local government authority (LGA) responsible for the management of the central business district (CBD) and its diverse neighbourhoods.

The City of Perth Economic Development Strategy 2022-32 (Strategy) will drive the growth and development of the city's economy over the next ten years and beyond, with a focus on the next five years.

The Strategy builds on the three pillars of the City of Perth Strategic Community Plan – Liveable, Sustainable and Prosperous; and affords particular attention to driving the enhanced prosperity of the city.

The Strategy will leverage the inherent competitive advantages of the city's economy and regional and global opportunities. It shows how the City, in partnership with the community and stakeholders, can enhance and transform the city's economy for current and future generations.

The Strategy was developed based on considerable background research, knowledge and collaboration which identified, tested and refined key themes and the City's role within them to support economic development.

The implementation of the initiatives within the Strategy will involve a collaborative effort across the City, other government agencies and various stakeholders to achieve the desired outcomes through direct delivery, partnerships and advocacy.



## Liveable

A community that is safe, socially cohesive, inclusive and activated.



## Sustainable

A healthy environment, with social and economic systems in balance.



## Prosperous

A successful, flourishing and thriving City.

The strategy was developed based on considerable **background research, knowledge and collaboration.**



# The City's Role

The City creates a vibrant and resilient economic environment that facilitates growth and opportunity through direct delivery, partnering and advocacy.

Specifically, the City influences economic development through three levels:



## 1. Delivery

Direct influence through provision of research, effective planning/policy/regulation, programs and services, marketing and promotion, grants/sponsorships, and direct investment in infrastructure, facilities and amenities.



## 2. Partner

Collaborative effort with stakeholders to co-deliver and/or support initiatives.



## 3. Advocate

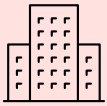
Advocacy, lobbying and communication campaigns to influence decision making.

While there are limits to what the City alone can control or even influence, the City is conscious of the full range of issues which affect the wellbeing of its economy and its communities. At all times, the City will seek to create strong partnerships and networks with industry, government, community and other stakeholders so that through our combined efforts more can be achieved.



# City of Perth Economic Support

In response to the impacts of the COVID-19 pandemic, the City of Perth acted swiftly and adopted a targeted Economic Rebound Strategy to provide both immediate and long-term support for businesses and residents. This included the development of new support to assist business in the City of Perth. This has included support for events, activations and assistance with complying with government directions related to managing the impacts of COVID-19. It has also involved numerous initiatives to further support the city's ongoing recovery from the pandemic as outlined below.



## **\$1.7 billion Perth City Deal**

a partnership between the State and Federal Governments and City of Perth to re-energise and unlock economic benefits and opportunities for the Perth CBD.



## **\$5+ million investment in signature and major events**

ensuring delivery of significant events and regular signature events that generate a large return on investment and visitation.



## **Perth Bounce Back**

ongoing programs of support for small business including free night time parking, fast tracked alfresco dining permits and small business bounce back grants.



## **Neighbourhood Place Plans**

that recognise and celebrate the distinct identity, attractions and facilities of each of the City's six neighbourhoods now and into the future.



## **City's \$2.6 billion Long Term Financial Plan**

to ensure the City's vision for Perth's growth and development is underpinned by robust financial management over the next ten years.



## **Development works**

City led capital works that include the East End Revitalization (\$12M), Wellington Square upgrade (\$19M), and Roe Street Redevelopment (\$22M), to improve the environment, character and quality of city precincts.



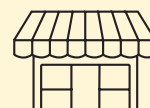
## **"Buy Local" provision**

local businesses supplying the City are afforded a favourable weighting in the procurement process.



## **Enhanced safety**

provision of expanded CCTV networks, Safe City Patrols, safe night spaces and shelters, and dedicated Safer Spaces grants to ensure a safe community environment.



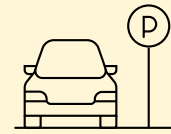
## **Business support**

delivery of business continuity programs, business portal and advisory services, workshops and dedicated Business Development Officers to provide concierge services and advice to businesses.



### Review of City policies

77+ City policies were reviewed to ensure they were fit for purpose and improved efficiency in dealing with the City.



### 3-hour free parking

tried in three locations across the city on weekends to support retail and high street shopping locations.

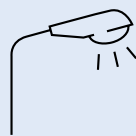
### Maintained low parking fees

parking rates have remained low despite increased costs and an increased Perth Parking Levy.



### Five-year Urban Forest program

1,200+ new trees planted to date as part of the Urban Forest tree planting program to increase the tree canopy within the public realm to 30%.



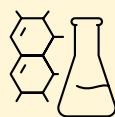
### Enhanced lighting program

ongoing rollout of City Lighting Masterplan to provide enhanced safety and amenity and to highlight neighbourhood features through creative lighting projects.



