

PE3 – Adoption of Draft Economic Development Strategy

PE3

Adoption of Draft Economic Development Strategy

1029

TRIM 8412

EXECUTIVE SUMMARY

- Council, in accordance with its increased focus on Economic Development throughout the Shire, has reviewed and produced a draft revised strategy.
- The revised strategy framework will assist in achieving beneficial economic outcomes for our community.
- The Draft Economic Development Strategy public exhibition period ended on 14 December 2015, with no adverse comments received but encouragement for focus to be directed towards future industries with an innovative Technology Park.
- This report recommends that the Draft Economic Development Strategy be formally adopted by Council.

REPORT

The Draft Economic Development Strategy has been developed through the Economic Development Advisory Group and is currently being implemented in principle by the Economic Development and Tourism team.

The purpose of the Strategy is to understand the current economic structure and future trends and growth drivers so that a clear direction forward for local economy can be established.

This document explores the local economy, future growth trends, economic opportunities and challenges. It establishes a vision for the future economy and provides a framework for the Shire to achieve this vision.

The Draft Strategy includes the following Economic Vision:

The future economy should be vibrant and resilient, embracing and leveraging future growth opportunities while being respectful to its economic heritage. The future economy will be diverse and strike a balance between new and old, inspiring investment and jobs from existing and new businesses while protecting the rural lifestyle and quality of life that the community currently enjoys.

PE3 – Adoption of Draft Economic Development Strategy

To achieve this vision the following key objectives are proposed:

- Economic Diversity: Ensuring that the economy is diverse will ensure future sustainability and help to create a vibrant economy.
- More Jobs: Creating more local jobs will create opportunities for more residents to work closer to home.
- More Investment: Recruiting new capital investments that will support future jobs growth and diversification.

The achievement of the Economic Vision will support our broader Community Vision and the overall growth and development of the community.

Action items are to represent a clear guide for the allocation of the Council's Economic Development and Tourism team's resources and time allocation.

The Draft Economic Development Strategy was presented to Council on 19 October 2015.

Council resolved the following (resolution number 190/2015):

1. *That the Draft Economic Development Strategy be placed on public exhibition.*
2. *That during the exhibition period an information session be held in the evening and that Chambers of Commerce and other stakeholders be invited.*
3. *That following the exhibition period, the Strategy be reported to Council for finalisation.*

CONSULTATION

As per resolution 190/2015:

1. The Draft Economic Development Strategy was placed on public Exhibition from the 16 November to 14 December. No adverse comments were received.
2. During the exhibition period on Tuesday 24 November an Information Session was held in the evening. Chambers of Commerce and other stakeholders were invited to attend.

FINANCIAL IMPLICATIONS

Implementation of the Strategic Marketing Strategy includes the following actions:

- Collaborate with local business to maximise value of events and marketing initiatives
- Work with Partners on developing, encouraging and implementing existing and new event proposals to attract visitors

PE3 – Adoption of Draft Economic Development Strategy

- Continue to develop marketing material encouraging local businesses and consumers to support Wollondilly businesses
- Lead tourism roundtables/ networking events to promote collaboration between events, tourism providers and attractions
- Confirm Brand identity for Wollondilly/ develop strong identity and effective brand
- Create web portal and digital strategy for business, tourism and economic development
- Market the Shire as 'Open for Business' to create an attractive business friendly city
- Develop marketing campaigns to raise awareness of Wollondilly and Local advantages
- Participate in regional forums for infrastructure and government investment.

The cost of implementing all of these actions is estimated to be around \$160,000 plus a further \$40,000 for the renovation and adaptation of the Visitor Information Centre. These costs will be included for consideration within the development of the 2016/17 budget or for prioritisation within future year estimates based on available funds. There is some limited funding currently available within the Economic Development and Tourism Restricted Cash account which may enable the highest priority actions to be undertaken sooner, pending approval in the March 2016 Quarterly Budget Review.

ATTACHMENTS

1. Draft Economic Development Strategy

RECOMMENDATION

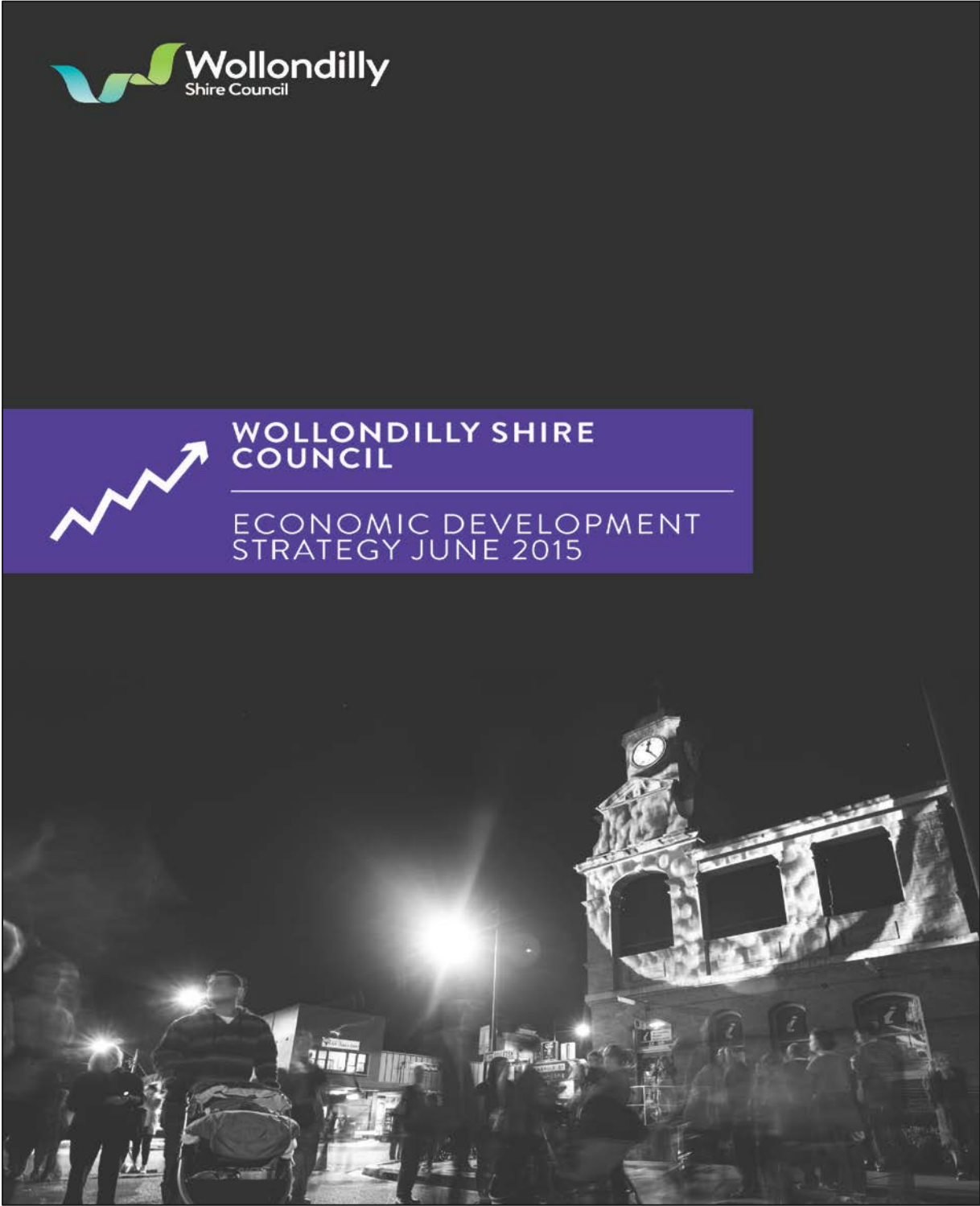
That the Draft Economic Development Strategy be adopted.

