# ECONOMIC ACTION PLAN

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## Document Control

| Policy | Economic Action Plan | Policy Number | TBA |
|---|---|---|---|
| Author/Reviewer | General Manager | Review Period and Date | Reviewed within 12 months of election/4 yearly - September |

This policy shall be reviewed: -

- This plan shall be reviewed within 12 months of an election, and thereafter at four yearly intervals at least. It may also be reviewed at other times as determined by Council.
- This plan commences as from the last date of adoption by Council as listed in the document history and replaces all previous versions.

## Document History

| Date | Status | Version | Resolution | Description |
|---|---|---|---|---|
| 11 October 2017 | Draft | 0.1 | | Version approved for review |
| 22 November 2017 | Draft | 0.2 | | Presented to Council for public exhibition |
| 22 November 2017 | Draft | 0.3 | 17/322 | Placed on public exhibition 60 days |
| 23 February 2018 | Draft | 0.4 | | Presented to Council for adoption |
| 23 February 2018 | Final | 1.0 | 18/18 | Council adopted revised Hilltops Economic Action Plan |

## A CALL TO ACTION

Hilltops Council area is one of the safest and most climatically reliable agricultural areas in Australia.

Our agricultural strength, mix of thriving towns and strategic location on the busiest interstate, road freight corridor in Australia (the Hume Highway), presents a number of major economic and jobs growth opportunities for the Hilltops region.

The amalgamation of the local governments into Hilltops Council also presents the opportunity to view the Hilltops 'region' as a whole, as well as working with our neighbouring municipalities to deliver sustainable regional growth in line with or above the rest of NSW and Australia.

This Economic Action Plan is a living document, with workable actions that will be revised on a regular basis to ensure a proactive and engaged approach is taken towards the long run sustainable growth of the Hilltops region.

The Economic Action Plan is one of the major early strategic planning initiatives undertaken by Hilltops Council and has included extensive community and industry consultation and engagement to ensure currency and alignment with needs and expectations. The Economic Action Plan takes a medium-term outlook to provide direction for Hilltops Council to be able to build on its recognised economic strengths. The work plan is designed to guide economic development activities over the next three to five years, with a review to redirect the strategy at this point.

## THE CURRENT SITUATION

Hilltops Council is located in the Tablelands region of New South Wales, Australia. The region is located just over an hour north of Canberra, and features the thriving towns of Young, Harden and Boorowa, along with a wide range of villages that are bursting with a rich local history. The region is renowned for its agricultural capacity and capability, including sheep grazing, cropping, intensive agriculture and horticultural activities including viniculture and cherry production.

Its location along a strategic transport corridor, including the Hume Highway - the busiest interstate, road freight corridor in Australia, and is closely connected to major markets including Sydney and Canberra, which drive major economic opportunities.

The region has experienced modest population growth rates and will achieve some natural service growth from this, but will need to seek industry development opportunities to drive additional step-wise growth in jobs and regional activity.

The Hilltops regions most significant economic contributor is the agricultural sector, which has obvious and strong connections to the other major industries of manufacturing, tourism, health care and social assistance and retail trade.

## OUR ECONOMIC STRATEGIC INTENT

In response to the challenges and opportunities identified and discussed with a range of regional stakeholders the following regional economic development vision and strategic priorities were developed.

> *"Hilltops is a connected region, with both the local society and economy driven by a culture of innovation and collaboration, capitalising on our agricultural strength."*

There are six strategic priorities under which a detailed action plan has been developed, these include:

- Create a welcoming environment for investment
- Communication and collaboration
- Industry attraction and expansion
- Business capacity building
- Tourism
- Infrastructure.

Within these strategic direction priorities there are two major economic drivers, or 'game changers', which are priorities that have the potential to significantly shape the Hilltops economy going forward. The game changes for the Hilltops region include:

- Creating a <u>welcoming environment</u> for business investment
- Successfully advocating for catalytic <u>infrastructure.</u>

The delivery of this Economic Action Plan is based around the availability of resources and partnerships. One of the priorities is the need to have cross organisational groups within Council that work together to deliver outcomes as well as, identify industry, community and government partners, which will create a shared sense of responsibility for economic development outcomes.

# 1. INTRODUCTION

This Economic Action Plan was developed with the assistance of AEC Group and is one of the major early strategic planning initiatives undertaken by Hilltops Council. The strategy will be reviewed on a regular basis to ensure currency and alignment with community, industry and government expectations.

## 1.1 Background

Hilltops Council is a local government area in the Tablelands region of New South Wales, Australia. This area was formed on 12 May 2016 from the merger of Boorowa, Harden and Young local government areas (LGAs) into one LGA now known as the Hilltops Council.

The Hilltops region is located just over an hour north of Canberra, and features the thriving towns of Young, Harden and Boorowa, along with a wide range of villages each with a rich history. Hilltops Council area is one of the safest and most climatically reliable agricultural areas in Australia and is a renowned for farming and agriculture including sheep grazing, cropping, intensive agriculture and horticultural activities such as vines and cherries. The Hilltops is also well known as the 'Cherry Capital of Australia', for cool climate wines and foods and high-quality festivals throughout the year.

The Council sits within the South East and Tablelands region, featuring strategic transport corridors; including the Hume Highway, the busiest interstate road freight corridor in Australia. Hilltops is closely connected to major markets including Sydney and Canberra, which have the potential to drive major economic opportunities.

## 1.2 Purpose of the Study

Hilltops Council is seeking an Economic Development Strategy and Action Plan (Economic Action Plan) with a clearly identified work plan to guide economic development activity in the region.

The Economic Action Plan will identify opportunities to support sustainable regional economic development, promote economic diversification, and identify opportunities to increase economic output and value-added production of the Hilltops Council, Tablelands and broader Canberra Region and NSW economies. A key outcome of the Economic Action Plan is a shared vision for the Hilltops and broader regional communities and a key ingredient to achieve this has been detailed and extensive community engagement.

The Economic Action Plan considers tourism as a sector that will contribute to the future economic development of the Hilltops region. This element of the Economic Action Plan guides the direction for tourism in the region and incorporate regular reviews to ensure it is properly aligned with current trends and community expectations. It is expected the tourism aspects of this strategy will also be reviewed in line with Development of Tablelands and Canberra Region Destination Management Plans. Furthermore, it needs to be recognised that the South East Destination Network has only recently been established and will provide a further mechanism for identifying and delivering tourism priorities across the Hilltops.

Overall the Economic Action Plan highlights the resources needed to create a sustainable and competitive Hilltops economy that can respond effectively to changes in demographics, workforce, technology and climate. It identifies the collaboration and partnerships needed to support a whole-of-Council and community vision for economic development and constructive steps to achieve outcomes.

## 1.3  Project Process

To assist in understanding how the Economic Action Plan has been developed a summary of the key stages in the project is presented below:

| Research & Analysis | Stakeholder Engagement | Strategy & Action Development |
|---|---|---|
| • Analyse local economic strengths to identify and understand targeted economic opportunities<br><br>• Identify, collect and collate all relevant socio-economic data<br><br>• Apply AEC's economic development tools to further analyse economic opportunities<br><br>• Identify and analyse trends and influencing factors | • Engaging with key stakeholders to ensure they have the chance to contribute to and guide the process<br><br>• Engagement to be undertaken through a mix of workshops, one-on-one interviews, presentations and a business survey<br><br>• Engagement will be guided by the learnings from the research and analysis and to also identify new and emerging opportunities | • Bring together the structure of the strategy and clearly communicate the opportunities and outcomes<br><br>• Develop vision, goals, game changers, strategic priorities, action plan, key performance indicators and resources required to deliver the strategy<br><br>• Present the strategy to Council for consideration and feedback, amend accordingly and submit the final strategy for implementation |

Source: AEC

The document and associated headings is structured around the NSW Governments, Regional Economic Development Strategy Methodology Document, as requested by the project steering committee.

## 2. REGIONAL AUDIT

### 2.1 Introduction

The purpose of the Regional Audit is to provide an overview of the existing state of the region, trends and an evaluation of its performance and competitiveness. To achieve this, it is important to build an evidence base and strong understanding of the Hilltops areas strengths and economic drivers that are likely to impact upon the regions ability to successfully grow and diversify the economy. This section provides a high-level summary of the key points and implications highlighted by the regional overview. More detailed information is contained in Appendix A: Regional Demographic and Economic Audit, Appendix B: Influencing Factors and Trends, and Appendix C: Competitive Assessment.

### 2.2 Regional Demographic & Economic Audit

#### 2.2.1 Population and Demographics

Population in the Hilltops LGA has remained relatively steady since 2006, reaching 18,993 in 2016 (ABS, 2017a). Population growth has been relatively consistent with most of the comparison regions, with an average annual growth rate of 0.4% since 2006. The population is also set to remain relatively steady in the future, with the population projected to drop slightly by 2036 (ABS, 2017a; AEC, unpublished a). Although current data sources and projections do not indicate growth, anecdotal evidence suggest that these projections need to be monitored and reviewed. In particular, a driver of potential growth is the relatively low real estate values compared to nearby high growth areas such as Yass Valley, Queanbeyan-Palerang, Goulbourn and Canberra.

Like most regions across Australia, the Hilltops LGA has a high proportion of its population in the age cohorts between 40 to 69. The population is aging and the range of services, facilities and infrastructure will need to be provided into the future to cater for the needs of the community.

#### 2.2.2 Economy

Between 2006-07 and 2014-15 the Hilltops LGA economy posted an average annual expansion of 2.2%, to reach $1 billion (AEC, unpublished b). In the latest year, the economy expanded by 6%, which was higher than all comparison regions except Parkes LGA.

The key local sectors (in terms of contribution to Gross Regional Product) in 2014-15 were linked to agriculture, forestry, and fishing (19.1%); financial and insurance services (14.1%); manufacturing (9%); healthcare and social assistance (7.8%); and retail trade (7.8%) (AEC, unpublished b). Manufacturing experienced the most growth of all industries, coming in at just under 50%, with healthcare and social assistance (43.3%) the other high growth sector.

There were a total of 7,269 persons working in Hilltops LGA in 2011 (by place of work) (ABS, 2012). The industries which provided the most jobs in Hilltops LGA in 2011 were:

- Agriculture, Forestry and Fishing (22.5% of total)
- Retail Trade (13.8%)
- Health Care and Social Assistance (10.8%)
- Education and Training (7.9%)
- Manufacturing (6.5%).

The region has a high proportion of seasonal workers, who utilise (consume) short stay accommodation in the region during peak periods of agricultural activity, generally related to horticulture harvest/ picking seasons.

In the past 5 years, the performance of the local labour force has lagged behind the comparison regions, contracting by 4.6% (Department of Employment, 2017). The number of persons unemployed in Hilltops has expanded by 24.2% over the same period. Over the same time frame, the unemployment rate in Hilltops has decreased by -1.1% points, suggesting a significant reduction in the participation rate. In the latest quarter, (September 2016) the Hilltops labour force increased by 1.2%. Likewise, in the last quarter, the unemployment rate increased by 0.2 points, to 5.0%. Yass Valley LGA and Snowy Monaro Regional LGA are the only two comparison regions with lower current unemployment rates.

Analysis of employment by industry by place of work and place of usual residence, suggests Hilltops LGA had sufficient local labour available to meet its employment needs in 2011, with most industries recording higher numbers of workers in the area by place of usual residence than by place of work.

### 2.2.3  Tourism

In 2016, there were approximately 274,000 visitors to Hilltops LGA, more than half (57%) of which were daytrip visitors (TRA, 2017a,b). A further third (42%) of these were domestic overnight inter/intrastate visitors, with under 1% (2,000) visitors representing the international market. Since 2006, there has been an average annual growth rate in total visitors of just 1%, however, total visitor nights have seen an average annual growth rate of 6.1% to reach approximately 397,000 in 2016.

Half of total visitors in 2016 came for holiday, whilst nearly 30% came to visit friends and relatives. Over half, however, stayed at a friend or relative's property. Just over half of visitors did social activities whilst here. About 40% of total visitors were 55+ years of age, whilst a fifth were 40-44 years of age.

Nearly half of all domestic overnight – interstate visitors to Hilltops LGA were from ACT, followed by Queensland then Victoria. Over a third of International visitors to the region were from Canada, whilst a quarter were from China.

### 2.3  Strategic Assets & Competitive Assessment

The purpose of the strategic asset assessment is to identify competitive advantages of the Hilltops Council area by highlighting unique and specific assets in the region that can be leveraged for economic development purposes. The following locational, geographical and existing industry characteristics are the strategic assets that further support growth opportunities:

- **Strategic location**: the region is well serviced by a network of transport infrastructure, including the Hume and Olympic Highways. The Hilltops region is within close proximity to major population centres such as Canberra, Sydney, Wagga Wagga, Cowra, Bathurst and Orange. The region also has access to a mix of rail and air infrastructure that when combined with key road infrastructure it contributes to the strength of the region.

- **Natural Assets**: the Hilltops region is renowned for its beautiful natural landscape, fresh produce, wine and an intriguing pioneering history, including links to international markets such as China that dates back to the gold rush in the 1800's.

- **Reliability and diversity of agriculture** in the region due to positive climate and other conditions, such as soil quality presents the Hilltops region as one of the safest agricultural production regions in Australia.

The competitive assessment conducted in **Appendix C** highlighted that the core sectors for the region are agriculture and resources (at some risk). Hilltops has labour specialisations in agriculture and

agriculture, forestry and fishing support services. The agriculture, forestry and fishing sector is expected to continue to grow, with most of that growth likely in the agriculture sector specifically. There are currently few labour specialisations in most of the service-sector industries, but the highest expected growth is targeted in these type of industries, including the health care and social assistance sector. In line with these labour specialisations, sheep, grain, beef and dairy cattle, petroleum and coal product manufacturing, and poultry and other livestock are the top three exporting industries in the region.