### 14 day payment for suppliers

reduced payment timeframes to local suppliers from 60 to 14 days.



### Technology Action Plan

development of a new plan to support jobs growth in the start-up and technology sectors.



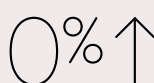
### Grants and sponsorships

\$6.8 million budgeted in the 2022/23 financial year to support business and events across the city.



### Targeted reports and case studies

information to assist decision makers to do business in the city e.g. Making Spaces for Culture, C-Grade Office Adaptation Study, Hay Street Mall Upper Floor Study 2021 and City Investment Profile.



### Zero net increase in rates

for businesses and commercial and residential properties approved by Council for the last two financial years.



### Reducing red tape

including the waiving of bonds for public realm activities such as events, outdoor dining and semi-permanent infrastructure.



# Strategy Overview

To provide focus to the City of Perth's economic development role, key themes, objectives and initiatives were identified for implementation. The key themes reflect core areas of focus where effort and action from the City would likely result in the greatest transformational benefits and realisation of the strategy vision for the City of Perth.

These themes and objectives were informed by an in-depth understanding of the City's economy, global and regional influences and comparative advantages and challenges; combined with close engagement with stakeholders.

These key themes have initiatives and associated timeframes which are an indicative range that will inform the City's business planning process, noting that many of these initiatives will be ongoing past the timeframes. The initiatives will be resourced and costed through the City's annual budget and business planning process.

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## A City Reasserted

Regain and expand the primacy of Perth as the centre for business and economic activity

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## A City Reimagined

Position Perth as a place where people want to be day and night

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## A City that Leads

Champion a can-do culture and unified proposition for Perth

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## A City for Knowledge and Innovation

Secure Perth's place as a smart city and home of world-leading knowledge and innovation

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## A City on the Global Stage

Celebrate and leverage Perth's unique position in the world and strong international connections

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## A City for Commerce

Enhance existing identity, position for diverse and emerging sectors, and attract, retain, and support local businesses

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The City is  
creating **strong**  
**partnerships** and  
**networks.**





# Themes, Objectives and Initiatives

## 1. A City Reasserted

Reasserting the city as the state's primary centre for business and economic activity is required to accelerate Perth's momentum as a global city and ensure the future success of communities across the state.

While the city's natural economic strengths will continue to make a significant contribution to the region and rest of the state, the city needs to regain its place as the pre-eminent centre for business and economic activity. It is inner cities that offer the greatest ability to collaborate, innovate and unlock the benefits of agglomeration.

### Theme Objective

Regain and expand the primacy of Perth as the centre for business and economic activity

Initiatives to achieve theme objective	Timeframe
1.1 Partner and Deliver enhancements to the city centre as one of Australia's premier business districts through the Perth City Deal, Greater Perth CBD Transport Plan and City of Perth Strategic Plans	Medium (2-5 years)
1.2 Partner and Deliver programs to enhance the quality of the worker experience in the city centre (capital works, safety initiatives, events and sponsorships)	Short (0-2 years)
1.3 Partner and Deliver collaborative projects with stakeholders (including State Government) to target and attract large businesses to establish or expand their presence in the City of Perth	Medium (2-5 years)
1.4 Advocate for the attraction of key institutions, venues and facilities to establish, expand or relocate in the city centre	Medium (2-5 years)
1.5 Advocate for the retention and expansion of State and Federal Government worker presence in the City of Perth	Short (0-2 years)

## 2. A City Reimagined

Great cities are vibrant, dynamic and resilient. They celebrate culture and offer opportunities for interaction day and night.

The City of Perth is the core retail, cultural and entertainment centre of Western Australia and can be the most desirable location to visit. It is however currently constrained by a low population density for a capital city, limited tourism and business visitation through the COVID-19 period, restrictions on shopping trading hours and perceptions around safety.

There is the need to drive the positive transformation of the city to support its future success.

### Theme Objective

**Position Perth as a place where people want to be day and night**

Initiatives to achieve theme objective	Timeframe
2.1 Deliver public realm and public infrastructure upgrade programs to create a vibrant and safe CBD to promote opportunities for private investment	Medium (2-5 years)
2.2 Deliver programs and policies to support the City of Perth's increased residential population	Long (5+ years)
2.3 Deliver a portfolio of exciting and distinctive major and signature events that drive economic outcomes, activation and support the retail core	Short (0-2 years)
2.4 Deliver targeted programs, including grants and sponsorships, to support the revitalisation of underutilised spaces and defined city precincts	Medium (2-5 years)
2.5 Partner and Deliver curated key streets, precincts and neighbourhoods to support coordinated public and private investment and activation	Medium (2-5 years)
2.6 Partner and Deliver programs to promote the City of Perth as an extended hours destination with a vibrant night time economy	Medium (2-5 years)
2.7 Partner on projects that celebrate the rich cultural heritage of Perth and deliver economic opportunities to grow and expand the city's creative economy	Short (0-2 years)
2.8 Advocate to State Government and relevant stakeholders for investment in tourism attractions in the City of Perth and along the Swan River	Long (5+ years)



### 3. A City that Leads

The City of Perth can lead by example to drive the positive change needed to support the success of the city's economy.