Report of Planning and Economy to the Ordinary Meeting of Council held on Monday 21 March 2016

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

Planning & Economy



Report of Planning and Economy to the Ordinary Meeting of Council held on Monday 21 March 2016

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016



Planning & Economy

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

Planning & Economy



CONTENTS

1 Introduction	5	5 Economic Development Strategy	23
Background	5	5.1 Vision	23
Purpose of this Strategy	5	Economic Vision	23
2 Overview of Wollondilly	6	Our Goals	23
2.1 The economy	6	5.2 Economic Development Framework	24
Employment	7	5.2.1 Planning for the Future	25
Local Skills	9	5.2.2 Support Existing Businesses	26
2.2 Where We Have Come From	11	5.2.3 Marketing, Promotion and Branding	27
Population Growth	11	5.2.5 Advocacy	29
The Economy	12	Monitoring	30
2.3 Where do we fit in the region	14	References	31
2.4 Linkages	17		
3 Opportunities and Challenges	18		
3.1 Strengths and Weaknesses	18		
3.2 Opportunities Weaknesses	19		
3.3 Challenges	20		
4 Role of the Shire in Economic Development	21		

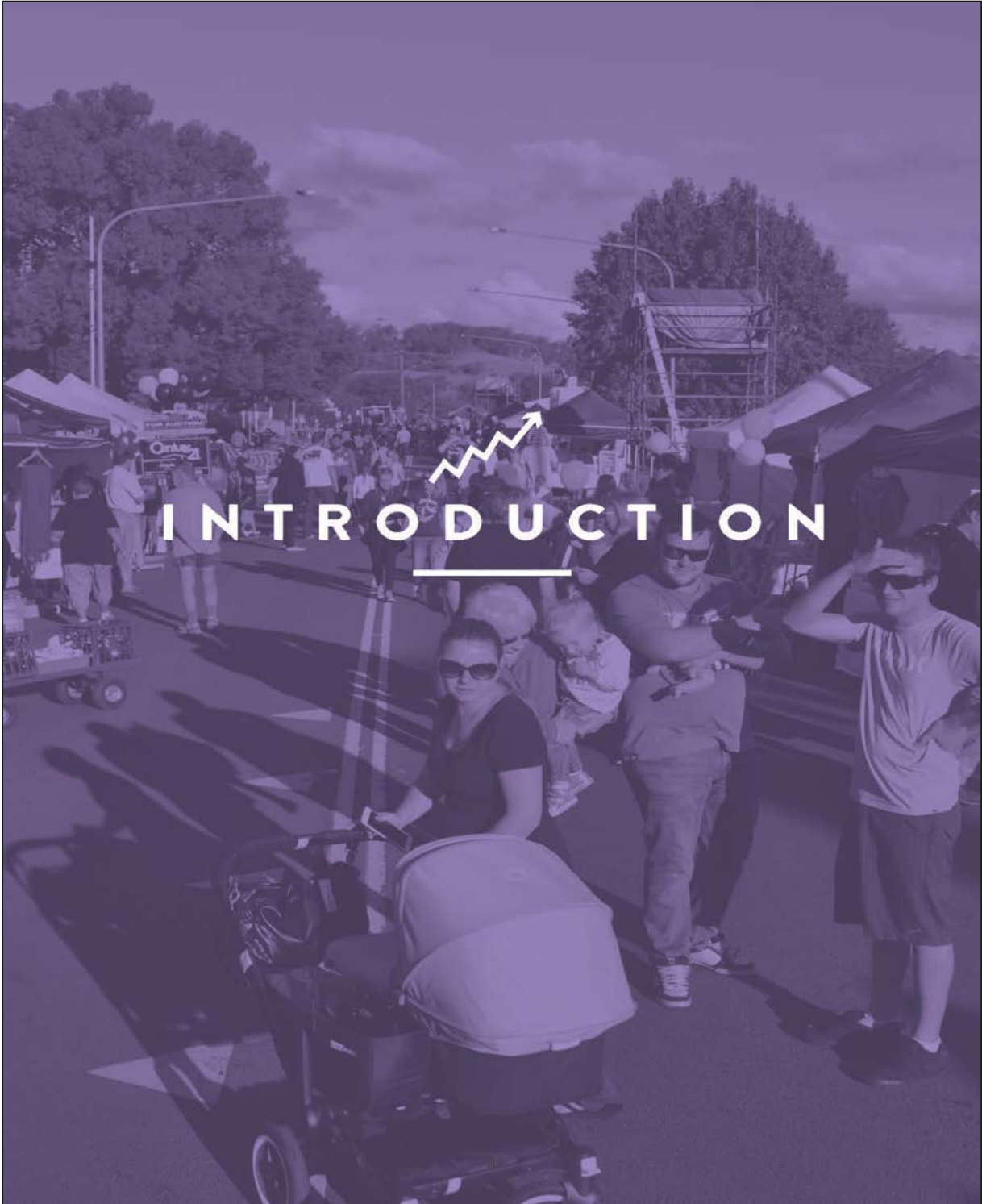
3

Report of Planning and Economy to the Ordinary Meeting of Council held on Monday 21 March 2016

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

Planning & Economy



PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

Planning & Economy

BACKGROUND

The Shire of Wollondilly is located approximately 75 km southwest of Sydney, NSW. It is nestled amongst a variety of National Parks, which make up the majority of the Shire. This pristine natural environment provides almost all of the drinking water for the Sydney region.

The Shire is large, spanning over 2,500 sq km and consists of various towns, with Picton being the main centre of administration.

The Shire of Wollondilly is set for considerable growth in the future as the population of the Sydney Metropolitan Region continues to expand at a great pace. Historically, the Shire has always been a rural and agricultural area that has seen various other growth spurts involving new rail infrastructure or mining. The current wave of growth will impact the Shire greatly and see the population grow tremendously in the future.

It will be important to manage this transition as best as possible and to ensure that the local economy grows in line with the future population, in order to protect the current rural lifestyle and quality of life but also to ensure future balance across the community and economy, which will ensure a sustainable future for the Shire.

PURPOSE OF THIS STRATEGY

The purpose of the Economic Development Strategy is to understand the current economic structure and future trends and growth drivers so that a clear direction forward for the local economy can be established.

This document explores the local economy, future growth trends, economic opportunities and challenges. It establishes a vision for the future economy and provides a framework for the Shire to achieve this vision.

This strategy was developed in partnership with the Economic Development Advisory Group, made up of local business and industry leaders from across the Shire and a range of different industries.

WHAT IS ECONOMIC DEVELOPMENT?

There are a wide variety of definitions for economic development. At its heart, economic development is about ensuring an increasing standard of living for residents through the ongoing development of the local economy. Economic development is not only conducted by government but industry, educational providers and communities are all equally involved.

It is the unique partnership of all of these elements of a community working together that can deliver economic development outcomes that ensure a vibrant local economy with increasing incomes and new job opportunities for residents.

Economic development is not only about policy but about concerted efforts and actions to grow and sustain the local economy through creating an environment that is conducive to growth.

Economic development is an essential part of local government and community development.

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

2. OVERVIEW OF WOLLONDILLY

2.1 THE ECONOMY



The local economy generated \$1.62 billion in Gross Regional Product (GRP) in 2013-14, a decline of 0.3%



The Wollondilly economy contributed 0.46% to the Greater Sydney economy and 17% to the Macarthur regional economy (in 2013-14)



The local economy is very reliant on mining, which makes up well over 20% of the economy (in terms of GRP)