## 2.4 Influencing Factors and Trends

A range of local, regional and global factors were examined for their impact and influence on the Hilltops regional economy moving forward. The follow table highlights these factors and the key impact/ influence (beneficial and adverse) they will bring to the Hilltops moving forward.

| Influencing Factor/ Trend | Description | Local Impact |
|---|---|---|
| Changing nature of agriculture | Restructuring and adjustments of agribusiness value and processing chains along with technical advancements driving productivity | Agriculture, forestry, and fishing was the largest sector in Hilltops in terms of Industry Value Add for 2014-15 and employment for 2011, but growth in value add is slowing down and employment is declining. With increasing land use conflicts, the right to farm is an important consideration for the region. |
| Changing consumption trends | Trend towards reducing debt and embracing the 'sharing economy | Shifts in consumer preferences and the emergence of online shopping will continue to erode the need for traditional store-based retail. Online shopping enables consumers to access goods and services from across the globe rather than being reliant on local retailers. |
| Changing production trends | Shift from a reliance on production-based activities to a knowledge-based economy | Traditional mining and manufacturing industries declined between 2006 and 2011, while many of the services-based industries increased. The electricity, gas, water, and waste services, and the financial and insurance services industries recorded the strongest growth during the same time. |
| Tourism | Covers services provided to visitors and is a key driver for many industries | The ongoing growth of the domestic market will continue to drive moderate job growth and sustainability in this sector. It is expected, however, that tourism growth in Hilltops may be below that of NSW overall because other regions have more-renowned tourism assets. |
| Food Security | Food security an increasing issue as population grows, particularly in Asia | Hilltops has a high presence of agricultural producers and associated value add food product manufacturing and is well positioned to capture some of the growth in demand for agricultural and higher value food products. |
| Aging Population | Families having fewer children, whilst technological advancements lengthen lives | An aging population has implications for future demand for services such as hospitals and other forms of health and aged care, and the availability of labour to support industry/business growth. |
| Emerging Technology and Innovation | Rapidly evolving energy, communications, and transportation technologies shape development | There is potential for considerable enhancement of efficiency in industries such as agriculture production, manufacturing and transport and logistics through the emergence of technologies. |
| Infrastructure Delivery | Emphasis on developing infrastructure to promote economic growth and provide for a growing population | There are currently only minor infrastructure developments in the Hilltops. As there is low population growth in the region, it is unlikely that there will be a strong demand for new infrastructure development beyond the usual improvements and upgrades. However, additional infrastructure, particularly a round transport and ICT is required to support industry growth. |
| The Asian Century | Increasing array of opportunities in Australia due to growth of the middle class in Asia | NSW is a strong destination of choice for Chinese visitors, projecting that by 2020 China will be NSW largest international market in terms of visitor arrivals, visitor nights and expenditure. The Hilltops Council has a strong interest in tapping into the Chinese tourism market, but the challenge is how it goes about attracting these visitors to the region. |
| Exchange Rate | Influences the competitiveness of Australian businesses in the global economy | If the Australian dollar declines as it has done in recent years, it is likely to have a positive impact on export-focused businesses through an associated increase in global competitiveness. Global competitiveness also affects the ability to effectively compete across all sectors, creating the need for Australian production to focus on higher quality, premium and/ or niche products. |

## 2.5 Implications for the Strategic Planning & Actions

Provided below is an overview of the key findings from the situation analysis that have the potential to impact the economic future of the Hilltops area, and that were taken into consideration in developing the Economic Action Plan.

- Given that the Hilltops population has remained relatively steady since 2006 it is unlikely that it will be a factor in driving economic opportunities without targeted initiatives or emerging trends influencing this trajectory. Traditionally, the growth of industries such as retail, education and health care and social assistance, tend to be driven by population growth, but in a community such as Hilltops with no major population growth forecast other activities and industries will need to be facilitated to drive growth of the economy.

- The Hilltops region has a high percentage of its population aged between 40 to 69, and the regional population is also aging. A range of services, facilities and infrastructure will need to be provided into the future to cater for the needs of this increasing cohort of the community.

- A range of industries make a positive contribution to the Hilltops economy, which hold potential for leverage and expansion or value adding. When data such as contribution to the local economy, growth and job numbers is analysed the most prominent industries include:
  - Agriculture, forestry and fishing
  - Financial and insurance services
  - Manufacturing
  - Healthcare and social assistance
  - Retail.

- The agriculture, forestry and fishing sector contributed $157 million to the local economy in 2014-15, the breadth of which presents further opportunities to leverage the region as an agricultural service and education centre. When broken down further, the major contributors to this sector include the following:
  - Sheep farming ($38.4m)
  - Grain-sheep or grain beef cattle farming ($31.7m)
  - Other grain growing ($19.2m)
  - Beef cattle farming ($14.9m)
  - Other livestock farming ($14.4m).

- The Hilltops economy has a strong focus on sectors such as manufacturing and agriculture, forestry, and fishing. It is therefore important for the region to keep up with changing trends in production and consumption to ensure these sectors are evolving as the market and the economy evolve.

- Key findings from a tourism perspective indicate that the majority of people visiting the region are daytrip visitors. A further third (34%) of these visitors were domestic overnight – intrastate visitors with over half of these visitors stayed at a friend's or relative's property, with most visitors staying with family or friends (8% were interstate visitors).

- In 2016, approximately 1% of visitors were international, which equates to around 2,700 visitors. Over a third of international visitors to the region were from Canada, whilst a quarter were from China. The Hilltops LGA has a connection to the Chinese market through local history and heritage. With China's increasing interest in Australia, there is a strategic opportunity to grow this cohort of visitation.

  New South Wales is a strong destination of choice for Chinese visitors, with 60% of all Chinese visitors to Australia and 40% of Chinese visitor nights. It is projected that by 2020 China will be NSW largest international market in terms of visitor arrivals, visitor nights and expenditure. The challenge for the Hilltops region is how it can attract these visitors.

# 3. ECONOMIC STRATEGIC DIRECTION

In line with the NSW State government's 'Regional Economic Development – Methodology Document', this component of the report incorporates elements connected to the 'Strategic Direction and Enabling Infrastructure' section.

## 3.1 Strategic Intent

*"Hilltops is a connected region, with both the local society and economy driven by a culture of innovation and collaboration capitalising on our agricultural strength."*

## 3.2 Strategic Priorities

The Economic Action Plan is designed to provide the Hilltops Council and its community, industry and government partners with clear direction regarding the strategic priorities and actions to be implemented in delivering the regions strategic intent. There are six strategic priorities under which the action plan has been developed. The purpose of this section is to provide more detail relating to each strategic priority, the rationale behind each priority and the anticipated outcomes.

The six strategic priorities include:
- Creating a welcoming environment for investment
- Communication and collaboration
- Industry attraction and expansion
- Business capacity building
- Tourism
- Infrastructure.

### 3.2.1 Strategic Priority 1: Creating a Welcoming Environment for Investment

#### Description

This priority is about creating an environment that facilitates the smooth expansion or relocation of businesses, with clarity on what they need to do to gain approval to operate in the region as well as establishing very clear and regular communication with the local community.

#### Rationale

All people and businesses have a choice where they live and/ or establish their operation. It is essential Council makes its decision-making process as efficient and clear as possible for individuals and businesses seeking to expand, relocate or commence operation. The consequences of a drawn out, unclear process is that the Council's reputation will damaged and negatively affect the attractiveness of Hilltops as a place to live and work.

The Hilltops region has the foundations to be a successful investment and business attraction destination for business owners and employee residents, but there is some work that needs to be done to achieve the desired outcomes, some of the challenges and recommended solutions are provided below.

#### Key Activities

##### 3.2.1.1 Supportive Planning Framework

A planning framework needs to be developed that reflects the economic strengths and growth areas of the regional economy. Industries such as intensive agricultural uses, processing facilities, agritourism, health and medical precincts and industrial and commercial space in general need to be catered for in the planning framework. Future Local Environment Plan's (LEP) need to be guided by the industry growth

areas and investment attraction opportunities identified through the Economic Action Plan. Some of the other key priorities the LEP needs to help facilitate include:

- The planning framework needs to encourage and support the right development in the right areas for the region, and it needs to have a level of flexibility built into it so that developments that will create jobs in the local community are facilitated.

- The planning framework needs to be reviewed on a regular basis to ensure it continues to evolve and meet the needs of the market.

- Developers need clarity and consistency in the decision-making process, because without this development becomes uncertain and costly.

- Ultimately the planning framework needs to support and encourage employment, commercial and residential lands as required.

### 3.2.1.2    Land Availability

There is a need to identify suitable land that will encourage economic growth that is consistent with the priorities identified in this Economic Action Plan. Some of the priorities associated with this include:

- Identify suitable sites of land to accommodate priority industries and employment precincts, and ensure they are zoned appropriately and that infrastructure is planned for delivery.

- Council and other levels of government have a diverse mix of land assets across the region, and the current use and future opportunities associated with this land needs to be assessed. This should include all vacant land as well as the current locations of facilities such as Council Depots to ensure the best outcomes for the region are being achieve through these assets.

- The current average population growth rate of 0.4% is not going to drive economic growth in population driven industries such as health and medical, education, retail, certain professional services, and there are a range of strategies to address this, but one opportunity is to identify suitable land, ensure it is appropriately zoned and work with industry to facilitate residential growth.

### 3.2.1.3  Development Governance Models

The development of Council owned land is an excellent way for Council to generate alternative revenue streams that can then be invested in other economic opportunities for the region, e.g. infrastructure. If this is a strategy to be pursued there is a need to identify suitable governance models to facilitate development outcomes on Council owned land, e.g. develop, sale/ disposal or joint venture.

### 3.2.1.4    Relationship Building

It is essential that resources are provided to work with businesses through the various phases of the approvals process when they are seeking to relocate or expand. If Council does not take a proactive approach to this process and develop a culture that is about supporting the generation of jobs, business growth and facilitating quality economic outcomes then the region will lose opportunities to others and potentially at risk of losing some existing businesses.

Council and the designated resources need to play a proactive role in meeting with major businesses across the region and build relationships with them so that they feel like valued members and contributors to the community. These relationships can sometimes be the difference between retaining and losing businesses. In addition, it is also recommended that Council host a forum twice a year specifically  to engage with the development industry, in order to hear directly about some of the issues, opportunities and challenges facing the sector. It also presents an opportunity for Council to report back to the industry on some of the activities being undertaken to support and enhance the local economy.

### 3.2.2  Strategic Priority 2: Communication and Collaboration

**Description**

Creating an environment where there is high levels of communication and collaboration between the various levels of government and across the community is essential for the successful implementation of the Economic Action Plan. There are a lot of new and exciting things happening across the Hilltops region and it is important that processes are introduced and communication channels opened to ensure all sections of the community are hearing about the activities and the opportunities to get involved.

**Rationale**

The creation of the Hilltops Council via amalgamation has presented some challenges, most of which seem to relate to perception and communication. Bringing the region together as one community is a challenge, but one that can be addressed through open, transparent and regular communication and collaboration on programs such as this Economic Action Plan.

Collaboration is a key to the successful implementation of the Economic Action Plan, and this needs to extend to all levels of government and the private sector. Council cannot deliver all the priorities within this strategy on its own, there are a diverse mix of roles that Council can play in almost all activities, but it is important to highlight that the success of this strategy will be driven by how well the region comes together in a proactive manner to deliver the identified priorities.

The outcomes from doing this successfully go beyond the implementation of this strategy and the development of the local economy, they also have the potential to assist in facilitating the successful amalgamation of the communities.

**Key Activities**

#### 3.2.2.1  Relationship Building Activities

The purpose of this activity is to encourage people from across the broader region to come together, build relationships, share ideas and work together for the enhancement of the entire Hilltops region. In relation to this the initial priority is to host events in each of the major townships that are designed to encourage increased collaboration across the region. The initial events should be relatively informal with the focus being on relationship building, but over time they can evolve into more formal events with agendas that will most likely be aligned with the Business Capacity Building priorities.

Further to this, there is a need to identify major employers in the region and develop relationships and an understanding of the drivers of these key businesses. Understanding drivers relates to what are the things happening at a micro or macro-economic level that have the potential to impact on these businesses and then what can be done by Council, other levels of government and within the community to address these challenges or opportunities. Government cannot always influence the outcome of change to major employers, but building these relationships will help to minimise the impact on the local economy by providing more time to identify options to manage the flow on effect of the change.

#### 3.2.2.2  Governance Structures

The key to effective communication and collaboration can be driven by working with existing industry networks and associations, and where these networks do not exist then looking at ways to fill the gap within the community. Some of the priorities include:

- Continue the Economic Development Committee that was set up after amalgamation for the immediate future as a means to keep key stakeholders engaged and involved in the implementation of the Economic Action Plan.

- Proactively identify and work with other business networks and associations to assist in delivering activities. It is important to meet with these groups on a regular basis, e.g. quarterly, to discuss issues, opportunities and key activities being facilitated by Council.

- Where business networks do not exist, explore the demand for the establishment of a relevant group, e.g. Chamber of Commerce, Tourism group, etc. It is important that the focus of these groups is positive, because if the focus is largely negative then sections of the local business community will not want to be involved.

### 3.2.2.3 Communication Strategy

One of the keys relating to both collaboration and communication is the need for the messaging and relationships to be regular, targeted, positive and proactive. It is clear the region needs a forward looking and focussed communication strategy to achieve long-term economic growth.

A challenge for a newly amalgamated Council area is regular communication across the broader region, and effectively getting important messages to the community. Regular economic and business updates through traditional media and online media about what Council is doing in relation to economic development, as well as promoting success stories at a regional level about positive things happening in the business community is a key part of this key activity.

### 3.2.3 Strategic Priority 3: Industry Attraction and Expansion

#### Description

Industry attraction and expansion is about facilitating the growth of the economy by the attraction of new businesses into the region or expansion of existing businesses. To achieve the best outcomes, it is important to focus on industries that the Hilltops area has strengths and where industry expansion can be catered for in available or planned developments.

#### Rationale

Given that the Hilltops region population has remained relatively steady since 2006 it is unlikely that it will be a major factor in driving economic opportunities. Population growth drives growth of industries such as retail, education and health care and social assistance, but in a stable community such as Hilltops other activity will need to grow the economy.

The Hilltops region has the foundations to be a successful investment/ business attraction destination, but challenges relate to designated land to accommodate target industries, internal resources to proactively facilitate enquiries, and a supportive planning framework.

One of the key foundations that the Hilltops region has that makes it a potentially attractive destination for businesses is its strategic location. This relates to access to transport infrastructure to get product to market, as well as access to major population centres that will be a major source of product distribution and consumption. Based on the Hilltops strategic location, and the existing strengths the region has the following sectors have been identified as targets for business attraction and expansion activities:

- Transport and logistics
- Health and aged care
- Agriculture

In addition to focusing on these target industries there are a number of generic activities that also need to be facilitated to create an attractive environment for business attraction/ expansion, such as business attraction incentives, identifying geographic target markets, raising the profile or the region and having dedicated resources that can proactively facilitate investment attraction and expansion outcomes.

## Key Activities

### 3.2.3.1    Transport and Logistics

The Hilltops location between Sydney and Melbourne makes it an ideal location for a major service centre, and/ or the development of a transport and logistics hub, that provides all the facilities of a major service centre, but also accommodates associated businesses that provide servicing, equipment and other opportunities linked to the supply transport and logistics supply chain. Finding a suitable location for this type of development that has good access to relevant transport networks, such as the Hume Highway, and near to rail infrastructure, is the first priority. To identify suitable locations, it is important to engage with key industry stakeholders to ensure specific needs of the industry can be catered for, gather their thoughts on the best location, and then work through the process of building a business case to secure the land and the associated investment.

As is the case with all investment attraction activities building relationships and leads is the priority, so engaging with groups like the Australian Logistics Council, and actively participating in industry events and activities is a priority to explore this opportunity. A long-term approach needs to be taken with the consideration of this investment attraction activity.

