

# Western Charm



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The City of Fremantle is revitalising the landscape of its bustling city through an ambitious, strategic program of smart investments and innovative developments.

Images by David Phillips, Protopgraphy

Located 20 kilometres from the centre of Perth and surrounded by the azure waters of the Indian Ocean and the Swan River, Fremantle is a hive of diverse cultures and economic development.

With the population of Fremantle growing steadily over the past 20 years from 23,500 in 1990 to 29,383 in 2011, Fremantle has been striving to expand its city both commercially and residentially to meet this increasing demand.

The City of Fremantle is building the brand and culture of its beautiful city through a focus on development and tourism. In the 2011–2012 financial year, Fremantle played host to 39 cruise ships and thousands of passengers. To capitalise on this increase in tourism, the City of Fremantle is focusing on developing quality holiday accommodation in its vibrant village atmosphere.

This investment in tourism has already reaped dividends for the organisation, with growing numbers of tourists discovering the appeal of Fremantle. In the 2010–2011 financial year, visitors spent more than 956,100 nights in

Fremantle, attracted by the city's mix of culture, heritage, sport, and entertainment.

Another critical component of Fremantle's growth and prosperity is its port. The City of Fremantle is home to Western Australia's principal general cargo port, with the Inner Harbour handling 26.1 million tonnes of cargo in 2010–2011 worth \$25.9 billion, including general cargo, motor vehicle imports, and livestock exports.

To ensure the City of Fremantle continues to invest in Fremantle's sustainable, measured growth, Graeme Mackenzie was appointed to the role of CEO. *The CEO Magazine* recently spoke with Graeme about the bright future for Fremantle and its council.

***The CEO Magazine:* What led you to your current role as CEO of the City of Fremantle?**

**Graeme:** I have been in local government for my entire career, with the last 30 years in senior positions, including 14 years as CEO. I took the position of director corporate services at Fremantle in 2001 because I saw Fremantle as a personal challenge due to its unique attributes.

These exceptional attributes include its significant heritage assets, being the hub of culture and arts in metropolitan Perth and one of the most visited places in Western Australia, as well as being a vibrant employment and hospitality centre that demands services not normally provided by local governments.

**What have been your greatest achievements as CEO?**

My background is in finance, which was part of the attraction of Fremantle for me. As a local government, the city was not operating as efficiently as it could, and most of its revenues were allocated to providing routine and ongoing services. This meant that the council's capacity to respond to community demands for new services, facilities, and infrastructure was limited.

My early work at Fremantle was helping the council understand this lack of capacity and then put strategies in place to free up funding for new programs and infrastructure. We have been so successful that we now have around 25 per cent more of our annual revenue available for this discretionary-type spending than we had a decade ago. >





More recently, the city has taken huge leaps forward in its strategic approach to revitalisation. We have almost \$1 billion in private-sector commercial developments either approved or in the planning phase. This has been a direct result of the city proactively engaging with the private sector and facilitating the necessary changes to planning regimes to encourage development.

**How do you shape the company culture?**

To understand the culture of the organisation, you have to understand the culture of the community of Fremantle. It is certainly unique in Perth, perhaps a little like Melbourne with its strong arts culture; but it is also a working port city, with the Inner Harbour one of the last remaining fully operational ports in a city setting.

Fremantle also had the first café strip in Perth, heavily influenced by the Italian migrants post World

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War II. You can see some very strong influences on the culture of the place, and I try to capture the best of this within the organisation. I think it's fair to say that a traditional Collins Street-type culture would be totally out

of place in Fremantle. I describe our culture as relaxed and casual while maintaining professionalism in its operations. Our culture inspires and encourages innovation and thinking outside of the square.

“Our collective vision for Fremantle is to ensure that the city remains a strong and vibrant place, rich in arts and culture, and loved by all West Australians—and to regain its status as Perth's second city.”

- Graeme Mackenzie

**You've seen a significant increase in tourism in recent years, haven't you? How have you encouraged that?**

That's a complex question that I could talk about for hours. Believe it or not, the GFC in 2008 actually helped improve visitation numbers to Fremantle, mostly from West Australians and interstate visitors who chose to travel closer to home.

However, the high Australian dollar has changed that in the past couple of years as overseas travel has become more attractive for Australians. Conversely, despite the strong Aussie dollar, cruising has become extremely popular and we have seen a massive increase in cruise-ship visitations to the port of Fremantle.

We work collaboratively with Fremantle Ports through our economic development and marketing team to keep the tens of thousands of cruise-ship passengers in Fremantle when they berth here. Fremantle does have a strong international brand recognition too, which I think is partly a result of winning the America's Cup and holding the defence of that here in 1987.

In 2010, we hosted the World Sailing Championships, which in sailing terms is an event about three times as big as the Olympics and is watched around the world by millions of people. We also have Notre Dame University in the heart of Fremantle, with its many international students, who are great ambassadors for our tourism in their home countries.

Combine this brand recognition and our natural advantages in the mix with the city's keen support of festivals and events of international standing, as well as regular investment in marketing and promotion, and you get great results.

**How do you engage employees?**

We have about 550 staff members. I have a very strong and



committed senior management team, which of course makes my job easier. From the perspective of keeping staff informed and having a consistent message delivered, I rely on my executive team for that day-to-day engagement.

We have regular state-of-the-nation-type forums where staff are given presentations from the CEO on key strategic matters. We also have our regular staff newsletters. I am in the process of establishing a CEO's blog that will become a key communication and engagement tool for two-way conversations with staff, something that newsletters do not allow. Of course, we also have functions and events for staff, whether that's CEO luncheons, induction sessions for new staff, or staff meetings.

**How do you work with suppliers and strategic partners to achieve success?**

We have a number of memorandums of understanding with key stakeholders that we develop through regular and ongoing discussions with the boards and executives of these key corporations, such as Fremantle Ports, Notre Dame University, and Fremantle Chamber of Commerce. There is also a unique community precinct system that allows the city

to discuss key issues with community leaders and disseminate information.

On the supplier front, we have established a preferred suppliers arrangement that ensures our suppliers are paid on time, which is a critical factor in maintaining good relationships with them. We have very strong processes for developing, assessing, and awarding tenders, and when major projects are involved, there are always regular project meetings with suppliers as part of our project-management systems.

**As a leader, what is your vision for the City of Fremantle?**

Fremantle has always been the second city in Perth; however, it is at risk of losing that mantle unless significant investment is put in place to revitalise and grow the local economy. Our collective vision for Fremantle is to ensure that the city remains a strong and vibrant place, rich in arts and culture, and loved by all West Australians—and to regain its status as Perth's second city.

For the organisation, our vision is to be a dynamic, flexible, and responsive local government that demonstrates leadership and wisdom in that journey. •

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