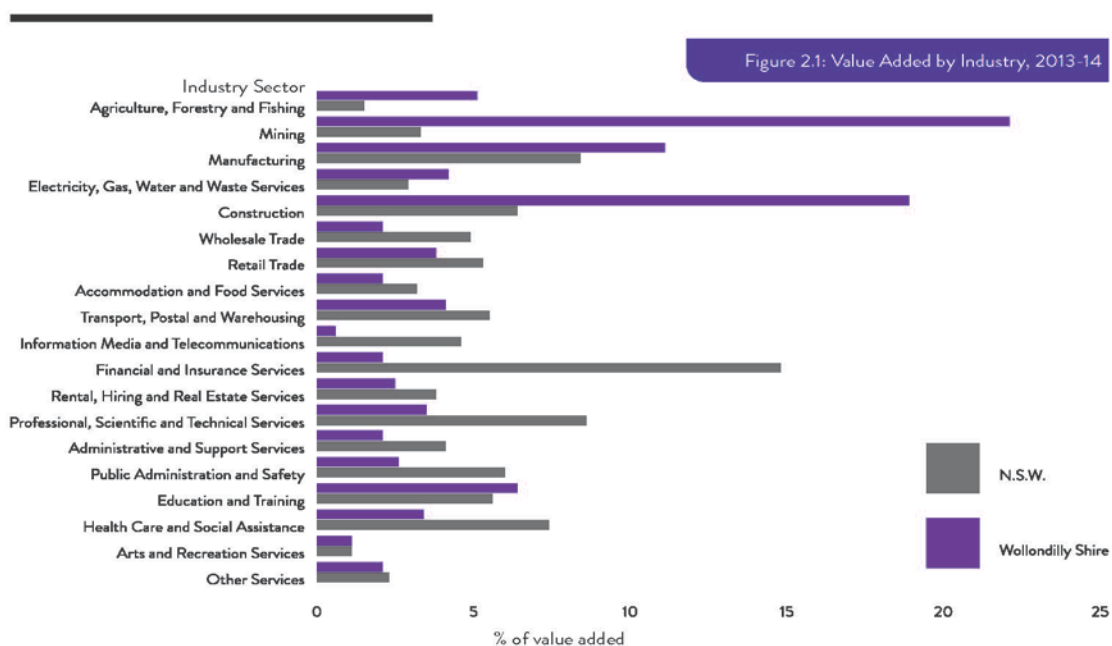
Construction and manufacturing are also important industries and combined with mining, these sectors make up well over half of the local economy (in terms of GRP)

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

Planning & Economy

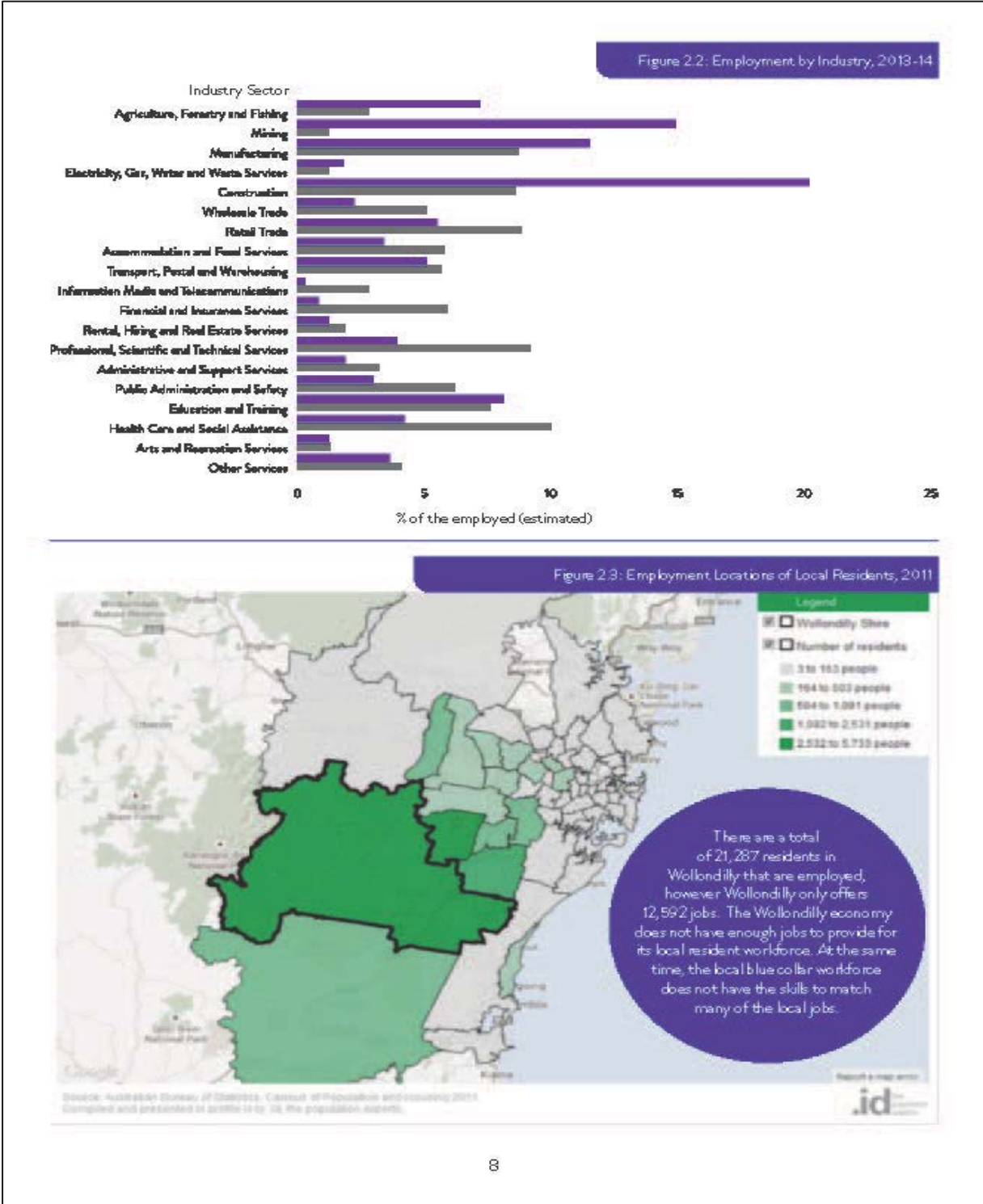
EMPLOYMENT



- There were 12,592 jobs in Wollondilly Shire in 2013-14
- Construction is the larger employer locally, followed by mining and manufacturing, which combined provide 46% of all jobs
- The local economy does not provide enough jobs for local residents, with 59% of local resident workers leaving the area every day for work. However, there are 3,629 (38.8%) of workers in Wollondilly that live outside of the LGA.
- For the jobs that are available in the local economy, there is a strong take up (61%) by local residents
- At the same time, there is a mismatch between local jobs and local skills, with some industries, such as mining, importing significant amounts of labour (50%) from outside the local economy

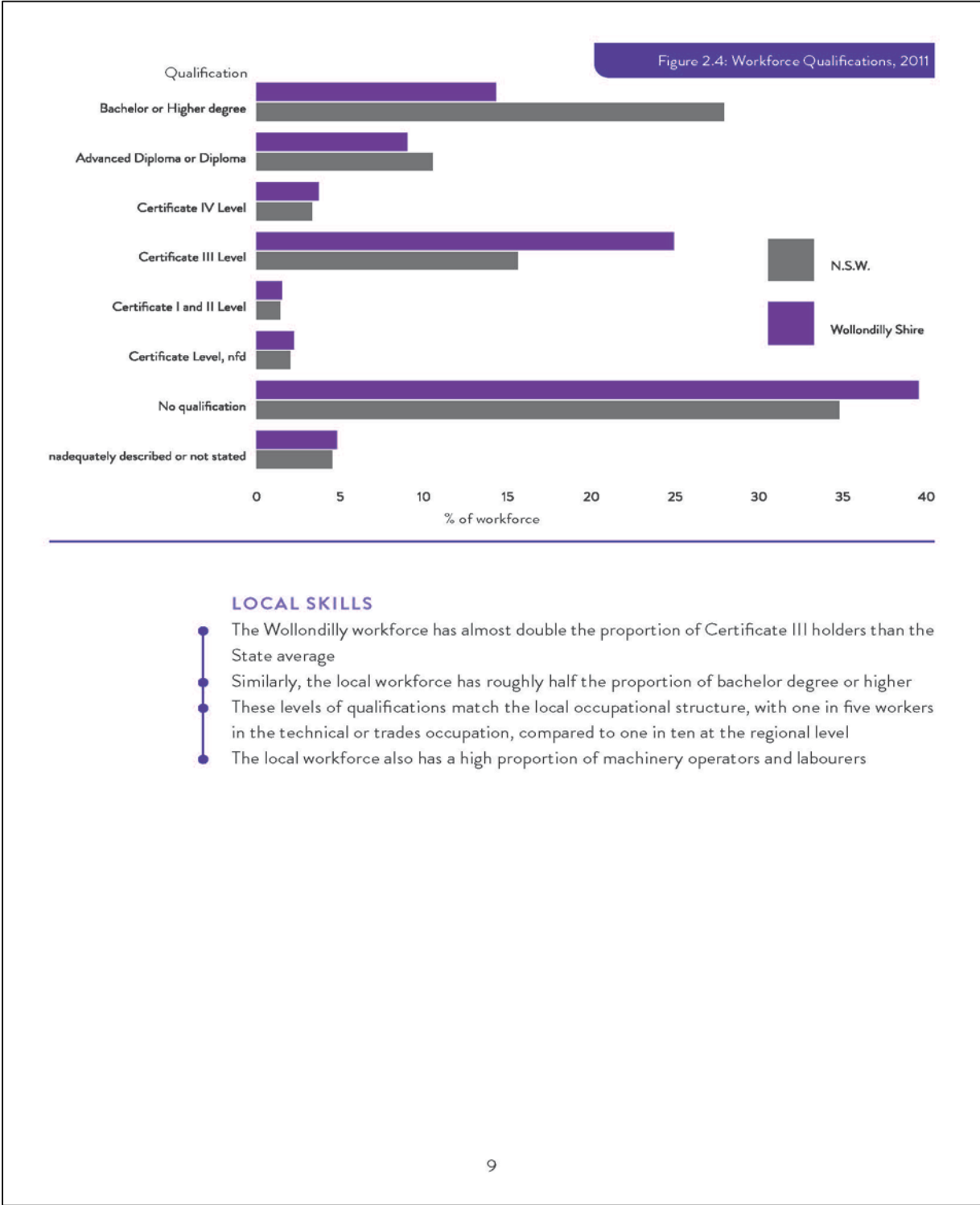
PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016



PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016



Report of Planning and Economy to the Ordinary Meeting of Council held on Monday 21 March 2016

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

Planning & Economy



PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

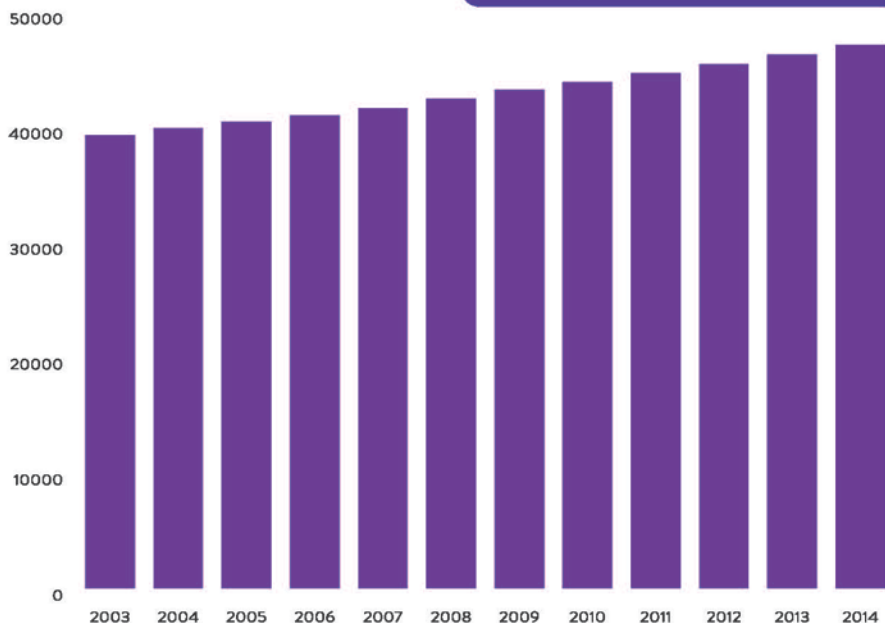
2.2 WHERE WE HAVE COME FROM

POPULATION GROWTH

The local population has grown from just under 40,000 in 2003 to 47,084 in 2014, an average annual growth rate of 1.7%

Significant future population growth is anticipated with major developments such as Wilton Junction (which could bring 11,000-13,000 new homes and an additional population of 30,000-35,000 people)

Figure 2.5: Population Growth, Wollondilly Shire



Source: Australian Bureau of Statistics, Regional Population Growth, Australia (3218.0). Compiled and presented in economy.id by .id, the population experts.

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

THE ECONOMY

- In terms of GRP, the local economy has performed well since 2001, growing at an average annual rate of 2.1%, which is in line with the State economy during the same time
- The local economy has performed more volatile than the state, with 2012 and 2013 experiencing significant growth (7.6% and 4.5%, respectively)
- In terms of employment, construction, mining and manufacturing saw significant increases between 2006 and 2011, combining to form 86% of all jobs growth locally
- Between 2009 and 2013, there was a loss of 13 businesses registered in the Wollondilly Shire, however, within these overall movements, there were some noticeable changes with finance and insurance adding 64 new businesses (an increase of 45%)

While suffering a slight decrease (0.3%) in 2013-14, the Wollondilly economy has performed very well over the recent past, growing 4.5% in 2012-13 and 7.6% in 2011-12. Growth has likely been driven by both population growth as well as growth in key sectors (i.e. mining, construction and manufacturing). Employment data confirms that mining, construction and manufacturing were responsible for the majority of job growth between 2006 and 2011.

A more comprehensive overview of various economic trends and influences are provided in Appendix A.

Figure 2.6: Gross Regional Product, Wollondilly Shire, 2001-14

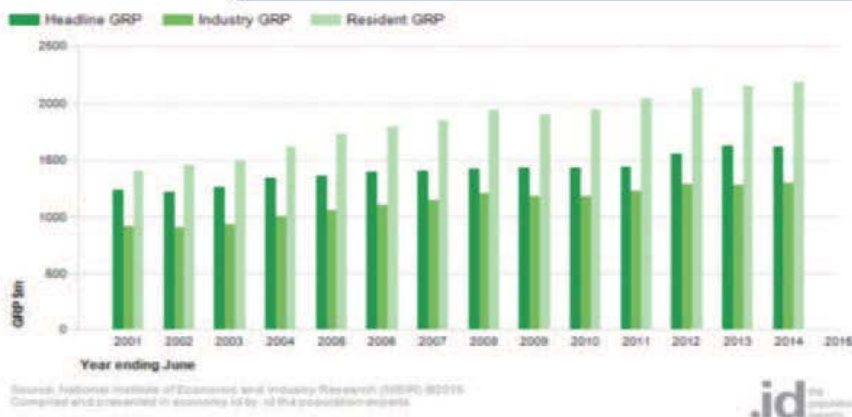
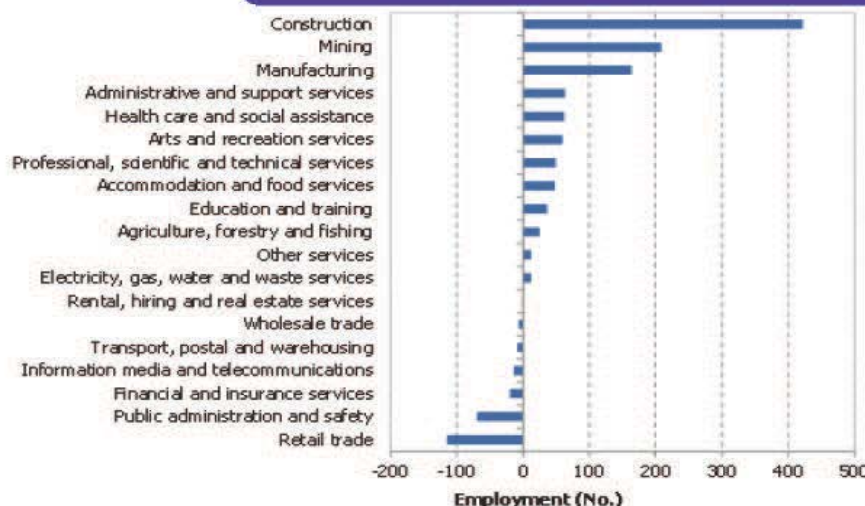