### 3.2.3.2    Health and Aged Care

The Hilltops region has a high percentage of its population aged between 40 to 69. This suggests that the population is aging and that a range of services, facilities and infrastructure will need to be provided into the future to cater for the needs of the community.

The level of health services across the region varies. Each of the communities of the Hilltops has, at times, had trouble attracting and retaining health professionals. The initial priority is to identify where the gaps exist in service provision across the community, and develop solutions tailored to the needs of the community. There is an opportunity to undertake an audit of facilities and services across the region and identify gaps that can be promoted to private investors, and/ or lobbying State government to assist in delivering the services.

Where advocating to the State and Australian government does not generate the desired outcomes then opportunities for the community to take charge of its own destiny in this space needs to be explored, including research into community owned models of health and aged care service delivery.

In addition to this, there is a role for the broader business community to play in helping health professionals that are attracted to the region to integrate into community and assist them feel connected to the region. If the community can help to achieve this, it will go a long way towards retaining health professionals. Specific activities relevant to this fits into other priority areas such as Communication and Collaboration and Business Capacity Building, but is also noted here as a value add that needs to be considered if the region is successfully going to attract and retain health professionals.

### 3.2.3.3    Agriculture

The Agriculture, forestry and fishing sector contributed $157 million to the local economy in 2014-15. When broken down further the major contributors to this sector include the following:

- Sheep farming ($38.4m)
- Grain-sheep or grain beef cattle farming ($31.7m)
- Other grain growing ($19.2m)
- Beef cattle farming ($14.9m)
- Other livestock farming ($14.4m)

One of the major factors that contributes to the strength of this industry is the favourable conditions for producing crops and livestock, including climate and soil conditions. Another of the regions key strengths

is the diverse mix of support industries located in the area, such as finance and insurance services, contractors, mechanical/ engineering, agribusiness suppliers, transport, vet services, Local Land Services (LLS) and the establishment of a CSIRO research operation in the area. More globally, demand for high quality agricultural production is increasing and the opportunity for growth presented to the region to service the worlds food production needs should be constantly reviewed and refocussed.

It is important to understand the regions capabilities and strengths as highlighted above, to then promote these as part of the regions profile to attract other sections of the broader supply chain to the region. It is important to ensure the sectors right to farm is maintained.

The industry is evolving, and this provides opportunities for the region to develop a mix of complimentary sectors such as those that revolve around value-adding/ processing, more intensive agricultural uses (e.g. plant and non-plant), agritourism and food and wine expansion. To be successful in attracting these types of sectors to the region, it needs to be identified what they need by way of land, infrastructure and support services, and then identify suitable locations across the region to accommodate these types of businesses, and then ensure the appropriate planning is completed to ensure these types of operations fit into the planning framework.

The opportunity exists to build a strong education and research base around the agricultural industry, given the region's strengths in areas identified. This type of educational centre of excellence would link into developing the local workforce for the future, contribute to the succession planning on local farms, and also put the Hilltops region on the map nationally and internationally as a place for domestic and international students to come and study, learn and transfer knowledge back into the local community. The keys to the success of a centre of excellence such as this at a basic level include, identifying key industry and educational partners, identifying a potential facility/ location, and advocating for funding to support the development of the program.

One of the major challenges facing the agriculture industry Australia wide, is succession planning and the sustainability of the industry relating to future workforce. Education of the community and within the industry is critical to the long-term sustainability of this sector. In relation to this there is the opportunity to develop an education program relating to the industry targeted at multiple audiences, including:

- Education on succession planning - there are industry experts and programs designed specifically to deal with this situation and they need to be engaged to facilitate these sessions.

- Education at a community level - around the importance of the sector to the local community, in relation to food supply, and the flow on effect the success of the industry has on other industries.

### 3.2.3.4   Investment Attraction

The targeted investment attraction opportunities are linked to the industries outlined above. Beyond these sectors there are some investment attraction related activities that need to be explored and where viable implemented, they include:

- Incentives to encourage businesses to set up or expand locally need to be explored, e.g. assistance with infrastructure delivery, development application discounts, advocacy support, etc.

- The region has many of the advantages required to attract business, but a targeted effort is required to promote the region to identified markets. Part of this promotion is about breaking down perceptions and advising stakeholders and decision makers involved in investment attraction what the regions strengths are.

- Having dedicated resources that can facilitate investment attraction opportunities is a priority. Liaising with businesses, understanding their needs, and facilitating an investment attraction outcome is a particular skill set, and needs to be resourced accordingly.

- Some of the target industries have been identified, but there is also the need to identify target regions and opportunities to attract businesses to the area from these regions. For example, different types of industry are being pushed out of Sydney so that land can be used for higher value purposes. Hilltops needs to look at opportunities to promote investment attraction opportunities to these markets. This is a highly competitive market, so need to be able to deliver the service to match the message.

- The region has a relatively low profile in relation to business and investment attraction. Therefore, based on the target industries and markets identified a proactive approach is required to promote the region.

### 3.2.4    Strategic Priority 4: Business Capacity Building

### Description

Building local business capacity is about providing the opportunity for local businesses to develop their skills and capabilities through a range of events and activities designed to assist them to grow and/ or be sustainable. This can be achieved through facilitating a range of skills development activities, ensuring that local businesses are aware of trends influencing their industry/ business, as well as through the sharing of business and economic information.

### Rationale

Building local business skills and capabilities will lead to growing the competitiveness and strength of the local economy. Assisting business to expand and grow their knowledge of new markets, technology and innovation, workforce development and a range of other capacity building initiatives helps to facilitate a diverse and sustainable economy.

### Key Activities

#### 3.2.4.1    Technology and Innovation

Technology and innovation is having a significant impact upon business, especially in some of the sectors in which the Hilltops region has strengths, e.g. agriculture, health, retail, tourism and manufacturing. Therefore, as part of a capacity building workshop program there is the need to build the capacity of businesses to evolve, to stay ahead of the trends and grow as changes impacting their industries become more prominent. To be successful in passing on the knowledge to businesses it will be important to attract industry leaders in this space to ensure the businesses are hearing and learning from the subject matter experts.

#### 3.2.4.2    Workforce Development

Education and training has linkages to the industry attraction and expansion priority, but in this section, it is largely related to ensuring local businesses have access to a skilled local workforce and in turn ensuring local people are given the chance to obtain the skills required to make them suitable for local jobs. The initial priorities identified include:

- Connect with training providers to develop training programs that are linked to the needs of current industry and emerging industry. The initial priority is to facilitate the connection of training providers with key industry stakeholders so that programs that match the needs of industry can be developed.

- Develop training initiatives that contribute towards providing young people with the option to stay in the region, especially in the region's growth industries. There is a need to identify suitable facilities to host the training and providers that will facilitate the training (e.g. TAFE).

- Access to tertiary education in relatively close proximity to Hilltops is considered a strength, and this needs to be taken advantage of and promoted so that local youth are aware they can get a high-

quality education close to home that is linked to local jobs. As part of this there is an opportunity to explore options for formal relationships with these tertiary education institutions to deliver relevant training programs in the Hilltops region.

- The health and medical industry has a challenge in attracting professionals to the region to fill local jobs. One of the challenges for medical professionals, which will be similar in other industries, is when people move to the area for work they find it difficult to integrate into community. One of the proposed initiatives to address this is to facilitate events/ dinners on a semi-regular basis that allows new professionals in the region to meet and mix with other people working in the local community. One of the best things a region can do to retain professional employees is to make them feel welcome and very much a part of the community. This level of networking and relationship building doesn't come naturally to everyone, so the more it can be facilitated the greater the chances are that people will connect with the community and ultimately stay.

### 3.2.4.3   Buy Local Program

Ensuring that local residents and businesses are aware of locally provided goods and services can build awareness and help to encourage locals to buy from locals. The development of a 'buy local' program helps to reduce economic leakage of expenditure to other regions as well as helping to build up a stronger foundation for local businesses.

A buy local program is about more than just creating a marketing initiative, or a rewards card - this type of campaign is built around community education and pride. It involves building up a greater level of understanding about products and services that are provided locally, and advising locals of the benefits to the community of supporting local.

Effective buy local campaigns will also contribute to building up strong levels of local pride and community participation. When the community is proud of its local businesses and the broader community this will have a positive flow on effect in areas like place making, beautification and community safety.

High levels of collaboration, community ownership and communication are the key ingredients to a successful local buy program. Some of the suggested priorities include:

- Work collaboratively with key business networks to identify the most effective means for developing and implementing a buy local program. The program needs to be focused on promoting local businesses to local people and educating on the importance of supporting local businesses based around the flow on effect of supporting local, versus the impact of economic leakage when non-local businesses are supported.

- Develop a Hilltops region brand that is consistent with the regional tourism branding. This presents a range of opportunities, from the most obvious relating to raising the profile of the region and developing the local visitor economy, to something high quality goods and service providers can use to promote the fact they are part of the Hilltops region. This is also something the whole community can get behind and start to build a Hilltops focus. Develop a program of activities around this that promotes the importance of supporting local businesses and how residents can access local goods and services.

### 3.2.4.4   Workshop Program

Develop a workshop program designed to build the knowledge and capacity of local businesses, some suggested formats for this program include:

- Invite industry leaders (internal and external to the region) to present on their knowledge and experience of topical themes.

- Facilitate events that encourage businesses to learn from each other in both a formal and informal environment.

### 3.2.4.5 Shared Work Spaces

Provide support for home-based and small businesses through the development of shared work spaces/ incubator models/ innovation hubs. To progress this the first step is to identify what existing facilities Council has that could be used, e.g. underutilised library spaces or commercial spaces. The purpose of these facilities is to encourage these types of businesses to network and share ideas, it also provides them with space to have meetings and to use technology that they might not have access to at home or in the remote parts of the region. Once these initial steps have been facilitated then a more detailed business case is required to completely understand the relevant costs and benefits associated with investing in a facility of this nature. Once a business case has been developed it can also be used to attract other funding.

## 3.2.5 Strategic Priority 5: Tourism

### Description

Tourism activity can be highly seasonal and volatile. Macro-economic factors such as exchange rates, economic growth, unemployment, shifts in disposable income and consumer confidence tend to strongly impact upon domestic (and international) tourism.

In the Hilltops region, tourism represents a growing share of the local economy. Hilltops' visitors tend to be domestic (99% of total) and dominated by older (55+) day trip visitors, who come to the region for social activities and to visit friends and relatives (the VFR market).

The majority of domestic overnight visitors come to the region for a holiday and are staying with friends and relatives. This market is predominantly over 55 and are coming from the ACT.

International visitors are currently only 1% of the market and they are either in the region for a holiday or for work, and they either stay with friends and relatives or rent a private house/ unit. They fall into either the over 55's or 25 to 29 age brackets. They are predominantly coming from Canada and China.

The Hilltops tourism product can best be described as a diverse mix of nature-based assets and experiences, including locally produced food, wine and produce. The regions natural assets are supported by emerging dining and entertainment experiences, and a fascinating history of culture and heritage that is being explored and the stories communicated.

### Rationale

There are several reasons why different levels of government choose to invest in measures that support increased visitation and expenditure from tourism.

Firstly, tourism provides direct and indirect economic benefits through the level of expenditure and the number of jobs created in the local area. Secondly, individual tourism operators, many of whom in Hilltops are small businesses and often owner operated, will rarely have the resources to provide information about and support to the promotion of other businesses in the region, even when this can be clearly demonstrated to be a mutual benefit.

For these reasons, Council involvement in tourism, research planning, marketing, promotion and visitor information is essential. The Council has capacity to provide the most effective support to their local tourism operators by contributing to region-wide marketing, information, planning, research and product development initiatives.

### Key Activities

#### 3.2.5.1    Product Development

Product development relates to the development of new tourism experiences/ attractions or the enhancement of existing products. The key activities that relate to product development include:

- There is a lack of quality accommodation options across the regions, which is especially an issue when major events are on. Based on this, there is a need to complete an accommodation gap analysis and demand study. This should explore everything from quality hotels to caravan and camping facilities.

- Development of an 'iconic' tourism product for the region; one which specialises in promoting and recognising Chinese history in the region. Given the connection the Chinese have to the region this project has the potential to assist in growing the international visitors to the region, as well as providing an iconic tourism product that will raise the profile of the region.

- The Chinese Tribute Garden is a key asset linking the region to international visitors from China. This priority is about making sure the product meets international standards and the expectations of visitors. Anything less than a particular standard may actually offend the visitors, and this needs to be managed. In relation to this the garden requires adequate security to protect it from vandalism.

- Hilltops is a popular destination for the 'wanderers' and 'grey nomads' markets, and to continue to accommodate these visitors there is a need to explore the potential for RV Friendly designation in suitable towns, and the infrastructure required to achieve this, e.g. car parking for larger vehicles.

- Opportunities exist to develop new agritourism related businesses that are linked to locally authentic farming experiences. One of the major priorities to facilitate this is ensuring the planning framework accommodates this type of development of agricultural land.

- Development of trails will add to the opportunity to develop packages of local experiences. Trails that revolve around food, wine, nature and local farming/ agritourism. Another opportunity identified relates to "Bill the Bastard", the light-horse memorial in Harden.

- The Hilltops region has a diversity of natural assets. There are a number of river and water-based assets in the region that are underutilised, and if this was improved it would generate tourism, recreational and environmental benefits. An audit of these natural assets and plans for their development/ sustainability should be prepared.

- Linked to tourism as well as population growth is the need to attract businesses and activities that will drive the 'night economy', e.g. restaurants and activities (e.g. night markets) that encourages people to participate in their local community after dark. The development of these sorts of initiatives also has connections to community safety and pride.

#### 3.2.5.2    Destination Management

Destination management relates to those priorities that are designed to maintain and improve the destination. In many respects this element of the tourism program is about managing those operational requirements that if done correctly do not cause issues, but if not addressed they can lead to some major challenges. The key activities that relate to destination management include:

- The Hilltops region has a mix of quality festivals and events. The priority is to support the events that exist and that fit within the target audience requirements. Don't clutter the market with attempts to develop more events - focus on enhancing what exists and promoting them to target audiences. Key existing events include Boorowa's Irish Wool Festival, Cherry Festival and Chinese Festival in Young and Harden's Kite Festival. A challenge relating to the long-term sustainability of these events that needs to be considered is access to the resources required to take them to the next level.

- One of the challenges holding the region back as a tourism destination is the lack of retail and tourism related businesses open on weekends. Part of the solution to this is more events and activities that are going to encourage locals and visitors into the major towns during these timeframes.

- Develop packages that encourage visitors to stay in the region longer, e.g. wine, food, art, culture, trails. The flow on from this is the need to develop increased accommodation to satisfy the needs of this market.

- Define the role of Information Centres and plan for the future. If they are to be an active part of promoting the region then need to ensure they are in the right locations and that they have a clear purpose.

- Similar to the broader strategic priority relating to communication and collaboration, this is a priority for the tourism industry. There is a need to keep the industry informed about the activities being delivered to develop the industry. There is also the potential need for a formalised industry network that would operate as a centralised point of contact for communicating important messages.