This requires focused effort on having a cultural and regulatory environment that encourages quality investment and business growth, and ensures an environment that makes the city nationally and globally competitive.

It is also time to crystallise what Perth stands for and project this to the world through coordinated promotion of all the strengths and opportunities the city has.

#### Theme Objective

#### Champion a can-do culture and unified proposition for Perth

Initiatives to achieve theme objective	Timeframe
3.1 Deliver an enhanced business/investment concierge service to assist navigation of City processes and regulations and ensure their dealings with the City of Perth and other levels of government are as efficient as possible	Medium (2-5 years)
3.2 Deliver increased utilisation of the City of Perth's property portfolio to drive economic and strategic outcomes	Medium (2-5 years)
3.3 Deliver a comprehensive advocacy agenda to secure external funding and additional investment into city projects	Medium (2-5 years)
3.4 Partner with key stakeholders to introduce local businesses to international markets in partner cities	Short (0-2 years)
3.5 Partner with State Government and key stakeholders to market a unified vision for Perth based on key attributes, comparative advantages and points of difference	Short (0-2 years)
3.6 Partner with the business community to identify and implement critical regulatory and other improvements (including digital processes) required within the city	Medium (2-5 years)

## 4. A City for Knowledge and Innovation

We are in an era of fast-moving change which is disrupting all sectors. Only those economies that are at the forefront of innovation will capture the greatest opportunities.

The city has many clusters of key assets and organisations that can support the knowledge and innovation theme.

There is a need to identify existing cluster opportunities across academia, industry and government and enact greater coordination to unlock these opportunities. This could involve the identification of infrastructure/venue/facility gaps and address them. There is also a need to determine the appropriate spatial built form and appropriate governance models for these industry clusters.

### Theme Objective

Secure Perth's place as a smart city and home of world-leading knowledge and innovation

Initiatives to achieve theme objective	Timeframe
4.1 Deliver a City of Perth Technology Action Plan to support the ongoing growth of technology related startups	Short (0-2 years)
4.2 Deliver cluster mapping of innovation precincts to promote the comparative advantages of sectors in the city	Medium (2-5 years)
4.3 Deliver shared data on a City-managed intelligence hub platform to support business investment decision making	Medium (2-5 years)
4.4 Partner with government and private enterprise to develop an innovation hub/landing pad in the City of Perth that supports and showcases startups and local innovation	Medium (2-5 years)
4.5 Partner with the startup community, investors and the business sector to increase funding opportunities for innovation and entrepreneurship in Perth	Short (0-2 years)
4.6 Partner with stakeholders to improve education sector research and commercialisation and link talent and opportunities to city businesses	Long (5+ years)
4.7 Partner with stakeholders on catalytic projects that fast track the adoption of new and emerging low carbon technologies within the city	Medium (2-5 years)
4.8 Partner with stakeholders on the use of digital platforms that can promote innovation and provide benefits to the City of Perth in urban planning and development and smart cities technology	Medium (2-5 years)
4.9 Partner with stakeholders and relevant institutions to leverage knowledge economy opportunities that promote Perth as a knowledge capital	Long (5+ years)
4.10 Advocate for investment in digital infrastructure to support business growth, liveability and economic participation	Long (5+ years)



## 5. A City on the Global Stage

The City needs to leverage off its increased position as a destination for global business investment, education and visitation. It needs to position itself for future success as being central to the rapidly growing Indo-Pacific region.

The City has a lead role to play collaborating with State and Federal Government to assist current and future business growth and development. This can be achieved through international or domestic markets, through research and development opportunities or through established and new connections.

There is a lot of competition globally for talent and business, however, Perth must leverage its strengths as a liveable and well-connected global city.

### Theme Objective

**Celebrate and leverage Perth's unique position in the world and strong international connections**

Initiatives to achieve theme objective	Timeframe
5.1 Deliver support to businesses with potential to enter global markets and expand growth opportunities	Short (0-2 years)
5.2 Partner with State and Federal Governments to develop and enhance strategic international relationships to support increased investment and trade within the city	Medium (2-5 years)
5.3 Partner with stakeholders on destination marketing projects that promote Perth's events, retail, hospitality, cultural and visitor offerings into key international markets	Short (0-2 years)
5.4 Partner with education stakeholders to support increased international student levels in the city and align marketing efforts	Short (0-2 years)
5.5 Partner with stakeholders to facilitate linkages between local business, migrants and expats to create inward investment opportunities	Short (0-2 years)
5.6 Partner with Meeting, Incentive, Conference and Event (MICE) organisations and other stakeholders to attract major conferences and business events that support hospitality, retail and accommodation providers	Short (0-2 years)
5.7 Partner with key stakeholders to ensure Perth remains at the forefront of engagement with Asia and beyond through forums and dialogue, capacity building programs and the hosting of visiting government and business delegations	Medium (2-5 years)
5.8 Partner in tourism product and skills development/capacity building initiatives to meet future demand	Medium (2-5 years)

## 6. A City for Commerce

The City proactively works with businesses to ensure the city retains its status as the commercial centre of Western Australia. It must be the centre of business not only in the state, but the Indo-Pacific region.