Figure 2.7: Change in Employment, by Industry, 2006-2011



PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

Table 2.1. Registered businesses by industry, Wollondilly Shire

Wollondilly Shire - Total	2013			2009			2009 to 2013	
Industry	Number	%	NSW %	Number	%	NSW %	Change (No.)	Change (%)
Agriculture, Forestry and Fishing	349	9.4	6.7	374	10	7.3	-25	-6.70%
Mining	12	0.3	0.2	6	0.2	0.2	6	100.00%
Manufacturing	168	4.5	3.6	162	4.4	4	6	3.70%
Electricity, Gas, Water and Waste Services	20	0.5	0.2	24	0.6	0.2	-4	-16.70%
Construction	982	26.4	14.2	1,016	27.2	15.4	-34	-3.30%
Wholesale Trade	120	3.2	3.8	143	3.8	4	-23	-16.10%
Retail Trade	192	5.2	6.6	201	5.4	7	-9	-4.50%
Accommodation and Food Services	86	2.3	4	98	2.6	4	-12	-12.20%
Transport, Postal and Warehousing	354	9.5	6	387	10.4	6.4	-33	-8.50%
Information Media and Telecommunications	12	0.3	1.2	6	0.2	1.2	6	100.00%
Financial and Insurance Services	205	5.5	8.5	141	3.8	7.8	64	45.40%
Rental, Hiring and Real Estate Services	281	7.6	11	304	8.2	11.3	-23	-7.60%
Professional, Scientific and Technical Services	310	8.3	13.1	320	8.6	12.9	-10	-3.10%
Administrative and Support Services	131	3.5	4.1	117	3.1	4.2	14	12.00%
Public Administration and Safety	21	0.6	0.4	21	0.6	0.5	0	0.00%
Education and Training	34	0.9	1.3	44	1.2	1.3	-10	-22.70%
Health Care and Social Assistance	91	2.4	5.7	84	2.2	5.2	7	8.30%
Arts and Recreation Services	58	1.6	1.4	47	1.3	1.5	11	23.40%
Other Services	175	4.7	4	188	5	4.1	-13	-6.90%
Industry not classified	116	3.1	4	47	1.3	1.6	69	146.80%
Total Industries	3,719	100	100	3,731	100	100	-13	-0.30%

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

2.3 WHERE DO WE FIT IN THE REGION

The South West Subregion is an important component to the Sydney Metropolitan region and consists of the Camden, Campbelltown, Fairfield, Liverpool and Wollondilly local government areas. The South West subregion is the fastest growing subregion in Sydney and is expected to see an additional population of 325,850 by 2031 as well as an additional 126,900 new homes.

According to the Draft Metropolitan Strategy, the South West Growth Centre will continue to play a key role in providing housing and jobs for future residents. The new airport at Badgerys Creek will be a catalyst for investment and jobs, enhancing connections to other cities across Australia and around the world.

Additionally, the draft plan identifies that Liverpool, Campbelltown-Macarthur, Leppington and the Western Sydney Employment Area (WSEA) will also contribute to the growth and diversification of the subregion's economy. The subregion will benefit from improved access including a potential extension of the South West Rail Link.

However, much of the discussion in the draft Plan includes Wollondilly Shire as either a future growth area (Macarthur South), an area to be explored for tourism (i.e. in the Nattai National Park) or an area to be conserved (either for agricultural purposes or to protect the Sydney region's drinking water supply, which is located in the Wollondilly Shire).

In terms of the subregion, the Wollondilly Shire cannot compete equally with Campbelltown and Liverpool in terms of most of the future industrial development (as transport and logistics as well as most advanced manufacturing firms will prefer a location in an existing industrial precinct or in the WSEA). Similarly, Wollondilly lacks a single large urban centre to compete effectively against the Liverpool CBD or Campbelltown CBD as a major service centre for many professional services or other services (i.e. health, education, government, etc.). Wollondilly can offer businesses (and future residents) an alternative location with more room, less congestion and often a lower cost basis. Additionally, Wollondilly has numerous strengths in terms of its agricultural land holdings and current (and future) production, which would be attractive to many food producers. Its location next to the largest metropolitan region in the country provides a further attraction for these types of operations. This location would also see tourism opportunities as shorter, more frequent trips become the norm for tourism in Australia.

In regards to tourism, Wollondilly will have to compete with emerging locations such as Camden and Penrith as well as numerous well established locations such as the Blue Mountains, South Coast and Central Coast. Ensuring there is differentiated tourism product provided at a competitive cost will be important.

Additionally, given its location, Wollondilly also has synergies and economic connections with Wollongong (outside of the Sydney metropolitan region). Indeed, 50% of the mining workers in Wollondilly come from Wollongong. As Wollongong continues to evolve and adapt to global changes, it will influence how Wollondilly grows (and likely vice versa).

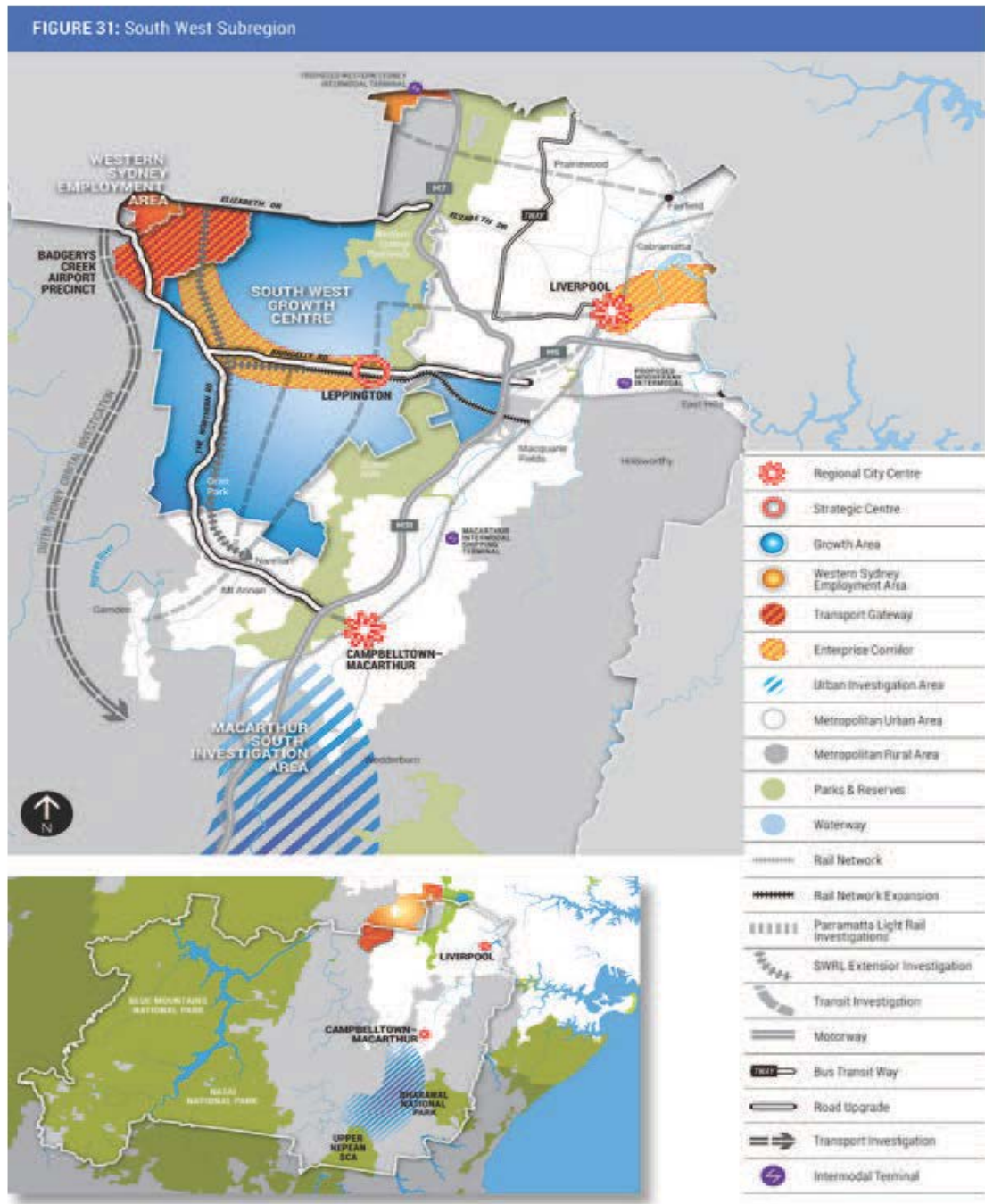
Finally, the draft plan also alludes to the region's mineral resource, which likely is largely referencing the coal mining activities in Wollondilly. The plan seems to support the ongoing activities as these mines, however, their long-term productivity should be considered in the face of future population growth. As the local economy relies heavily on the coal mines, any future changes in these activities would greatly impact the locale economy. Diversification away from the reliance on mining would strengthen the overall sustainability of the local economy as well as help to provide needed jobs for local residents (today and into the future).