- There have been some positive opportunities developed in relation to signage to support tourism, which should continue, but on the other hand there appears to be some inconsistency signage across the region. There is the need for a consistent and proactive signage strategy to be developed that encourages the provision of quality directional and informational signage.

- Training and development opportunities for all key stakeholders, e.g. operators, Visitor Centre staff, Council staff, in relation to key messaging, products and packages across the broader region.

- Training and development opportunities focused on customer service and quality experiences should also be targeted towards local operators and businesses that are involved in the visitor's local experience.

### 3.2.5.3   Destination Marketing

Destination marketing relates to the proactive marketing of the destination, its brand and key messages to identified target markets. The target markets for the Hilltops region are consistent with those identified for the Tablelands region as part of the Canberra Region Tablelands Tourism Brand Book, and are defined in the table below.

**Table 3.1. Hilltops Region Target Audiences**

| Target Audience | Who are they? | What they want? |
|---|---|---|
| True Traveller | <ul><li>Late 20s to mid-40s</li><li>Lives within 3 hours of the region</li><li>Childless, professional, social</li><li>Mid to high income earner</li><li>Digitally savvy</li><li>Like to travel regularly on short trips</li><li>Happy to spend disposable income on quality experiences</li></ul> | <ul><li>Food and wine – dining and tours</li><li>Romantic escapes</li><li>Festivals and events</li><li>Shopping</li></ul> |

| Target Audience | Who are they? | What they want? |
|---|---|---|
| Wanderers | <ul><li>45 years +</li><li>Close to retirement and have a lot of free time</li><li>Mid to high income earners</li><li>Live interstate</li><li>Travel regularly and have the time to explore</li><li>Digitally aware</li><li>Enjoy luxury and comfort</li><li>Happy to spend savings on quality experiences</li></ul> | <ul><li>Tours and trails</li><li>History and heritage</li><li>Arts and culture</li><li>Food and wine</li></ul> |
| Compatriots | <ul><li>Parents with primary school aged kids</li><li>Middle income earners</li><li>Live in regional NSW</li><li>Plan trips around school holidays</li><li>Seeking affordable experiences</li><li>Want a variety of experiences that suit their own and their kid's interests</li><li>Digitally savvy</li></ul> | <ul><li>Interested in food and wine but also keeping the kids entertained as well</li><li>Nature/ adventure/ outdoors</li><li>Festivals and events</li><li>Family fun - attractions</li></ul> |
| International | <ul><li>International visitors</li><li>Predominantly Chinese</li><li>45-59 years old, followed by 15-29 years</li><li>15-29 years are the biggest spenders</li><li>Seeking interesting offerings and attractions</li></ul> | <ul><li>Food and wine</li><li>Nature</li></ul> |

Source: Canberra Region Tablelands Tourism Brand Book

The decision-making process of the visitor helps to determine the types of marketing activities and tools that should be used to communicate with target audiences. The particular activities that the Hilltops region should focus on to facilitate the growth and development of the regional brand include:

- Website development
- Social media channels (Facebook, Instagram, Twitter, YouTube)
- Visitor Centres
- Photography and video that depicts what is unique about the region, e.g. people, places and produce
- Targeted media familiarisation activity

Other factors and opportunities that need to be considered in marketing the destination in addition to those highlighted above, include:

- Explore opportunities to take advantage of the expansion of the Canberra Airport, and the fact that it will operate 24 hours a day, and the new markets this will attract to the region and consider promoting the Hilltops brand at the airport.

- Identify what is unique about the different towns and include this in key messaging about the region. The current visitor guide does this, but needs to continue to evolve the message. Important to

promote the Hilltops as a region, but the towns have their own unique characteristics that need to be recognised.

- Chinese heritage and history is an important part of the local tourism 'story'. Visitors are looking for these sorts of unique and authentic local experiences. But to attract Chinese visitors there is a need to make sure the product is up to international standards and appropriately recognises the cultural significance of the history.

- There are opportunities to promote the destination into other niche sectors including agricultural educational opportunities with schools and the promotion of the region as a sports tourism destination.

### 3.2.6    Strategic Priority 6: Infrastructure

**Description**

Access to infrastructure is critical for the development of the local economy, and in making the region an attractive place to establish or expand a business. The types of infrastructure being referred to range from traditional road and rail to telecommunications and the delivery of services required to release development land. There are a mix of roles that Council can play in this space, primarily they can be either a service provider or an advocator.

**Rationale**

Access to affordable infrastructure is critical to the success of all businesses. Without it even the best investment attraction and expansion plans will not deliver the desired outcomes, because businesses need to be able to operate and they need to be able to get products to market, and they cannot do this without affordable infrastructure.

**Key Activities**

Access to critical infrastructure varies across the Hilltops region. Provided below is a summary of the initial infrastructure priorities identified.

#### 3.2.6.1    Infrastructure Delivery Models

Access to standard infrastructure required to operate business is a challenge. In certain parts of the region there is no access to services such as sewerage and waste infrastructure, as a result the businesses have had to fund this themselves. Part of the challenge for small towns is they often do not generate the demand to justify major investments in infrastructure. Therefore, there is a need to explore other more cost-effective models that could support the local businesses and prevent them from having to outlay sizeable amounts of money. Identifying alternate partnership models for infrastructure delivery including multiple levels of Government and the private sector is critical to optimise the economic benefit that quality infrastructure underpins.

#### 3.2.6.2    Telecommunications

Some parts of the Hilltops region have access to reasonable quality telecommunications infrastructure, but then there are other parts of the region where a lack of access is a major challenge. Technology is driving significant change across most sectors, but access to telecommunications infrastructure in some parts of the region is not good enough to support the changes that technology is driving. One priority to consider in response to this is to explore alternative models to deliver local telecommunications solutions. A community owned model with appropriate support from the government could be one of the models explored. The model that has been implemented in Harden is a good example of the community taking control of its own destiny. It is also critical for the community to continue to advocate to State and

Australian Governments as well as telecommunications providers to deliver high quality communications infrastructure to the community.

### 3.2.6.3    Transport

There are a range of transport infrastructure related priorities to increase productivity of the regional freight network by time and capacity, including:

- Rail:
    - Explore the opportunity to improve access to Harden from Canberra via a high-speed rail project.
    - Re-opening is planned for the Demondrille to Young to Cowra to Blayney branch line, which moves freight to Port Kembla and will help to reduce truck movements on the Hume Highway.
    - Funding has also been allocated through various stakeholders to upgrade the Cunningar siding near Harden. When this goes ahead it will remove approximately 4,000 truck movements per year from local roads and will also allow farmers to save significant costs on freight.
    - Fast passenger rail from Sydney to Melbourne. This is a potential game changer that has links to rail in the Hilltops region.

- Road - upgrade of Barton Highway to a dual carriage way into Canberra.

- The transport sector has the potential to be a major industry for the region, but one of the challenges holding it back is a lack of access for B-Doubles and larger vehicles. Council has a role to play in facilitating a plan to provide strategic routes through the Council area where B-Doubles can travel. Part of the challenge with this is the risk associated with vehicles of this size on Council roads, however, it is not being suggested that a blanket approval be adopted, but rather the identification of strategic routes. Other neighbouring Councils have found ways to provide approval while managing risk, and research should be done on this as part of preparing a plan to address the challenge.

- The Future Transport Strategy by Transport NSW promises extensive engagement with community and industry, to commence mid-2017.

### 3.2.6.4    Advocacy Plan

The key activity that will help to bring together all infrastructure related priorities is the development of an Advocacy Plan. There is a need for Council to identify its top 5 priorities and develop the case for them through an Advocacy Plan. This type of plan would include fully costed business cases and key messaging around what is to be achieved through these priorities.

### 3.3 Critical Regional Game Changers

This section highlights the previously noted priority initiatives that have the most potential to significantly drive the regional economy and be 'Game Changers' for the Hilltops region. The activities that need to be undertaken relating to these drivers is included in the Action Plan, but the main points behind why they are considered game changers is further explained below.

### 3.3.1    Create a Welcoming Environment for Investment

This priority is perhaps the most significant opportunity for the Hilltops Council. The region has many of the attributes required to be an attractive destination for business attraction and expansion, including strengths in a range of key sectors with opportunities to diversify and grow, the region is strategically located between major population centres and is well serviced by key transport networks.

Business attraction and expansion opportunities exist within a highly competitive market, and as discussed, while the Hilltops region has a number of advantages, regional areas need to ensure they are doing everything they can to proactively support the attraction of targeted industries otherwise they will locate elsewhere, and in some cases existing businesses will choose to expand in other locations.

This economic driver centres on the need to foster an environment where businesses feel welcome and opportunities to grow are being proactively facilitated. To achieve this a number of key ingredients, need to be effectively managed, including:

- First step is getting the process and planning framework right. This revolves around ensuring the Local Environmental Plan (LEP) can accommodate target industries.

- The next step is about making sure land is available and zoned appropriately with the infrastructure required to accommodate these industries.

- The final step relates to culture and resources. There needs to be a proactive culture of working with businesses to develop solutions, and there needs to be resources in place that can work with the businesses to help provide clarity and facilitate outcomes.

Adopting this kind of welcoming environment for investment and business development is definitely not about saying yes to everything and agreeing to development at all costs. It is very much about providing developers and businesses with clarity and certainty around what they can do, where they can do it, how they go about doing it, and what Council can do to proactively assist in facilitating these outcomes.

### 3.3.2   Infrastructure

The delivery of catalytic infrastructure has the potential to drive significant economic opportunities across the region. Conversely, failing to deliver these infrastructure requirements will make a region uncompetitive in relation to business attraction and expansion. Businesses make commercial decisions every day, and if they can improve productivity, connectivity and efficiency by locating somewhere else then they will make that decision.

The Hilltops Council has the foundations for being an attractive option for businesses to relocate and expand. However, if the infrastructure required to support these decisions is not up to a competitive standard to perform business related functions then other locations will be sought.

The development of an Infrastructure Advocacy Plan that highlights the priority infrastructure requirements is a critical first step in the gaining drawing consensus behind and the funding or the resources required to achieve the desired outcomes. It is recommended the Infrastructure Advocacy Plan include no more than the top 5 regional infrastructure priorities, as any more than this looks like a wish list, and it will start to include priorities that aren't really critical economic drivers. It is also vitally important that the surrounding LGA's participate in the development of truly region-wide approach to infrastructure advocacy.

There are a number of other critical success factors that need to be taken into consideration in the development of an Advocacy Plan, and they are summarised below.

- The Infrastructure Advocacy Plan and all its key messaging needs to have a strong focus on solving problems not creating them. If the Infrastructure Advocacy Plan can accurately reflect what is needed while at the same time linking these needs to State or Australian Government needs, then that is a bonus. Similarly, the Advocacy Plan cannot just list a series of priorities and associated problems, it needs to include thoughts on solutions and how the different levels of government can work together to deliver the solution. The Infrastructure Advocacy Plan should also be developed in conjunction with surrounding LGA's to ensure a truly supported regional approach is put forward.

- Fully costed business cases for each priority needs to be included in the advocacy plan. State and Federal government representatives hear about community needs on a daily basis, but a solution focused and fully costed business case demonstrates a high level of thought and planning and assists the other levels of government in their own planning.

- It is important that consistent messaging is included in the Advocacy Plan around the priorities. This means that regardless of who represents the Council they are all on the same page and communicating the same messages.

- Another important factor is to ensure conversations and meetings with decision makers around these priorities happen regularly. Success will not be achieved solely through the development of the Advocacy Plan, success will come from ongoing discussions relating to the priorities within the Plan, and ensuring tangible actions are taken from each discussion to progress the development of the priority.

- Another important factor is the need for Council and industry to work together on promoting the priorities. It is easier to dismiss Council or industry on their own, but a collective voice has far more influence.

There are a number of different success factors in developing and delivering an Advocacy Plan, and these may take some time to prepare, but in the long run it is believed this approach will be more effective.

## 3.4 Role of Council

The role of the Local Governments in economic development is sometimes difficult to define and will vary depending on the priorities and opportunities to drive economic growth. The role of the Council will always fall into one of the following categories.

### 3.4.1 Advocacy

The Council acts as a leader that engages with the business community and other levels of government to develop commitment, energy and attitude towards identified priorities. In the case of the Economic Action Plan there is a role for the Council to play in advocating for the needs of businesses and for the delivery of critical infrastructure to support economic development priorities.

### 3.4.2 Facilitation

The key role in this program that the Council can play is as a facilitator of opportunities. There is a really important role for the Council to play in connecting the various stakeholders in order to achieve desired outcomes.

The Council can act as the information link between government, business and consumers, as relevant information is vital in generating local awareness and demand for identified priorities.

The Council can promote events and activities that support business capacity building and other economic development related initiatives, such as workshops to build the knowledge of businesses around skill development.

### 3.4.3 Planning and Regulation

The Council's planning framework provides a mechanism to regulate and/ or encourage certain activities and developments that influence economic activity. Specific opportunities that relate to the Economic Action Plan is the role the Council plays in making sure a positive, proactive and solution focused approach is applied.

### 3.4.4 Service Provider

Service provisions is one of the major functions of Local Government. A consistent and reliable supply of services and information can support economic development related opportunities.

### 3.4.5 Stakeholder

There are many economic development related initiatives that are developed and implemented across the community that the Council does not 'own' or is not viewed as the service provider for, but still remains a critical contributor to the successful implementation of the desired outcome.

Ultimately the Council needs to have a clear understanding of the role it will play in all economic opportunities identified and how they will drive, facilitate, encourage or communicate the desired outcomes. The following Action Plan includes a recommendation on the role Council is expected to play in each activity.

## 3.5 Action Plan

The Economic Action Plan is designed to provide the Hilltops Council with guidance in relation to the opportunities that will contribute to the economic growth of the region. The strategic Economic Action Plan is designed to achieve outcomes over a medium to long term. The table below includes detailed initial actions in the short term as well as medium and longer-term targets. A review of the status and ongoing relevance of identified strategic priorities and actions is required throughout the implementation program, as over time the economic landscape and priorities can change, and the activities, performance measures and targets should be adjusted accordingly.

There are numerous targets below that say 'ongoing' or 'review and update', this is because the Hilltops Economic Action Plan will take time to implement and it is important to continue and persist with these types of activities for the long term while regularly reviewing and updating them to make sure they continue to be relevant and generating the desired outcomes.

The Economic Action Plan also includes recommendations on the role that Council should play in implementation, which is based on the list of options outlined in section 3.4.