The City works with State and Federal Government to diversify the economy of Western Australia, ensuring Perth is the headquarters of choice for organisation in existing and emerging key sectors.

The City will work with local business to ensure there is vibrancy, experiential offerings, events and opportunities for business connections and commerce.

### Theme Objective

Enhance existing identity, position for diverse and emerging sectors and attract, retain and support local business

Initiatives to achieve theme objective	Timeframe
6.1 Deliver a business and investment friendly culture across the City of Perth as an organisation that is responsive to diverse business needs	Medium (2-5 years)
6.2 Deliver a range of initiatives that attract, retain and support the development of small to medium enterprise in the city	Short (0-2 years)
6.3 Deliver investment attraction and promotion collateral to facilitate new investment and economic diversification	Short (0-2 years)
6.4 Partner with stakeholders on the development of internationally competitive key sectors and emerging industries to increase economic diversification in Perth	Medium (2-5 years)
6.5 Partner with private property and business owners to activate underutilised property to attract and retain a diverse mix of tenants and experiences in the city	Short (0-2 years)
6.6 Partner with key property stakeholders to monitor property markets, identify trends and undertake projects to attract and retain diverse property tenants	Medium (2-5 years)
6.7 Advocate for regulatory and legislative reform that supports ongoing investment and innovation across business and industry	Medium (2-5 years)



# Monitoring Progress

A Monitoring Plan has been developed to track progress towards achieving the objectives of this Economic Development Strategy. Although not all of these elements are in the City's direct control, the City will continue to monitor these trends. This will ensure the City is progressing towards its objectives and allows for required adjustments in collaboration with key stakeholders.

Key Themes	Theme Objectives	Desired Outcomes
 A City Reasserted	Regain and expand the primacy of Perth as the centre for business and economic activity	The City's economy is the largest economic contributor to the state and the preferred destination for major businesses, institutions, workers and investment.
 A City Reimagined	Position Perth as a place where people want to be day and night	Residents and visitors are attracted to the city's lifestyle, amenities and cultural assets and activate the city 24-7.
 A City that Leads	Champion a can-do culture and unified proposition for Perth	The City has a deep understanding of business needs and leads initiatives that contribute to business development and growth.
 A City for Knowledge and Innovation	Secure Perth's place as a smart city and home of world-leading knowledge and innovation	The city is home to globally-recognised innovation, digital and technology infrastructure and startup eco-systems.
 A City on the Global Stage	Celebrate and leverage Perth's unique position in the world and strong international connections	Perth is recognised internationally as a global city.
 A City for Commerce	Enhance existing identity, position for diverse and emerging sectors, and attract, retain, and support local businesses	The city expands business and worker levels in existing and emerging sectors of competitive advantage.



## Trends to Monitor

- Increased number of large businesses and headquarters in the city
- Increased number and scale of key institutions in the city
- Expansion of government department / agency staff in the city
- Increased contribution of the City to the state's economy
- Increased level of private investment in the city
- Value of State and Federal funding for major infrastructure projects in City's boundary

- Increased resident population
- Successful implementation of the City's Events Strategy
- Increased pedestrian activity in the city
- Increased pedestrian activity and spend in night time entertainment areas
- Reduced retail vacancy rate

- Improved processing time for Development and Building Approvals including increased uptake of digital lodgement
- Improved financial performance of the City's property portfolio
- Increased audience engagement related to City brand
- Responses to business related enquiries exceed Customer Service Charter

- Increased number or value of City supported events for the startup and innovation sector
- Increased number of research and development managers employed within the Perth LGA
- Increased capacity for startups and other local companies to participate in knowledge and innovation related exchanges with partner cities
- Number of patents registered in the Perth LGA

- Increased number of international delegations engaging with the City
- Increased number of international students studying in the Perth LGA
- Increased number of local businesses participating in City delivered events that build export and international capacity

- Increased number of businesses in the Perth LGA
- Increased diversity of businesses in the Perth LGA
- Increased employment in the Perth LGA
- Reduction in the 5-year average office vacancy rate in the CBD
- Reduction in the 5-year average retail vacancy rate in the CBD

This publication is available in alternative formats and language upon request.



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**CITY OF  PERTH**