Report of Planning and Economy to the Ordinary Meeting of Council held on Monday 21 March 2016

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

Planning & Economy



Source: DPE (2015)

Report of Planning and Economy to the Ordinary Meeting of Council held on Monday 21 March 2016

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016



PE3 – Adoption of Draft Economic Development Strategy

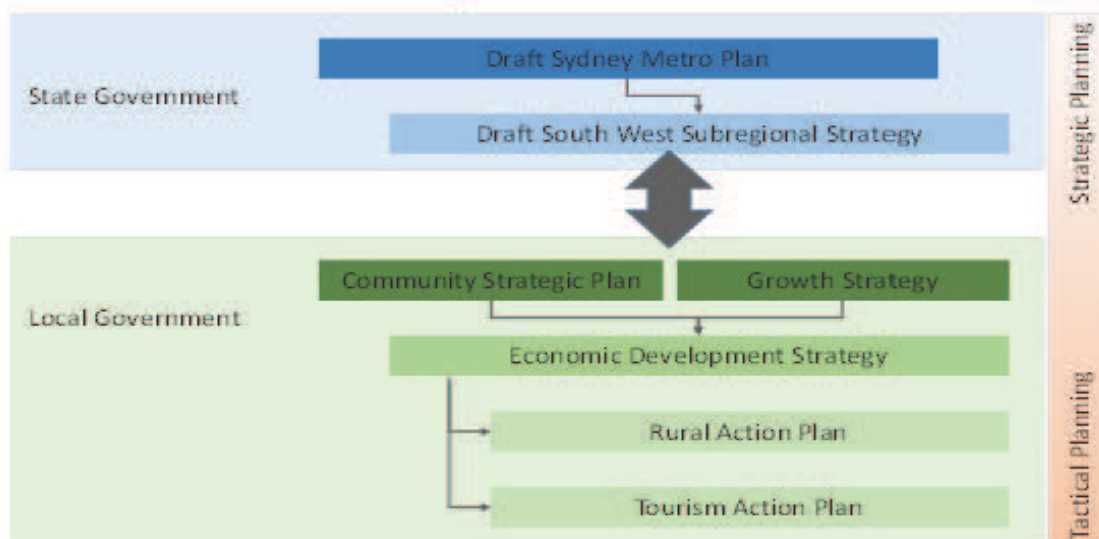
ATTACHMENT 1 - 8412 – 21 MARCH 2016

Planning & Economy

2.4 LINKAGES

The Economic Development Strategy provides an important link between strategic planning documents at the local and state level as well as numerous tactical and action plans at the local level. As such, the economic development strategy provides a strong economic planning document to support the achievement of goals established in the Community Strategy Plan as well as the Draft Growth Strategy, which in turn support the implementation of the Draft South West Subregional Strategy and the Draft Metropolitan Strategy.

Table 21. Registered businesses by industry, Wollondilly Shire



Source: AEC

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

3 OPPORTUNITIES AND CHALLENGES

3.1 STRENGTHS AND WEAKNESSES

The economic development advisory group has identified a number of strengths and weaknesses of the local economy, highlighted in the following table (Table 4.1).

Table 4.1. Strengths and Weaknesses of WollondillyWollondilly Shire

Strengths	Weaknesses
Location and proximity to Sydney, Wollongong and Canberra	Access to education (tertiary)
Local agriculture sector (including market gardens, dairy, orchards and beef cattle)	Under-developed tourism sector
Access to road and rail infrastructure as well as scenic drivers	Lack of public infrastructure
Available and affordable land (for development)	Perception and lack of identity
Proactive Council	Retail constraints (based on population growth) and leakage to other, larger centres
Diversity of lifestyle and housing options	Relatively low levels of critical mass and a fragmented structure (compared to other regions with a more defined centre)
Available workforce with the required skills	IT/mobile services are not consistent and access differs across the Shire
Abundant natural resources (coal, gas, national parks, water and multiple scenic environments)	Information for visitors and identifiable tourism product is lacking
Considerable tourism potential (national parks, recreational facilities, scenic drives, etc.)	
Strong local agriculture	
Badgerys Creek Airport (and future potential growth)	
Wilton Junction (and future population growth)	

KEY STRENGTHS AND WEAKNESSES

The economic development advisory group identified that the Shire's key strengths lie in its location, availability (and affordability) of land, and the future major projects and anticipated growth for the future, ensuring that the area leverages this growth as much as possible. The strong existing industries (such as agricultural) also featured strongly.

The economic development advisory group identified that the Shire's key weaknesses were around the existing perceptions and lack of an identity as well as managing the planned future growth. A lack of consistent and high speed broadband (IT/mobile) connectivity is also of concern.

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

Planning & Economy

3.2 OPPORTUNITIES WEAKNESSES

Analysis of various economic statistics (refer to Section 2 and the Wollondilly Shire Council Economic Summary 2013/14) as well as consultation with the economic development advisory group identified the following key opportunities to growth the local economy, based on its unique competitive strengths:

- Tourism
 - Route 31 (Old Hume Highway), a drive tourism product, promoting opportunity for scenic tours of the region for motorcycles, cars, etc.
 - Nature based tourism, including hiking and camping as well as the development of eco-style accommodation in the pristine natural environment.
 - The development of more accommodation in the area with the ability to host conferences and events for groups from around the Metropolitan Sydney region.
- As the population grows strongly in the future, the growth in population will generate significant opportunities for a wide variety of industry sectors:
 - Retail
 - Education
 - Health
 - Infrastructure
- Agri-business
 - Growing fruits, veggies and other agriculture
 - Food production
- Keeping a focus on existing businesses and assisting them to expand.
- New centres will create tremendous demand for a wide variety of products and services.
- Manufacturing/industrial
 - Food manufacturing/production (linked to agribusiness).
 - Construction materials (to feed local construction and building activity in the future).
 - Distribution and logistics, using location and ease of access for road and rail.
- Aged care and retirement living

KEY OPPORTUNITIES

The economic development advisory group identified a variety of key growth opportunities, including:

- Maximising the economic opportunities from future population growth
- Tourism
- Agriculture and food production
- Industrial and logistics
- Aged care and retirement living

An important aspect of future opportunities is to drive for economic diversity, which can support future sustainability. Ensuring that the economy doesn't focus on any one single industry or source of economic activity (i.e. population growth) will be important for the future.

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

Planning & Economy

3.3 CHALLENGES

While there are numerous local competitive advantages and economic growth opportunities, there are various risks and challenges that have to be acknowledged and actively managed moving forward, as highlighted in the table below (Table 4.2).

Table 4.2. Future Challenges and Risk, Wollondilly Shire

Challenge	What the Risk Is?
Traditional Centres	As Wilton Junction grows and develops, there is a risk that tradition centres are left behind. How will these centres continue to develop and evolve in the face of significant growth around them?
High Speed Broadband	Not having equal and broad access to high speed broadband internet can be a significant impediment and inhibit future growth, particularly as various industries adapt to digital technologies and access in other, competing locations improves.
Economic Diversification	Mining is a significant part of the local economy (45% of GRP). Further economic diversity is required to ensure the future sustainability of the local economy.
Managing Future Growth	Future projected growth with Wilton Junction will add 65%-76% of the current population of the Shire. This type of growth must be proactively managed so as not to destroy the local quality of life, disrupt local centres and industries or cause other potential conflict in the community.
Lack of Innovation	Given the structure of the economy, there is a lack of innovative industries and businesses, which, over the long-term could impact the local economy's ability to compete.
Macro-economic Factors	There are numerous macro-economic factors (refer Appendix B) that will continue to shape the local economy. These influences must be recognised and actively managed.