**Table 3.2. Hilltops Council Action Plan & Annual Targets**

| Activity | Short Term | Medium Term | Long Term | Role of Council |
|---|---|---|---|---|
| **1.** **CREATE A WELCOMING ENVIRONMENT FOR INVESTMENT** | | | | |
| **1.1** **Supportive Planning Framework** | | | | |
| • Liaise with key industry stakeholders, business and community to review/ amend the planning framework and ensure it provides flexibility for targeted industries and businesses | • LEP reviewed and amended | - | - | • Service provider<br>• Planner |
| • After the initial review, continue annually to ensure the planning framework continues to meet market needs | - | • Review and update | • Review and update | • Service provider<br>• Planner |
| • Report the outcomes of this review to Council and community through the developers' forums (see task 1.4 below) | • Outcomes reported | • Ongoing | • Ongoing | • Service provider<br>• Planner |
| **1.2** **Land Availability** | | | | |
| • Identify land (employment, commercial and residential) precincts required to accommodate the growth of the region including identified priority and developing industries | • Land identified | • Review and update | • Review and update | • Service provider<br>• Planner |
| • Ensure the land identified is zoned appropriately to accommodate the required growth priority and developing industries identified as specific to each town and village | • LEP updated | • Review and update | • Review and update | • Service provider<br>• Planner |
| • Undertake an audit of government owned land across the region and identify best use options for these sites | - | • Audit completed | • Review and update | • Service provider |

| Activity | Short Term | Medium Term | Long Term | Role of Council |
|---|---|---|---|---|
| **1.3 Development Governance Models** | | | | |
| • Undertake research into different types of public and private development organisations, and establish a preferred model that is consistent with the needs of the region and proactive attitude of Council | - | • Options identified | - | • Service provider |
| • Present the preferred model to Council for consideration. This will need to include details relating to how the organisation is to be structured and funded | - | • Presented to Council | - | • Service provider |
| • Implement the recommendations as endorsed by Council | - | • Implement | • Review and update | • Subject to agreed actions |
| • Subject to being endorsed, develop a 1-year plan for the development organisation. | - | • Plan developed | • Review and update | • Subject to agreed actions |
| **1.4 Relationship Building** | | | | |
| • Implement the relationship building activities and initiatives as outlined in task 2.1 (below) | • Refer to 2.1 | • Refer to 2.1 | • Refer to 2.1 | • Refer to 2.1 |
| • In partnership with relevant bodies, convene developer forums twice a year as a means to engage and discuss issues and opportunities with the development industry | • Forums held | • Forums held | • Forums held | • Service provider |
| • Develop key action from each forum and address between each session. Report progress and actions undertaken/ not undertaken at next forum | • Action plan developed and implemented | • Review and update | • Review and update | • Service provider |
| **2. COMMUNICATION & COLLABORATION** | | | | |
| **2.1 Relationship Building Activities** | | | | |
| • Partner with community and business organisations to enable local community and business relationship building events in each of the major towns, including Young, Harden and Boorowa and explore similar opportunities to incorporate other villages | • 3 events | • 3 events | • 3 events | • Service provider |
| • Develop mentoring relationships between local businesses as well as successful business persons external to the region (that likely have a former history or relationship with the region) | • 5 mentoring relationships established | • Review and refine<br>• 5 additional mentoring relationships established | • Review and refine<br>• 5 additional mentoring relationships established | • Facilitator<br>• Advocator |
| • Partner with community and business organisations to enable relationship building events designed to connect health professionals with other sections of the community and explore opportunities for other business groups | • 2 events | • 2 events | • 2 events | • Service provider |
| • Identify major employers across the region and organise for the Mayor, GM and/ or representatives from the ED team to meet with them on a regular basis (scheduled weekly/ monthly and monitored quarterly) | • Identify major employers<br>• Meet quarterly | • Meet quarterly | • Meet quarterly | • Service provider |

| Activity | Short Term | Medium Term | Long Term | Role of Council |
|---|---|---|---|---|
| • Ensure that each meeting has a purpose and clear actions come out of them | • Action Plan developed | • Implement and review | • Implement and review | • Subject to agreed actions |
| • Report the outcomes of these meetings to Council every 6 months | • Report completed<br>• Actions implemented | • Report completed<br>• Actions implemented | • Report completed<br>• Actions implemented | • Service provider |
| **2.2 Governance Structures** | | | | |
| • Continue to host the Economic Development Committee with balanced representation across the Hilltops and with varied community interests and diversity. | • Quarterly meetings | • Quarterly meetings | • Quarterly meetings | • Service provider<br>• Facilitator |
| • Council to network with other business networks/ associations at multiple levels | • 2 meetings each | • 2 meetings each | • 2 meetings each | • Service provider<br>• Facilitator |
| • Explore demand for additional business networks/ associations and implement recommendations | - | • Liaise with stakeholders to identify demand | • Implement | • Facilitator |
| **2.3 Communication Strategy** | | | | |
| • Develop a library of local business success stories in partnership with local economic development groups | • Minimum of 7 stories developed | • Update | • Update | • Service provider |
| • Promote success stories and outcomes from the implementation of the EDS periodically through internal and external media channels, ensuring that the message of the Hilltops region being open for business is perpetuated | • Minimum of 7 stories promoted | • 7 stories | • 10 stories | • Facilitator |
| **3. INDUSTRY ATTRACTION & EXPANSION** | | | | |
| **3.1 Transport and Logistics** | | | | |
| • Establish an industry advisory group for transport and logistics involving key industry stakeholders and community contributors | • Advisory group established | • Constructive development agenda developed | • 3 yearly refresh and refocus of group | • Facilitator |
| • Engage and meet with key industry stakeholders, including local industry sector organisations, to identify site requirements for a Transport and Logistics Hub | - | • Sites requirements identified | - | • Service provider |
| • In conjunction with key industry stakeholders, identify suitable site(s) for a Transport and Logistics Hub | - | • Sites identified | - | • Facilitator |
| • Support the development of a Feasibility Study for the development of a Transport and Logistics Hub | - | • Feasibility Study completed | • Feasibility Study implemented<br>• Review | • Service provider |

| Activity | Short Term | Medium Term | Long Term | Role of Council |
|---|---|---|---|---|
| • Actively participate in industry networks and associations linked to the industry, e.g. Australian Logistics Council | - | • Join 1 targeted industry group | • Review | • Service provider |
| • Support the development of a feasibility study for the development of an IT based industry cluster in the region to make use of the available Sydney to Melbourne fibre link. | - | • Feasibility Study completed | • Feasibility Study implemented<br>• Review | • Facilitator |
| • Initiate and lobby for a public transport review to assist with business attraction, connectivity also considering other context for Public Transport/community need. | • Lobbying program | • Review | • Review | • Facilitator<br>• Advocator |
| • Investigate the site constraints and options analysis to identify and understand the opportunities for further light plane activity at Young Airport | - | • Site Constraints and Options Analysis completed | • Implement findings as appropriate | • Facilitator<br>• Advocator |
| **3.2 Health and Aged Care** | | | | |
| • Establish an industry advisory group for the health and aged care sector involving key industry stakeholders and community contributors | Advisory group established | • Constructive development agenda developed | • 3 yearly refresh and refocus of group | • Facilitator |
| • Undertake an audit of health facilities and services across the region to identify any gaps and opportunities including attraction of specialists to locate in the area | Audit completed | • - | • Update audit | • Facilitator<br>• Service provider |
| • Implement recommendations from the audit | - | • Implement | • Ongoing implementation and update | • Facilitator<br>• Advocator |
| • Support the development of a feasibility study to investigate the establishment of the Hilltops region as a fully serviced, innovative provider of health care and aged services | - | • Feasibility Study completed | • Feasibility Study implemented<br>• Review | • Facilitator |
| • Facilitate the attraction of facilities/ services in collaboration with current service providers, carefully monitor the changes in demographics to ensure services align to provide targeted care delivery | - | • 1 lead generated | • 1 new project | • Facilitator<br>• Advocator |
| • Undertake research into community based models for health and aged care service delivery and implement recommendations | - | • Research completed | • Implement | • Facilitator<br>• Advocator |
| **3.3 Agriculture** | | | | |
| • Establish an industry advisory group for transport and logistics involving key industry stakeholders and community contributors | Advisory group established | • Constructive development agenda developed | • 3 yearly refresh and refocus of group | • Facilitator |
| • Develop a profile of the regions agricultural industry to use as a tool to attract complementary businesses | • Profile developed | Review and update | • Review and update | • Service provider |

| Activity | Short Term | Medium Term | Long Term | Role of Council |
|---|---|---|---|---|
| • Identify suitable sites for targeted agricultural uses and review/ amend the planning framework to ensure it supports these uses | - | • Sites identified<br>• LEP amended | • Review and update | • Service provider<br>• Planner |
| • Work with key industry stakeholders (local, regional, national) to:<br>  o Promote the region as a destination for agricultural uses<br>  o Explore the appetite to develop a series of high-performing grower groups to swap experiences and grow progressive thinking networks throughout the region | - | • Key stakeholders identified | • Actively promote | • Service provider<br>• Facilitator |
| • Support the development of a Feasibility Study for the development of an Agricultural Centre of Excellence | - | Feasibility Study completed | - | • Service provider |
| • Implement the recommendations of the Feasibility Study | - | • Implement | • Review and update | • Facilitator |
| • Work with industry and training providers to deliver an education and training program for the agricultural industry, focusing on succession planning and community awareness | • Education program developed | • Education program implemented | • Review and update | • Facilitator |
| • Develop a policy position paper on succession planning in agriculture, and in conjunction with key industry stakeholders lobby relevant government agencies to implement supportive policy to encourage succession planning for agriculture | • Farming Succession Policy Position Paper Developed | • Lobbying | • Lobbying | • Facilitator<br>• Advocator |
| **3.4 Investment Attraction** | | | | |
| • In partnership with local chambers of commerce and key industry groups, identify suitable investment and/ or development incentive programs to support industry attraction/ expansion and clearly state these in Council policy documents and communicate externally | - | • Report options to Council | • Implement<br>• Review and update | • Service provider<br>• Facilitator |

| Activity | Short Term | Medium Term | Long Term | Role of Council |
|---|---|---|---|---|
| • Proactively market the region to identified target markets (industry and geographic), including the following activities:<br>  o Develop industry specific marketing collateral, e.g. fact sheets and web based information to include existing transport links, existing business community etc.<br>  o Implement key marketing initiatives to generate leads, e.g. advertising/ editorial placement via existing and new forms of media and external engagement mechanisms | • Fact sheets for target industries completed<br>• Minimum of 4 stories/ articles/ famils published | • 4 stories published | • Review and update<br>• 4 stories/ articles/ famils published | • Service provider |
| • Employ a resource to facilitate investment attraction opportunities, through the following activities:<br>  o Assist prospective investors with tailored information and site selection<br>  o Liaise with internal stakeholders to manage the relocation/ establishment process | • Resource employed<br>• 3 new leads generated<br>• 1 new development projects | • 5 new leads<br>• 2 new projects | • 8 new leads<br>• 3 new projects | • Service provider<br>• Facilitator<br>• Planner<br>• Advocator |
| **3.5 Education and Youth Retention** | | | | |
| • Develop a Scoping Study and Feasibility (as appropriate) for an education facility with local access points (a destination for training/further education whole of life learning) | - | • Scoping Study completed | • Feasibility Study completed | • Service provider |
| **4. BUSINESS CAPACITY BUILDING** | | | | |
| **4.1 Workforce Development** | | | | |
| • Liaise with key industry stakeholders to develop a profile of workforce gaps, including for example:<br>  o Service skills development requirements in the retail sector (e.g. Aussie Host Program)<br>  o Integration with and managing the servicing of major capital projects that are anticipated to occur in the region over the next 5-10 years | • Meet with min. 10 larger employers | • Profile completed | • Review and update | • Facilitator |
| • Liaise with training providers (e.g. TAFE) to discuss the gaps and potential programs designed to address them | • Meet with training providers | • Develop programs | • Review and update | • Facilitator |
| • Establish a partnership between industry, government and relevant training providers to prepare a workforce development program | • Partnership established<br>• Program developed | • Implement | • Review and update | • Facilitator |
| • Relationship building events targeting cross-sector industry professionals as per activity 2.1 | • 2 events | • 2 events | • 2 events | • Service provider |

| Activity | Short Term | Medium Term | Long Term | Role of Council |
|---|---|---|---|---|
| **4.2    Buy Local Program** | | | | |
| • Develop a Hilltops brand that can be used by locally owned and operated businesses to build the entire Hilltops region/profile | • Brand developed | - | • Review and update | • Service provider |
| • Engage with local business networks and associations to discuss a 'Buy Local' program framework | • Meet with key stakeholders | - | | • Facilitator |
| • Develop the 'Buy Local' program with appropriate outcome measures (i.e. retailers record the location of the customer) | - | • Program developed | • Review and update | • Facilitator |
| • Implement the 'Buy Local' program | - | • Implement | • Review and update | • Facilitator |
| **4.3    Smart Technology Program** | | | | |
| • Facilitate and support research into technology and innovation impacting local existing and future industries and develop tailored workshop programs | • Program developed | • Review and update | • Review and update | • Service provider |
| • Facilitate and support the attraction of industry experts in the innovation space to present and engage with local industries | • 2 workshops held | • 2 workshops | • 2 workshops | • Service provider<br>• Facilitator |
| • Liaise with local businesses and business groups to identify other common issues and challenges impacting businesses | • Program developed | • Review and update | • Review and update | • Service provider<br>• Facilitator |
| • Develop and implement workshop programs based around these issues and challenges, review and amend program as appropriate | • 4 workshops held<br>• Review completed | • 4 workshops held<br>• Review and update | • 4 workshops held<br>• Review and update | • Service provider<br>• Facilitator |
| **4.4    Shared Work Space** | | | | |
| • Investigate the opportunity for shared working spaces and identify suitable locations in the region for the establishment of these types of facilities, including appropriate charge rates and focus for the shared work space | - | • Research completed | - | • Service provider |
| • Develop detailed Business Case and implement | - | • Business Case developed | • Implement<br>• Review and update | • Facilitator |
| **5.    TOURISM** | | | | |
| **5.1    Product Development** | | | | |
| • Develop accommodation gap analysis and demand study | - | • Study completed | • Implement<br>• Review and update | • Service provider |
| • Work with local and external industry to support attraction and development of iconic tourism product | • Liaise with stakeholders | • Ongoing | • Ongoing | • Stakeholder |
| • Develop suitable security measures to protect the Chinese Tribute Garden from vandalism | • Measures introduced | • Ongoing | • Ongoing | • Service provider |

