

2023

**THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

TENTH ASSEMBLY

Gungahlin - Economic Development - Assembly Resolution of 6 June 2023

Government Response

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November 2023**

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Government Response to Assembly Resolution of 6 June 2023 – Economic Development in Gungahlin

On 6 June 2023, the ACT Legislative Assembly passed the resolution, Gungahlin Economic Development, calling on the Minister for Economic Development to:

- a) As a part of CBR Switched On, investigate strategies to enhance economic development in districts that lack an anchor employer;
- b) Advocate for Commonwealth investment in the Gungahlin district with the Federal Labour Government;
- c) Investigate setting ambitious targets for employment growth in Gungahlin and other districts for the census years of 2026 and 2031, including as a proportion of the workforce resident in the district; and
- d) Report back to the Assembly on progress by November 2023.

The ACT Government has a clear and ambitious vision for jobs and business growth for the ACT as set out in *Canberra Switched On – the ACT's Economic Development Priorities 2022-2025*. This vision is to continue to grow a highly productive, diversified, and progressive economy for the future so that Canberra can become an even more innovative, sustainable and inclusive city. Through *Canberra Switched On*, the ACT Government is committed to missions which build on the Government's commitment to wellbeing, inclusiveness, environmental responsibility and knowledge based economic growth.

In support of this vision, the ACT Government has set a target of 300,000 jobs by 2030. For this target to be met, our economy will need to continue to diversify and grow, and we will need to attract and build a workforce with the right skills.

Some of these jobs will be in Government. As our population continues to grow, the ACT Public Service will also need to grow to meet the needs of our community. This will include, for example, employing more teachers and more health care workers. Generally, these jobs will be created in areas where our population is growing fastest, including Gungahlin.

But it is expected the majority of this jobs growth will be in the private sector, including in small business. Around two thirds of Canberra's jobs are in the private sector and 97 per cent of our businesses employ less than 20 people. In the five-year period between 2016-2021 ABS data indicated that our jobs growth exceeded population growth, and the ACT is currently experiencing full employment.

The vision and missions of *Canberra Switched On* is about supporting business and jobs growth across the Territory, to the benefit of each of the districts and across the whole economy. This holistic approach looks to strengthen the conditions for businesses to start, grow and employ more people across the ACT. There are a range of initiatives being delivered across government to support business and jobs growth across the Territory. This includes:

- The ACT Government's *Small Business Strategy 2023-2026* which sets out five priority areas to support a dynamic and thriving small business community;
- The Priority Investment Program, which provides funding to support industry, higher education, research to work together to develop solutions for problems and opportunities in their industry;
- A range of transformative projects being delivered to further progress the vision of *Canberra Switched On*. This includes establishing and investing \$10 million into an ACT Venture Capital Fund to grow the local innovation ecosystem and support start-up businesses across Canberra; and establishing a social enterprise grants program to foster the local social enterprise ecosystem;
- Continuing support for the Canberra Innovation Network to deliver programs and events that provides opportunities for entrepreneurs, businesses, research institutions and mentors to connect;
- Continuing the Canberra Business Advice and Support Service (CBASS) to deliver tailored small business advice, including business planning; and
- Delivering the Better Regulation Agenda, which will put in place the best settings for business recovery, longer-term growth, and regulation in the ACT.

The ACT Government has undertaken a number of specific initiatives to foster economic development in Gungahlin, including locating up to 700 public servants in the ACT Government office building, Winyu House.

The ACT Government has also made significant investment in Gungahlin's infrastructure, ensuring the community can continue to grow and meet the growing demands of residents. This investment will drive jobs growth both in the construction phase, and on an on-going basis. As part of the 2023-24 Budget this investment includes:

- Emergency Services – A new Emergency Services Station will be built in Casey. The joint facility will be home to the ACT Ambulance Service and ACT Fire and Rescue to bring these services closer to residents.
- Planning for a new health centre – Work to commence the roll out of four health centres across Canberra, with one of the facilities earmarked for North Gungahlin. The new health centre will provide even more health services closer to home for the Gungahlin community.
- Education Infrastructure – A new college for Gungahlin, planned to open before the end of the decade, will have capacity for up to 800 students with room for future expansion. It will feature state-of-the-art learning environments and have facilities for community use.
- Community Centre – Over the next three years a new community centre will be built on the corner of The Valley Way and Gungahlin Place in Gungahlin town centre. The centre will cater to Gungahlin's multicultural community, with spaces for all ages.

These commitments are in addition to existing ACT Government job-creating investments in

Gungahlin including, light rail, the Mulligans Flat visitors centre, CIT Gungahlin, and the Walk-in Clinic, which contribute to progressing a diverse economic landscape in the region. The Gungahlin District Strategy, released on 11 September 2023 as part of the ACT Planning System Review and Reform Project, sets out a vision for the future of Gungahlin for a thriving town centre, providing jobs closer to home for the district's residents. There will be increased capacity for office space in the Gungahlin town centre, positioning the centre to attract future development. It will have a diverse range of commercial uses, while still supporting the local needs of residents. The town centre's entertainment precinct will be the key location for night-time activities.

The ACT Government has, on a number of occasions, including since this resolution was passed, presented the benefits of Gungahlin as an employment hub for the Commonwealth public service to the Commonwealth Government.

On 10 October 2023, the Chief Minister wrote to the federal Minister for Finance, Senator the Hon Katy Gallagher, encouraging the Minister to consider Gungahlin as a future site for Commonwealth public servants, with a refreshed prospectus on the opportunities available in Gungahlin.

This follows the construction in 2022 of a new building in Gungahlin town centre for the Defence Housing Australia head office, accommodating approximately 240 jobs.

The ACT Government does not support the setting of specific employment targets for Gungahlin, noting that:

- In Gungahlin, employment is growing faster than the population. ABS Census data from 2016 to 2021 shows a 23 per cent increase in population while jobs increased by 33 per cent. Jobs growth in the Gungahlin district over this period is second only to Canberra East (the airport district).
- There was growth across most employment sectors in Gungahlin between 2016 and 2021. Gungahlin's employment strengths include education, retail and construction, which account for a large share of jobs. There is also both strength and potential for growth in light-industrial sectors (such as utilities, transport, and manufacturing), particularly in Mitchell.
- Gungahlin's construction sector has continued to grow, particularly driven by new suburban developments. There has also been strong growth in non-specialised sectors such as public administration and professional services within the district;
- Unemployment is low. Labour market indicators for 2023 published by Jobs and Skills Australia, indicate that of the fifteen suburbs in the Gungahlin district only one has an unemployment rate higher than that of the ACT average.

Additionally, setting district-specific employment targets alone would not drive jobs growth or economic activity within in those areas. Setting district-specific targets for economic development, including jobs growth, would require establishing and servicing district-specific economic development strategies. At present, the ACT Government is taking a (generally) geography-agnostic approach to economic development. Establishing and

servicing district-specific economic development strategies would not be an efficient use of government resources.

The continued investment in our districts, delivery of initiatives to progress the vision of *Canberra Switched On*, supporting the 300,000 jobs target and good strategic planning will provide the enabling conditions to support economic development across all districts in the ACT. We will continue to work with business and community partners to attract investment and new business to the region.