KEY RISKS

The economic development advisory group identified a variety of key risks and potential impediments, including:

- Future role and function of traditional centres (given the significant growth of new centres).
- Economic diversification (relying on the mining sector or future population growth would weaken the economy).
- Managing the future growth and potential conflict of industries.
- Lack of innovation and access to high speed broadband.

Given the significant future population growth expected, two key risks were identified, including striving for economic growth and diversification and at the same time maintaining the right balance across the economy and community.

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

4

ROLE OF THE SHIRE IN ECONOMIC DEVELOPMENT

The economic development advisory group actively discussed the appropriate role of the Shire in economic development. The group unanimously agreed that the Shire has an important leadership role to play in economic development.

The economic development advisory group identified the following roles as appropriate for Council in terms of economic development:

- **Regulator:** Council has a statutory role to play as the local regulator of development.
- **Facilitator:** Council can facilitate numerous economic outcomes for the community.
- **Community Builder:** Council should be the chief advocate for building and developing the community in an appositive manner.
- **Marketer/Promoter:** Council has a role in marketing the area for business and economic development as well as attracting private sector investment and jobs.
- **Entrepreneur:** Council can become an entrepreneur and innovator in terms of growing the local economy.
- **Investor:** Council can be an investor, directly investing into the Shire for future economic development (in terms of infrastructure, venues or directly into businesses).
- **Business Advocate:** Council has a role as a local business advocate, particularly in terms of State and Federal Government funding.
- **Planner:** Council has a key role to play in the planning and future design of the community (which is linked to its regulatory role).

KEY ROLES

The economic development advisory group acknowledged the strong role that Council has to play in terms of a regulatory and planner (in line with statutory requirements). Equally, the group identified the critical link between the planning function of Council and the economic development function.

Key to the economic development function will be Council's role as a facilitator, marketer and business advocate. These roles will be central to the economic development strategy.

Report of Planning and Economy to the Ordinary Meeting of Council held on Monday 21 March 2016

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

Planning & Economy



PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

5 ECONOMIC DEVELOPMENT STRATEGY

5.1 VISION

The community identified a vision of 'Rural Living' as part of the Community Strategic Plan 2013, which has six key characteristics, including:

1. Rural setting and character.
2. Viable agriculture.
3. Community lifestyle.
4. Diverse environment.
5. Heritage.
6. Towns and Villages.

While this vision guides Council's decision making across all areas of its responsibilities, the following economic vision provides clear direction for the desired economic future.

ECONOMIC VISION

The future economy should be vibrant and resilient, embracing and leveraging future growth opportunities while being respectful to its economic heritage. The future economy will be diverse and strike a balance between new and old, inspiring investment and jobs from existing and new businesses while protecting the rural lifestyle and quality of life that the community current enjoys.

There are numerous key objectives for this economic vision, including:

- **Economic Diversity:** Ensuring that the economy is diverse will ensure future sustainability and help to create a vibrant economy.
- **More Jobs:** Creating more local jobs will create opportunities for more residents to work closer to home.
- **More Investment:** Recruiting new capital investments that will support future jobs growth and diversification.

The achievement of the economic vision will support the achievement of the community vision and the overall growth and development of the community.

OUR GOALS

Economic Diversity: Encourage growth of non-mining sectors in order to diversify the economy and align it closer with the Metropolitan region by 2025

More Jobs: Encourage the growth of over 6,800 new jobs by 2025 to decrease the proportion of resident workers leaving every day to 50%

More Investment: Encourage more than \$100 million in investment per year until 2025

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

Planning & Economy

5.2 ECONOMIC DEVELOPMENT FRAMEWORK

In cooperation with the economic development advisory group, the following economic development framework has been created to guide economic development in the Shire of Wollondilly into the future.

The framework is guided by the vision and contains five strategic initiatives that each has various key activities. Combined these strategic initiatives seeks to deliver the ultimate goals of the strategy and the vision including economic diversity, local jobs, quality investments, etc. Each strategic initiative is discussed further below.

Figure 6.1: Economic Development Framework, Wollondilly Shire



PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

5.2.1 PLANNING FOR THE FUTURE

Overview

Planning is a central responsibility of local government and is likely the single most powerful tool for economic development. Detailed and considerate planning for Wilton Junction should continue and be linked to the ongoing evolution and development of other towns and parts of the Shire.

Rationale

Concerted and careful planning is required in order to manage the future expected growth as best as possible and ensure a balance between encouraging growth and new development as well as embracing traditional industries and towns. The planning system is the Shire’s most significant tool to manage growth and the considerable efforts in planning over recent years need to continue to ensure that future growth is managed in an appropriate manner.

At the same time, it will be important to ensure that the development approval process is the most efficient in NSW in order to encourage investment and become a favoured investment destination.

Linkages

- Risk of managing future growth.
- Maintaining a balance across the community into the future.
- Current strength of being a proactive Council.
- Role of Council as a Regulator and Planner.

1) Planning For The Future	
Managing growth through the planning system	
1.1	Employ a growth manager to address growth centre planning challenges
1.2	Advocate for additional state funding to cope with rapid growth
Conduct further planning to manage growth	
1.3	Actively participate in the Greater Macarthur Land Release Investigation by membership of the project control group, working together with Campbelltown Council and engagement with the community
1.4	Pursue exhibition and endorsement of a revised growth management strategy
1.5	Co-ordinate a traffic study for the Picton Town Centre to address traffic management issues
Provide the most efficient and timely planning development services	
1.6	Revise and improve planning website content to assist business with Council's planning and development processes
1.7	Expand 'Organising and Managing Events in Wollondilly' Publication to address DA process

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

5.2.2 SUPPORT EXISTING BUSINESSES

Overview

This initiative is focused on existing businesses and the important contribution they make to the economy. It seeks to better understand their challenges and opportunities through engagement and provide programs of assistance.

Rationale

Existing businesses are the foundation of any economy. In most developed economies, 60%-80% of all jobs and investment come from existing businesses. Engaging with local businesses is the only way to better understand their industry, challenges and opportunities. While the direct assistance that local governments can provide may be limited, there are still ample opportunities to assist local businesses to grow and expand.

Linkages

- Future role and function of traditional centres (given the significant growth of new centres).
- Managing the future growth and potential conflict of industries.
- Encouraging more innovation.
- Adapting to macro-economic factors and trends (such as online retail).
- Exploring opportunities in agriculture, food production and tourism.
- Leveraging opportunities for local firms from growth of Wilton Junction.
- Role of Council as a facilitator.

2) Supporting Existing Businesses	
Engage with local business to strengthen relationships and to better understand and address their needs	
2.1	Deliver a comprehensive business engagement strategy to facilitate information and resource sharing – Quarterly E-newsletters; Website, LinkedIn
2.2	Develop and maintain a business database to enable council to communicate directly with various industries
2.3	Engage and support local business chambers
2.4	Collaborate with local business to maximise value of events and marketing initiatives
2.5	Investigate feasibility of establishing a Wollondilly Business Advisory Centre attached to the Visitor Information Centre
Connect local business to support programs	
2.6	Identify and monitor Commonwealth and NSW Government funding programs relevant for Wollondilly businesses
2.7	Investigate partnership programs connecting Local business to universities, community employment and training service groups to address skill shortages
Foster and promote innovation	
2.8	Establish a Wi-Fi network within Picton CBD and investigate expansion opportunities in town centres
2.9	Organise and run quarterly business support training events when needed throughout the shire
2.1	Investigate supply chain dynamics within the shire between large and small local business to identify potential opportunities
2.11	Work with partners to offer high quality information, advice and support to business start-ups and entrepreneurs
2.12	Investigate the potential to apply for and establish a NSW Trade and Investment Work Hub
Pursue Local market opportunities	
2.13	Continue to develop marketing material encouraging local businesses and consumers to support Wollondilly businesses
2.14	Inform businesses on procurement opportunities throughout the Macarthur region
2.15	Develop a new online business directory as part of the economic development digital strategy
Expand program of festivals and events	
2.16	Work with Partners on developing, encouraging and implementing existing and new event proposals to attract visitors
2.17	Lead tourism roundtables/ networking events to promote collaboration between events, tourism providers and attractions

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

5.2.3 MARKETING, PROMOTION AND BRANDING

Overview

This initiative seeks to market the Shire as a business and investment destination and ensure that the identified opportunities are promoted actively across various mediums to target audiences. The competitive advantages of the area need to be marketed to raise the profile of the area for investment, economic development and tourism.