| Activity | Short Term | Medium Term | Long Term | Role of Council |
|---|---|---|---|---|
| • Explore costs and benefits of obtaining RV Friendly designation in local towns | - | • Research completed | • Implement<br>• Review and update | • Service provider |
| • Ensure the planning framework provides scope for the development of agritourism product across the region | • Review and amend LEP | - | • Review and update | • Planner |
| • Explore development of trails that focus on the regions strengths; food & wine, rail, heritage, cultural, renewables agriculture | - | • Develop trails option | • Implement<br>• Ongoing | • Facilitator |
| • Explore opportunities for business, professional, agritourism development as part of the tourism sector | - | • Identify integration opportunities | • Implement<br>• Ongoing | • Facilitator |
| • Support the development of existing and attraction of new experience led visitor attractions which focus on the region's strengths; food and wine, rail, heritage, cultural, renewables agriculture | - | • Industry development program | • Implement<br>• Ongoing | • Facilitator |
| • Support the development of sports tourism in the region, encouraging state and other tournaments to take place in the region | - | • Industry development program | • Implement<br>• Ongoing | • Facilitator |
| • Undertake an audit of water-based assets and prepare plan for tourism and recreational opportunities | - | • Audit completed | Review and update | • Facilitator |
| • Establish Gateway to the Hilltops branding campaign for Jugiong, Boorowa, Harden and other towns and villages | - | • Develop campaign | • Review and refocus | • Facilitator |
| • Explore opportunities to develop the 'night economy' precincts, including the attraction of restaurants and targeted events to generate increased activity | - | • Options identified | • Implement<br>• Ongoing | • Facilitator |
| **5.2     Destination Management** | | | | |
| • Develop plan to enhance/ support existing major events to ensure long-term sustainability | • Plan developed | • Review and update | • Review and update | • Facilitator<br>• Stakeholder |
| • Work with Chambers of Commerce as well as relevant businesses and industry bodies to encourage increased opening hours of retail and tourism operators within major towns. Explore the role of possible incentives to facilitate this including adapting the Hilltops Partnership Program to favour businesses trading for at least 5 days per week including on weekends and public holidays and those operating in our peripheral villages – eg Koorawatha, Rye Park, Bribbaree. | - | • Liaise with businesses | • Ongoing | • Facilitator |
| • Working with CBR Region partners and Visit Canberra Develop visitor package options based around the regions specific strengths and recognising the diversity the region has to offer | - | • Packages developed | • Review and update | • Facilitator |
| • Review the current and future role and viability of the network of Visitor Information Centre's across the region | • Review developed | • Implement the findings of the review | • Review and update | • Service provider |

| Activity | Short Term | Medium Term | Long Term | Role of Council |
|---|---|---|---|---|
| • Explore the possibility of establishing a tourism industry network | • Demand analysis complete | • Implement | | • Facilitator |
| • Develop a tourism signage strategy to ensure a consistent approach is being adopted across the region | - | • Strategy developed | • Implement<br>• Ongoing | • Service provider |
| • Develop a customer service focused training program for businesses/ operators; including cross cultural training and understanding | • Program developed | • Implement | • Review and update | • Facilitator |
| **5.3**     **Destination Marketing** | | | | |
| • Continue to update the Visit Hilltops Region website with information relevant to identified target markets | • Update | • Ongoing | • Ongoing | • Service provider |
| • Develop a targeted social media campaign that builds on the regions existing presence in both English and Chinese language mediums and channels; leveraging of existing international and ethnic visitor patterns | • Campaign developed | • Review and update | • Review and update | • Service provider |
| • Develop and update an image and video library that is linked to the needs of the target markets, and promote these through identified online channels | - | • Library developed<br>• Materials promoted | • Review and update | • Service provider |
| • Explore the opportunities of working collaboratively on VisitNSW regional marketing campaigns with neighboring LGAs including with the CBR Region Joint Organisation | • Collaborative program developed | • Program implemented | • Review and update | • Facilitator |
| • Develop a media famil program targeting stakeholders/ journalists linked to target markets | • Program developed and implemented | • Review and update | • Review and update | • Service provider<br>• Facilitator |
| • Liaise with key stakeholders from Visit Canberra and Canberra Airport to discuss options for promoting the region at the Airport and collaboration with the ACT government | • Options developed | • Implemented | • Review and update | • Service provider |
| • Prepare key messages and stories that relate to the unique characteristics of each of the Hilltops towns and promote through online channels. Eg Light Horse, Food and wine, Heritage, Agritourism | • Messaging developed | • Review and update | • Review and update | • Service provider<br>• Facilitator |
| • Explore options to promote the region into other niche markets such as education and sports tourism. Support the development of meetings and incentives collateral to promote the region as a place to hold events and conferences | - | • Plan developed | • Review and update | • Service provider<br>• Facilitator |

| Activity | Short Term | Medium Term | Long Term | Role of Council |
|---|---|---|---|---|
| **6.**     **INFRASTRUCTURE** | | | | |
| **6.1**     **Infrastructure Delivery Models** | | | | |
| • Explore innovative options for the delivery of infrastructure across the community (including telecommunications and other core services), including:<br>  o Partner with State and Australian Government as well as other organizations to leverage multiple funding sources to optimise project delivery<br>  o Facilitate partnerships between private stakeholders to deliver optimised infrastructure<br>  o Identify key growth zones and develop plans for infrastructure delivery through a combination of private and public investment<br>  o Provide cultural and education infrastructure to deliver flow on economic benefit through new opportunities | - | • Alternative models identified | • Implement | • Service provider<br>• Facilitator |
| **6.2**     **Transport** | | | | |
| • Identify priority transport infrastructure requirements and include as part of overarching Advocacy Plan | • Priorities identified | • Review and update | • Review and update | • Service provider |
| • Partner with the NSW Government and industry to deliver transport infrastructure upgrades, including:<br>  o Develop a comprehensive audit of road and bridge access<br>  o Prepare plan to deliver B-Double access to identified strategic routes across the region<br>  o Prioritise works necessary to provide access to priority transport routes | - | • B-Double access resolved | • Review and update | • Facilitator |
| • As part of the B-Double access plan include a risk management strategy | - | • Plan completed | • Review and update | • Facilitator |
| **6.3**     **Infrastructure Advocacy Plan** | | | | |
| • Identify the region's top five infrastructure priorities based on economic benefit to the community and seek Council endorsement | • Priorities identified | • Review and update | • Review and update | • Service provider |
| • Develop a fully costed Business Case for each priority, including:<br>  o A continual review of the feasibility of the airport as an alternate transport option for the region<br>  o A focus on the delivery of key economic infrastructure projects including water and sewerage infrastructure to Boorowa, Harden and potentially Jugiong, stormwater in Young, bridges and roads across the LGA, a Government agency hub in Young, gas to Harden | - | • Business Cases completed | • Review and update | • Service provider |
| • Prepare an Advocacy Plan that outlines how Council with other stakeholders will lobby other levels of government and where required, the private sector, to attract funds to deliver infrastructure priorities | - | • Plan developed<br>• Implement | • Review and update | • Advocator |

Source: AEC

### 3.6 Resources

This Economic Action Plan has been developed based on an analysis of the regions opportunities and through a comprehensive engagement process. With this in mind, successful implementation will be subject to the availability of resources. Below is a guide on the nature and type of resources required to implement the Economic Action Plan. This resource guide does not take into consideration existing roles and responsibilities, but simply provides a framework for what is required to successfully deliver the program. Each action should be embedded within Councils Operational Plan to ensure the action is funded and has appropriate follow through.

In delivering on the Economic Action Plan via the Council Operational Plan, Council will need to consider the availability of resources in line with Councils other priorities and fund those actions deemed a sufficiently high priority in comparison to other Council priorities. Each year Council will need to review the actions identified in the strategy for consideration in Councils Operational Plan. A key consideration in ensuring this strategy is delivered will be to identify and secure support resources through both private and Government partnerships.

**Table 3.3. Resource Roles and Responsibilities**

| Position | General Responsibilities |
|---|---|
| Manager | • Strategic guidance and overall responsibility for unit<br>• Direct client engagement<br>• Internal stakeholder management, including with Councillor's and other senior management<br>• External stakeholder management, in particular, engagement with other levels of government |
| Tourism Officer | • Direct engagement with tourism operators<br>• Development and implementation of initiatives associated with the Tourism strategic direction, e.g. Product Development, Destination Management and Destination Marketing<br>• Supporting manager and participating in strategic decisions, reporting and internal relationships |
| Business Development Officer | • Direct engagement with the broader business community, excluding tourism<br>• Development and implementation of initiatives associated with the Communication and Collaboration and Business Capacity Building strategic directions<br>• Supporting manager and participating in strategic decisions, reporting and internal relationships |
| Investment Attraction Officer | • Development and implementation of initiatives associated with the Industry Attraction and Expansion and Welcoming Environment strategic directions<br>• Supporting manager and participating in strategic decisions, reporting and internal relationships |
| Advocacy Officer | • Development and implementation of initiatives associated with the Infrastructure strategic direction<br>• Supporting manager and participating in strategic decisions, reporting and internal relationships |

Source: AEC

### 3.7 Key Performance Indicators

The Action Plan has some specific targets that inform the success of implementing the program. These targets need to be reviewed on an annual basis and amended accordingly to adjust for changes in the economy, future opportunities that appear and the success of the previous year's activities. Any future activities should still conform to the strategic priorities. It is important to keep this structure to ensure that all future activities are working towards the achievement of the strategic intent of the strategy. In such a manner, the program becomes a planning tool which will allow future economic development activities to be changed and amended as needed but still provides overall direction and guidance.

Progress against the targets should be communicated to the Council on a six-monthly basis via the usual Council meeting progress, and the outcomes of this should also be communicated to the business community and the broader community through the usual media channels.

Communicating outcomes and progress is a critical component of implementing any Economic Development Strategy or Action Plan.

### 3.7.1 Targets vs. Economic Indicators

It is important to understand the difference between the targets developed and economic indicators. In the context of the Action Plan, the annual targets represent the Council's activities for economic development. At the same time, economic indicators track the economic performance of the Hilltops Council and as such, represents an indication of the effectiveness of implementing the Action Plan. However, specific measures such as a % drop in unemployment, the creation of 'x' number of new businesses or jobs, a percentage increase in GRP, etc. have not been included because the overall influence on these goes beyond just the implementation of this strategy.

Periodically it is important to capture and analyse these types of datasets to identify any new and emerging trends in the economy, but positive or negative, these should not necessarily be entirely attributed to the implementation of this strategy.

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# APPENDIX A: REGIONAL DEMOGRAPHIC & ECONOMIC AUDIT

## POPULATION AND DEMOGRAPHICS

### Population

Hilltops LGA's population remained steady from 18,213 in 2006 to 18,993 in 2016. Population growth has been relatively consistent with that of Parkes LGA, Western Plains Regional LGA, and Snow Monaro Regional LGA with an average annual growth rate of 0.4% since 2006 compared to 0.5%, 0.9%, and 0.4%, respectively. However, population growth was behind that of Yass Valley LGA and Mid-Western Regional LGA with rates of 2.3% and 1.2%, respectively.

**Population Growth, 2006 to 2016**
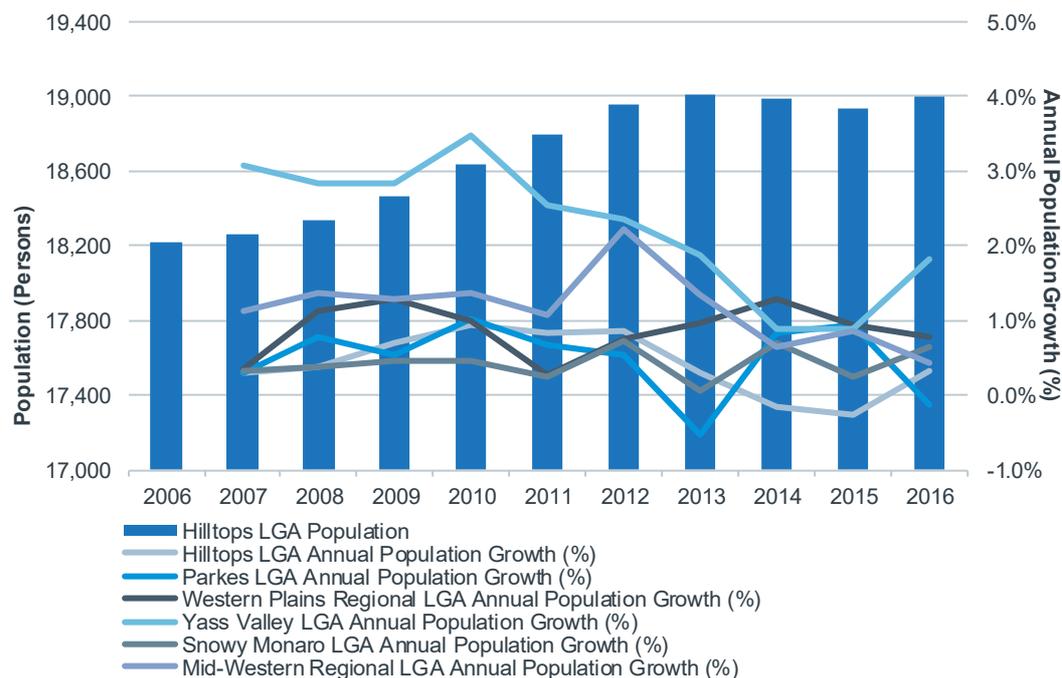


Source: ABS (2017a)

Hilltops LGA's population is projected to remain relatively stable from now until 2036. Population growth rates are relatively consistent with that of the other comparison regions, with the exception of Yass Valley LGA, which is predicated to have average annual growth rates around 1.6%.

**Population Projections, 2021 to 2036, '000s**

|                              | 2021 | 2026 | 2031 | 2036 |
|------------------------------|------|------|------|------|
| Hilltops LGA                 | 19.1 | 19.2 | 19.1 | 18.9 |
| Parkes LGA                   | 15.5 | 15.7 | 15.8 | 15.8 |
| Western Plains Regional LGA  | 53.2 | 54.7 | 56.0 | 57.0 |
| Yass Valley LGA              | 18.4 | 20.0 | 21.5 | 23.0 |
| Snowy Monaro Regional LGA    | 21.2 | 21.4 | 21.6 | 21.7 |
| Mid-Western Regional LGA     | 25.0 | 25.5 | 26.0 | 26.3 |

Source: ABS (2017a), AEC (unpublished a)

## Population by Age and Sex

Males comprise 50.2% of the total population. On average, males are younger than females at an average age of 40.3 years compared to 41.9 years.

**Population by Age and Sex, 2015**
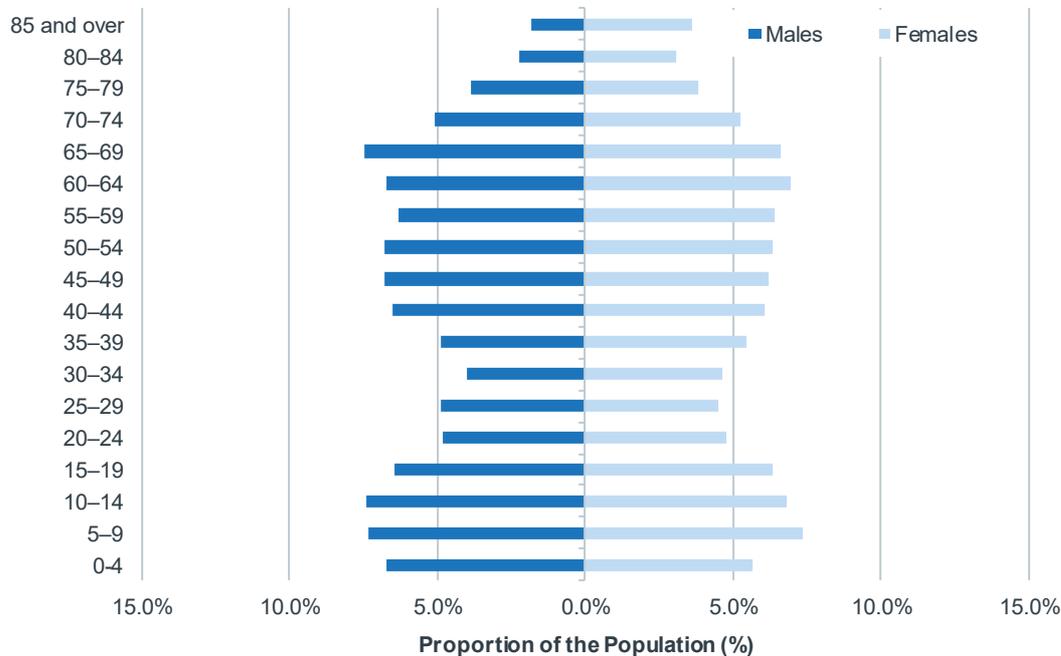


Source: ABS (2016)

## Cultural Diversity

In 2011, approximately 94.1% of Hilltops LGA's residents were born in Australia. This compares to 94.9% of residents in Parkes LGA, and 94.2% of residents in Western Plains Regional LGA.

Other key sources of Hilltops LGA's population were:

- United Kingdom, Channel Islands and Isle of Man (2% of the population)
- New Zealand (0.9%)
- Western Europe (0.7%)
- Maritime South-East Asia (0.4%).

**Place of Birth, 2011**

| Place of Birth | Hilltops LGA | Parkes LGA | Western Plains Regional LGA | Yass Valley LGA | Snowy Monaro Regional LGA | Mid-Western Regional LGA |
|---|---|---|---|---|---|---|
| Australia | 94.1% | 94.9% | 94.2% | 88.7% | 86.4% | 91.3% |
| United Kingdom, Channel Islands and Isle of Man | 2.0% | 1.6% | 1.4% | 4.6% | 4.4% | 3.3% |
| New Zealand | 0.9% | 0.6% | 0.8% | 1.1% | 1.3% | 1.1% |
| Western Europe | 0.7% | 0.5% | 0.4% | 1.2% | 2.5% | 1.0% |
| Maritime South-East Asia | 0.4% | 0.5% | 0.4% | 0.4% | 0.4% | 0.4% |
| South Eastern Europe | 0.3% | 0.1% | 0.1% | 0.4% | 0.5% | 0.4% |
| Middle East | 0.3% | 0.1% | 0.1% | 0.2% | 0.2% | 0.1% |
| Chinese Asia (includes Mongolia) | 0.2% | 0.2% | 0.3% | 0.2% | 0.3% | 0.2% |
| Northern America | 0.2% | 0.2% | 0.2% | 0.7% | 0.6% | 0.3% |
| Southern Europe | 0.2% | 0.1% | 0.1% | 0.3% | 0.6% | 0.3% |
| Elsewhere | 0.9% | 1.4% | 1.8% | 2.1% | 2.7% | 1.5% |
| **Total** | **100.0%** | **100.0%** | **100.0%** | **100.0%** | **100.0%** | **100.0%** |

Source: ABS (2012)

English was the most commonly spoken language in Hilltops LGA in 2011, with 97.4% of residents speaking it at home. This compared to 97.7% of residents in Parkes LGA, 97.1% of residents in Western Plains Regional LGA, 96.2% of residents in Yass Valley LGA, 94.5% of residents in Snowy Monaro Regional LGA, and 97.2% of residents in Mid-Western Regional LGA.

Other languages commonly spoken at home in Hilltops LGA included:

- Arabic (0.6% of residents)
- Chinese Languages (0.3%)
- Italian (0.2%)
- German (0.1%).

**Languages Spoken at Home, 2011**

| Language | Hilltops LGA | Parkes LGA | Western Plains Regional LGA | Yass Valley LGA | Snowy Monaro Regional LGA | Mid-Western Regional LGA |
|---|---|---|---|---|---|---|
| English | 97.4% | 97.7% | 97.1% | 96.2% | 94.5% | 97.2% |
| Arabic | 0.6% | 0.2% | 0.2% | 0.2% | 0.3% | 0.1% |
| Chinese Languages | 0.3% | 0.3% | 0.4% | 0.3% | 0.4% | 0.2% |
| Italian | 0.2% | 0.1% | 0.1% | 0.3% | 0.5% | 0.2% |
| German | 0.1% | 0.1% | 0.1% | 0.3% | 1.2% | 0.3% |
| Indo-Aryan | 0.1% | 0.2% | 0.3% | 0.1% | 0.2% | 0.2% |
| Dutch | 0.1% | 0.1% | 0.1% | 0.3% | 0.3% | 0.1% |
| Maltese | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% |
| French | 0.0% | 0.0% | 0.1% | 0.2% | 0.3% | 0.1% |
| Greek | 0.0% | 0.0% | 0.1% | 0.2% | 0.2% | 0.1% |
| Other Languages | 1.1% | 1.4% | 1.5% | 1.9% | 2.2% | 1.4% |
| **Total** | **100.0%** | **100.0%** | **100.0%** | **100.0%** | **100.0%** | **100.0%** |

Source: ABS (2012)

The most common household type in Hilltops LGA in 2011 was one family households with only family members present, which formed 63.7% of all households in the area. The proportion of one family households with only family members present in Hilltops LGA was higher than Parkes LGA, Snow Monaro Regional LGA, and Mid-Western Regional LGA. The proportion was lower than Western Plains Regional LGA and Yass Valley LGA. Since 2006, the proportion of one family households with only family members present in Hilltops LGA has decreased from 66.5%. Lone person households comprised 28.1% of all households in 2011, higher than ball other comparison regions. The average number of persons per household in Hilltops LGA was 2.5 in 2011.

**Household Composition, 2011**

| Household Type | Hilltops LGA | Parkes LGA | Western Plains Regional LGA | Yass Valley LGA | Snowy Monaro Regional LGA | Mid-Western Regional LGA |
|---|---|---|---|---|---|---|
| One family households with only family members present | 63.7% | 62.5% | 64.5% | 72.6% | 53.9% | 63.2% |
| One family households with non-family members present | 1.1% | 1.1% | 1.8% | 1.5% | 1.1% | 1.6% |
| Two family households | 0.9% | 1.0% | 1.4% | 1.2% | 0.6% | 1.0% |
| Three or more family households | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% | 0.0% |
| Lone person households | 28.1% | 27.0% | 25.2% | 18.3% | 24.3% | 25.5% |
| Group households | 2.1% | 1.8% | 2.8% | 1.8% | 2.5% | 2.5% |
| Visitors only | 1.2% | 2.1% | 1.8% | 1.1% | 12.5% | 2.7% |
| Other households | 2.8% | 4.6% | 2.6% | 3.5% | 5.0% | 3.6% |
| **Total Households** | **6,966** | **5,585** | **17,182** | **4,829** | **8,571** | **8,524** |
| **Average persons per household** | **2.5** | **2.5** | **2.7** | **2.8** | **2.3** | **2.5** |

Source: ABS (2012)

The most common family type in Hilltops LGA in 2011 was couple families with no children, which formed 42.8% of all families in the area. The proportion of couple families with no children in Hilltops LGA was higher than both Parkes LGA, Western Plains Regional LGA, and Yass Valley LGA, but lower than the other two comparison regions. Single parent families comprised 16.2% of all families in Hilltops LGA in 2011, lower than both Parkes LGA (18.4%) and Western Plains Regional LGA (19.5%), but higher than the other comparison regions.

**Family Composition, 2011**

| Family Type | Hilltops LGA | Parkes LGA | Western Plains Regional LGA | Yass Valley LGA | Snowy Monaro Regional LGA | Mid-Western Regional LGA |
|---|---|---|---|---|---|---|
| Couple family with no children | 42.8% | 40.3% | 37.8% | 41.3% | 44.9% | 43.3% |
| Couple family with children under 15 | 29.3% | 29.4% | 29.9% | 34.6% | 30.1% | 29.0% |
| Couple family with no children under 15 | 10.5% | 10.8% | 11.1% | 13.1% | 10.2% | 11.3% |
| One parent family with children under 15 | 9.9% | 11.5% | 12.6% | 5.5% | 7.7% | 9.1% |
| One parent family with no children under 15 | 6.3% | 7.0% | 6.9% | 5.0% | 6.2% | 6.0% |
| Other family | 1.3% | 1.1% | 1.7% | 0.6% | 1.0% | 1.2% |
| Same sex families* | 0.0% | 0.4% | 0.4% | 1.1% | 0.4% | 0.4% |

Note: * same-sex couple families are included in all family categories.        Source: ABS (2012)
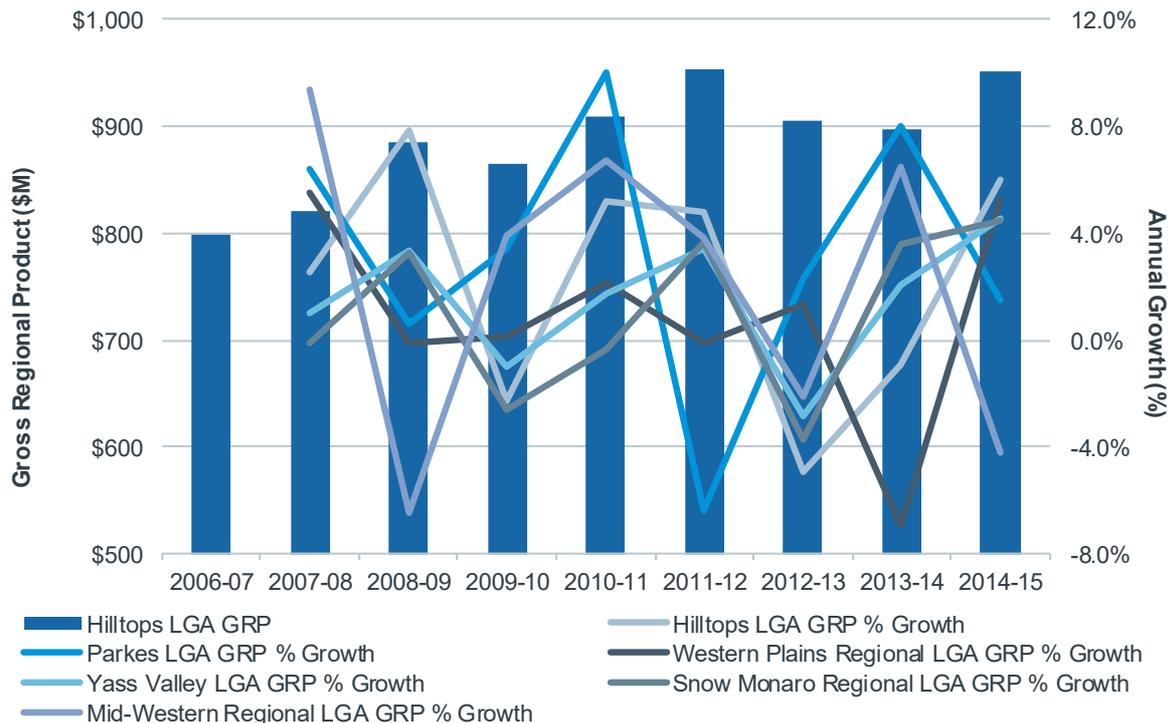
# ECONOMY

## Gross Regional Product

Between 2006-07 and 2014-15 the Hilltops LGA economy posted an average annual expansion of 2.2%, to reach $1 billion. In the latest year, the economy expanded by 6%. Hilltops LGA's economic performance between 2006-07 and 2014-15 was lower than Parkes LGA and higher than all other comparison regions. Since 2006-07, the peak in the local economy was in 2011-12 when it reached $1 billion.

**Gross Regional Product, 2006-07 to 2014-15**



Source: AEC (unpublished b)

The most prominent sectors in the Hilltops LGA economy, in terms of contribution to Gross Value Add in 2014-15, were:

- Agriculture, fishing and forestry - $157 million (19.1% of total Industry Value Add)
- Financial and insurance services - $116 million (14.1%)
- Manufacturing - $74 million (9%)
- Healthcare and social assistance - $65 million (7.8%)
- Retail trade - $64 million (7.8%).

The top five growth sectors between 2009-10 and 2014-15 were:
- Manufacturing (48.8% growth)
- Healthcare and social assistance (43.3%)
- Rental, hiring and real estate services (42.8%)
- Electricity, gas, water and waste services (34.7%)
- Retail trade (27.1%).

The most prominent sectors which detracted from growth over this timeframe were:

- Information media and telecommunications (-37.1%)
- Other services (-31.7%)
- Arts and recreation services (-27.6%)
- Mining (-25.3%)
- Public administration and safety (-22.1%).

**Industry Value Add, % Contribution by Industry, 2014-15**
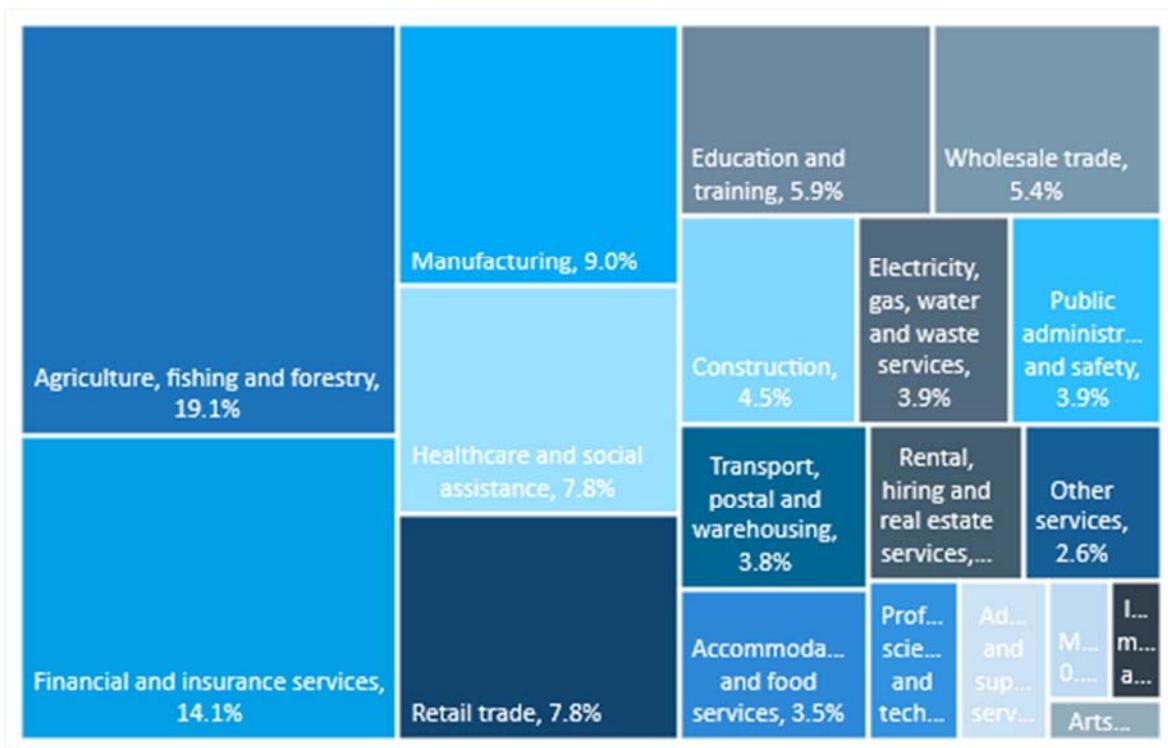


Source: AEC (unpublished b)

A further breakdown of the agriculture, forestry, and fishing sector by 2-Digit ANZSIC indicates that agriculture contributes 94.5% ($148.63 million) to industry value add for the sector, whilst support services add 5.5% ($8.60 million) to industry value add for the sector.