Rationale

In order to attract jobs and investment, it will be necessary to promote and market the area. Marketing can also be an effective tool to combat existing perceptions or preconceived notions that businesses may have regarding the area. Providing a strong brand and supporting an 'open for business' ethos can help to drive interest (particularly if it is supported locally through strong facilitation and planning services).

Linkages

- All identified opportunities and supports identified strengths.
- Addresses weakness of perceptions and lack of identity.
- Building economic diversity.
- Council's role as a marketer/promoter.

3) Marketing, Promotion and Branding	
Develop and strengthen the Wollondilly Brand	
3.1	Confirm Brand identity for Wollondilly/ Develop strong identity & effective brand
3.2	Renovate the Visitor Information Centre (Implementation of VIC review recommendations)
3.3	Invest in signage
Implement a digital marketing strategy	
3.4	Create web portal and digital strategy for business, tourism and economic development
3.5	Market the Shire as 'Open for Business' to create an attractive business friendly city
Actively promote Wollondilly	
3.6	Develop marketing campaigns to raise awareness of Wollondilly & Local advantages
3.7	Develop business-specific content and tools for promoting Council's role in economic development, at events/presentations
3.8	Collaborate on economic development initiatives through Macarthur Regional Organisation of Councils (MACROC)
3.9	Continue to support and explore options for adding value to Business Awards Programs
3.1	Attend major industry and networking events in targeted sectors
3.11	Work with planning to manage the Rural Industry liaison Committee (RILC) and proceed with implementation
3.12	Celebrate successes through media releases

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

5.2.4 INVESTMENT ATTRACTION

Overview

Investment attraction will work together with marketing initiatives but take a more direct and one on one approach (compared to marketing which is geared at a higher level to a broader audience). This initiative will be about building the business case around identified opportunities and then approaching prospective investors, operators, etc. regarding these opportunities. It will also entail ensuring there are suitable processes in place once an investor is identified. Investment projects need to be facilitated and supported.

Rationale

Attracting investment and jobs is an important aspect of economic development, particularly in efforts to diversify an economy. At the same time, investment projects don't just 'happen'. A proactive position needs to be taken where identified opportunities are presented to potential investors.

Linkages

- All identified opportunities and supports identified strengths.
- Building economic diversity.
- Managing the future growth and potential conflict of industries.
- Encouraging more innovation.
- Adapting to macro-economic factors and trends (such as trends in tourism and food production).
- Council's role as a marketer/promoter and facilitator.

4) Investment Attraction	
Build the business case	
4.1	Complete an employment land survey focussed on promoting employment lands close to the freeway and rail line to accommodate growth in manufacturing and logistics.
4.2	Identify investment ready development opportunities in the shire
4.3	Monitor town centres' performance including vacancy rates across industry (Shopfronts, industrial facilities, business parks) and underutilised assets
Conduct business development to promote the Shire	
4.4	Identify prospective investors in targeted sectors (through research and networking) and circulate business case
4.5	Identify and engage with key partners (i.e. real estate, developers, bankers, etc.)
4.6	Develop suite of marketing material and individual business case documents to support existing and emerging industry priority sectors identified opportunities
4.7	Encourage employment diversity and further grow opportunities through engaging emerging development proponents
Ensure clear process and customer service to facilitate investment	
4.9	Deliver high level of customer service to business and investors
4.1	Utilise information systems to track and service clients effectively

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

5.2.5 ADVOCACY

Overview

This initiative is about supporting local businesses and the local business environment through advocating State and Federal Government for supply and/or policy change. It involves leveraging the knowledge and information gathered through engaging with local businesses to ensure the most positive State and Federal Government policy settings, infrastructure funding and other support from these governments.

Rationale

It is difficult to have a voice as a small, local business, however, through working together and through Council, the businesses of Wollondilly can have a strong and powerful voice, particularly with working collaboratively across the Macarthur region.

Linkages

- Managing the future growth and potential conflict of industries.
- Lack of innovation and access to high speed broadband.
- Supports all identified opportunities.
- Council role as a business advocate.

5) Advocacy	
Advocate on behalf of local business and infrastructure requirements for the future	
5.1	Participate in regional forums for infrastructure and government investment
5.2	Coordinate and enhance Councils' 'Infrastructure State issues paper' advocacy process including Increased rail and bus services, Communications infrastructure, Wilton Junction
5.3	Meet with senior representatives of Government and Ministers to lobby for key infrastructure
Provide sound economic development input to Council	
5.4	Represent the Shire in various regional economic development discussions
5.5	Meet with other departments of Council regularly to convey business and investment issues and develop solutions

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

Planning & Economy

6 MONITORING

This Economic Development Strategy has set out the goals of becoming a more diverse economy, providing more jobs and investment.

OUR GOALS



ECONOMIC DIVERSITY

Encourage growth of non-mining sectors in order to diversify the economy and align it closer with the Metropolitan region by 2025



MORE JOBS

Encourage the growth of over 6,800 new jobs by 2025 to decrease the proportion of resident workers leaving every day to 50%



MORE INVESTMENT

Encourage more than \$100 million in investment per year until 2025

It will be important to track the progress of this strategy over time. Monitoring should be done at two levels. In order to track progress towards the identified goals, the following metrics should be used:

- GRP by industry (%) compared to the Sydney Metropolitan region. Progress in growing other non-mining parts of the economy should be identified through growth (in % of total terms) of other industry sectors and their overall contribution to GRP
- Total local employment or jobs (as per REMPLAN) on an annual basis
- Total investment in terms of residential and non-residential building approvals

In addition to tracking progress towards these specific goals, monitoring of the overall economy should also take place, which should include GRP, GRP by industry, employment, unemployment, population growth, median house prices and building approvals. Tracking these indicators will allow for monitoring of the overall economic health of the area.

The strategy (and its actions) should be reviewed annually and adjusted as needed to improve its impact and adapt to future changes in the market place.

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

REFERENCES

- ABS (2012). Census of Population and Housing, 2011. Cat. No. 2001.0. Australian Bureau of Statistics, Canberra.
- ABS (2013). National Accounts. Cat. No. 5206.0. Australian Bureau of Statistics, Canberra.
- ABS (2014a). Regional Population Growth, Australia. Cat. No. 3218.0. Australian Bureau of Statistics, Canberra.
- ABS (2014b). Building Approvals, Australia. Cat. No. 8731.0. Australian Bureau of Statistics, Canberra
- ABS (2014c). Foreign Trade. Australian Bureau of Statistics, Canberra
- AEC (2014). Gross Regional Product Estimates. AEC Group Pty Ltd (unpublished).
- Australian Treasury (2014). Australia's Demographic Challenges. Available from www.demographics.treasury.gov.au. Last accessed 3 September 2014.
- Deloitte (2012). Digital Disruption. Short fuse, big bang? Building the Lucky Country #2. Deloitte Touche Tohmatsu Limited.
- DPE (2015). A Plan for Growing Sydney. NSW Department of Planning and Environment. Available from www.strategy.planning.nsw.gov.au. Last accessed 21 June 2015.
- DOE (2014). Small Area Labour Markets. Department of Employment, Canberra
- IBIS World (2014). Industry Projections 2013-14 to 2018-19. IBIS World (unpublished).
- FAO (2012). World Agriculture Towards 2030/2050. The 2012 Revision. ESA Working Paper No. 12-03. Food and Agriculture Organisation of the United Nations. June 2012.
- NAB (2014). NAB Online Retail Sales Index. June 2014.
- NSW Housing (2014). Rent and Sales Report. Available from www.housing.nsw.gov.au. Last accessed 2 September 2014.
- Roy Morgan (2014). Do bricks and mortar travel agents have a future? Article No. 5760. Available from www.roymorgan.com. 27 August 2014.
- UN (2014). UN Trade Statistics. Available from www.unstats.un.org. Last accessed 2 September 2014.

Report of Planning and Economy to the Ordinary Meeting of Council held on Monday 21 March 2016

PE3 – Adoption of Draft Economic Development Strategy

ATTACHMENT 1 - 8412 – 21 MARCH 2016