**Industry Value Add, 2-Digit ANZSIC, 2014-15**

| 2-Digit ANZSIC | Industry Value Add ($M) | Percent |
|---|---|---|
| Agriculture | $148.63 | 94.5% |
| Aquaculture | $0.00 | 0.0% |
| Forestry and Logging | $0.00 | 0.0% |
| Fishing, Hunting and Trapping | $0.00 | 0.0% |
| Agriculture, Forestry and Fishing Support Services | $8.60 | 5.5% |

Source: AEC (unpublished b)

Breaking down the 2-Digit ANZSIC Agriculture sector, the sheep, beef cattle, and grain farming industry comprises 78.6% of the sector at $116.6 million. Of this, sheep farming (specialized) makes up 32.8% at $38.4 million, whilst grain-sheep or grain-beef cattle farming makes up 27.2% at $31.7 million.

**Industry Value Add, 2014-15**

| Industry | Industry Value Add ($M) |
|---|---|
| Nursery and Floriculture Production | $0.0 |
| Mushroom and Vegetable Growing | $0.0 |
| Fruit and Tree Nut Growing | $9.5 |
| Sheep, Beef Cattle and Grain Farming | $116.8 |
|     Sheep Farming (Specialised) | $38.4 |
|     Beef Cattle Farming (Specialised) | $14.9 |
|     Beef Cattle Feedlots (Specialised) | $0.0 |
|     Sheep-Beef Cattle Farming | $12.5 |
|     Grain-Sheep or Grain-Beef Cattle Farming | $31.7 |
|     Rice Growing | $0.0 |
|     Other Grain Growing | $19.2 |
| Other Crop Growing | $0.0 |
| Dairy Cattle Farming | $2.7 |
| Poultry Farming | $5.1 |
| Deer Farming | $0.0 |
| Other Livestock Farming | $14.4 |
| **Total Agriculture** | **$148.6** |

Source: AEC (unpublished b)

## Business Counts

In 2016 there were a total of 2,251 businesses in operation in Hilltops LGA. In term of business numbers, the most prominent sectors in Hilltops LGA were:

- Agriculture, Forestry and Fishing (42.6% of total)
- Construction (12.6%)
- Rental, Hiring and Real Estate Services (5.8%)
- Transport, Postal and Warehousing (5.7%)
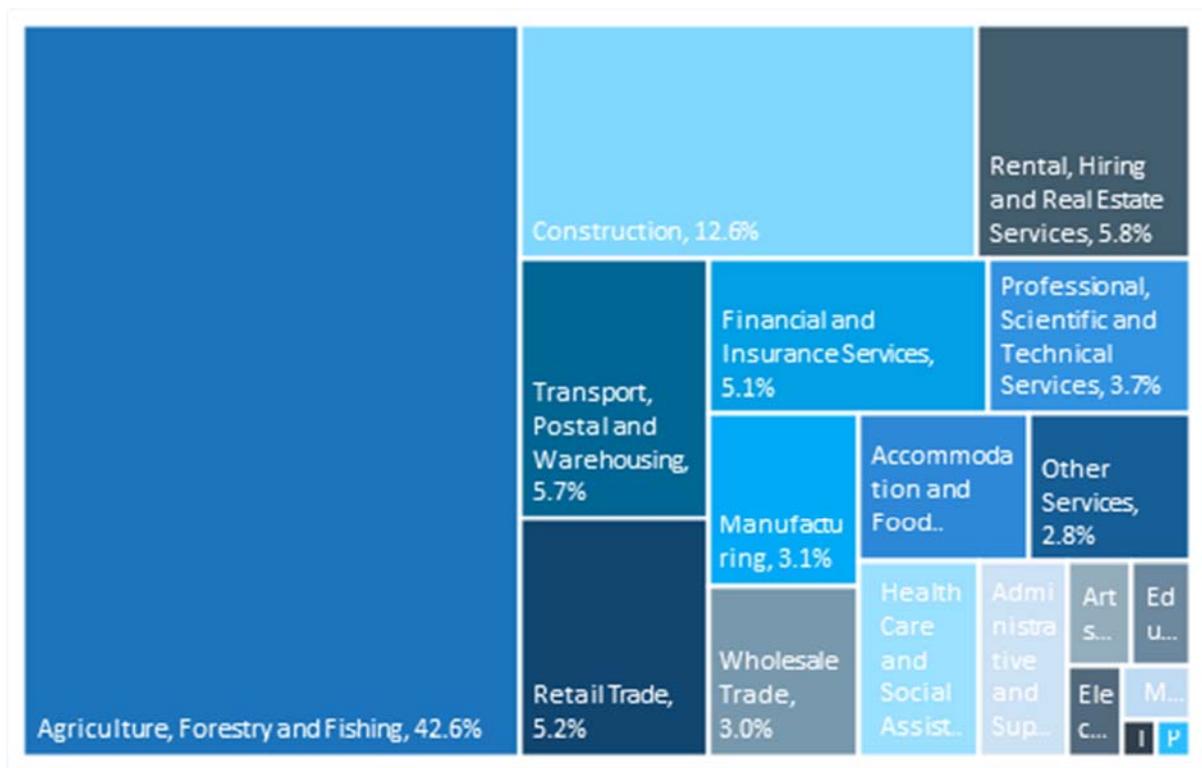- Retail Trade (5.2%).

**Business Counts by Industry, 2015**

| Industry | Hilltops LGA | Parkes LGA | Western Plains Regional LGA | Yass Valley LGA | Snowy Monaro Regional LGA | Mid-Western Regional LGA |
|---|---|---|---|---|---|---|
| Agriculture, Forestry and Fishing | 42.6% | 38.8% | 22.3% | 38.6% | 30.9% | 36.2% |
| Mining | 0.4% | 0.5% | 0.1% | 0.3% | 0.3% | 1.2% |
| Manufacturing | 3.1% | 3.7% | 3.3% | 2.5% | 2.8% | 4.3% |
| Electricity, Gas, Water and Waste Services | 0.6% | 0.3% | 0.3% | 0.3% | 0.2% | 0.2% |
| Construction | 12.6% | 10.8% | 18.0% | 15.8% | 15.9% | 13.3% |
| Wholesale Trade | 3.0% | 2.8% | 2.8% | 2.0% | 1.9% | 2.1% |
| Retail Trade | 5.2% | 6.5% | 5.8% | 4.3% | 6.0% | 5.9% |
| Accommodation and Food Services | 3.0% | 4.9% | 4.6% | 3.2% | 7.0% | 4.8% |
| Transport, Postal and Warehousing | 5.7% | 6.1% | 5.8% | 4.6% | 4.9% | 3.5% |
| Information Media and Telecommunications | 0.1% | 0.4% | 0.2% | 0.3% | 0.6% | 0.4% |
| Financial and Insurance Services | 5.1% | 3.9% | 6.1% | 4.0% | 4.3% | 4.4% |
| Rental, Hiring and Real Estate Services | 5.8% | 5.2% | 8.4% | 5.0% | 6.6% | 5.9% |

| Industry | Hilltops LGA | Parkes LGA | Western Plains Regional LGA | Yass Valley LGA | Snowy Monaro Regional LGA | Mid-Western Regional LGA |
|---|---|---|---|---|---|---|
| Professional, Scientific and Technical Services | 3.7% | 3.8% | 6.1% | 9.8% | 6.9% | 6.0% |
| Administrative and Support Services | 2.0% | 2.1% | 3.1% | 2.6% | 3.0% | 2.7% |
| Public Administration and Safety | 0.1% | 0.0% | 0.2% | 0.1% | 0.0% | 0.3% |
| Education and Training | 0.7% | 0.6% | 0.8% | 0.7% | 1.2% | 0.7% |
| Health Care and Social Assistance | 2.7% | 3.1% | 5.1% | 1.9% | 2.9% | 3.2% |
| Arts and Recreation Services | 0.8% | 0.7% | 0.8% | 1.3% | 1.0% | 0.8% |
| Other Services | 2.8% | 5.8% | 6.2% | 2.8% | 3.4% | 3.9% |
| **Total** | **100.0%** | **100.0%** | **100.0%** | **100.0%** | **100.0%** | **100.0%** |

Source: ABS (2017b)

**Business Counts by Industry, 2015, % of Total**



Source: ABS (2017b)

The most prominent size of businesses in Hilltops LGA in 2015 was sole traders (no employees) which formed 56.6% of businesses. This result is lower than the comparison regions, with the exception of Parkes LGA and Snowy Monaro Regional LGA.

**Business Counts by Size, 2016**

| Indicator | Hilltops LGA | Parkes LGA | Western Plains Regional LGA | Yass Valley LGA | Snowy Monaro Regional LGA | Mid-Western Regional LGA |
|---|---|---|---|---|---|---|
| Non employing | 56.6% | 55.3% | 59.7% | 57.6% | 54.4% | 60.0% |
| 1-4 Employees | 30.1% | 30.8% | 25.7% | 31.4% | 29.9% | 29.2% |
| 5-19 Employees | 10.6% | 12.2% | 10.9% | 9.7% | 13.2% | 11.0% |
| 20-199 Employees | 2.4% | 1.2% | 2.3% | 1.0% | 2.0% | 1.7% |
| 200+ Employees | 0.4% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |

Source: ABS (2017b)

The turnover category that is most common of local businesses is the zero to $50,000 category. This category accounted for 23.3% of businesses in 2015. This result was lower than the comparison regions, with the exception of Parkes LGA and Western Plains Regional LGA.

**Business Counts by Turnover, 2015**

| Indicator | Hilltops LGA | Parkes LGA | Western Plains Regional LGA | Yass Valley LGA | Snowy Monaro Regional LGA | Mid-Western Regional LGA |
|---|---|---|---|---|---|---|
| Zero to less than $50k | 23.3% | 17.7% | 22.7% | 27.9% | 26.3% | 28.3% |
| $50k to less than $100k | 14.0% | 16.5% | 16.0% | 16.3% | 15.5% | 15.8% |
| $100k to less than $200K | 16.4% | 19.1% | 17.1% | 19.2% | 19.2% | 17.5% |
| $200k to less than $500k | 21.1% | 21.5% | 20.7% | 19.2% | 23.2% | 20.4% |
| $500k to less than $2m | 18.3% | 19.1% | 16.4% | 13.4% | 13.0% | 13.6% |
| $2m or more | 6.0% | 6.1% | 6.2% | 3.9% | 4.2% | 3.9% |

Source: ABS (2017b)

## Employment by Industry

There were a total of 7,269 persons working in Hilltops LGA in 2011 (by place of work). The industries which provided the most jobs in Hilltops LGA in 2011 were:

- Agriculture, Forestry and Fishing (22.5% of total)
- Retail Trade (13.8%)
- Health Care and Social Assistance (10.8%)
- Education and Training (7.9%)
- Manufacturing (6.5%).

When compared to all comparison regions, Hilltops LGA has strengths in the areas of Agriculture, Forestry and Fishing and Retail Trade.

**Employment by Industry, PoW, 2011**

| Industry | Hilltops LGA | Parkes LGA | Western Plains Regional LGA | Yass Valley LGA | Snowy Monaro LGA | Mid-Western Regional LGA |
|---|---|---|---|---|---|---|
| Agriculture, Forestry and Fishing | 22.5% | 11.8% | 5.3% | 18.1% | 10.7% | 10.2% |
| Retail Trade | 13.8% | 12.4% | 12.4% | 10.2% | 9.6% | 11.3% |
| Health Care and Social Assistance | 10.8% | 11.9% | 15.5% | 9.4% | 7.5% | 9.1% |
| Education and Training | 7.9% | 7.6% | 9.2% | 7.3% | 7.0% | 7.1% |
| Manufacturing | 6.5% | 4.4% | 6.6% | 4.6% | 3.5% | 6.0% |
| Construction | 6.5% | 6.5% | 7.8% | 11.1% | 5.9% | 9.0% |
| Accommodation and Food Services | 5.9% | 7.2% | 7.2% | 11.5% | 19.6% | 8.2% |
| Transport, Postal and Warehousing | 4.6% | 6.2% | 4.7% | 3.0% | 3.6% | 3.0% |
| Public Administration and Safety | 4.5% | 7.4% | 8.4% | 5.3% | 6.6% | 3.6% |
| Other Services | 3.8% | 4.2% | 4.5% | 3.1% | 2.7% | 3.9% |
| Wholesale Trade | 3.5% | 2.9% | 3.8% | 2.3% | 1.7% | 2.5% |
| Professional, Scientific and Technical Services | 2.5% | 3.0% | 4.1% | 5.2% | 3.8% | 3.2% |
| Financial and Insurance Services | 2.1% | 1.3% | 2.3% | 0.8% | 0.9% | 1.1% |
| Administrative and Support Services | 1.8% | 2.5% | 2.4% | 2.3% | 3.1% | 2.3% |
| Electricity, Gas, Water and Waste Services | 1.0% | 1.3% | 1.5% | 3.0% | 3.3% | 1.2% |
| Rental, Hiring and Real Estate Services | 0.7% | 0.9% | 1.4% | 1.1% | 2.1% | 1.2% |
| Arts and Recreation Services | 0.6% | 0.2% | 1.4% | 1.3% | 7.7% | 0.8% |
| Information Media and Telecommunications | 0.5% | 0.6% | 1.0% | 0.2% | 0.7% | 0.7% |
| Mining | 0.4% | 7.5% | 0.5% | 0.1% | 0.1% | 15.8% |
| **Total** | **7,269** | **6,083** | **21,761** | **3,868** | **9,850** | **9,981** |

Source: ABS (2012)

**Employment by Industry, PoW, % of Total, 2011**
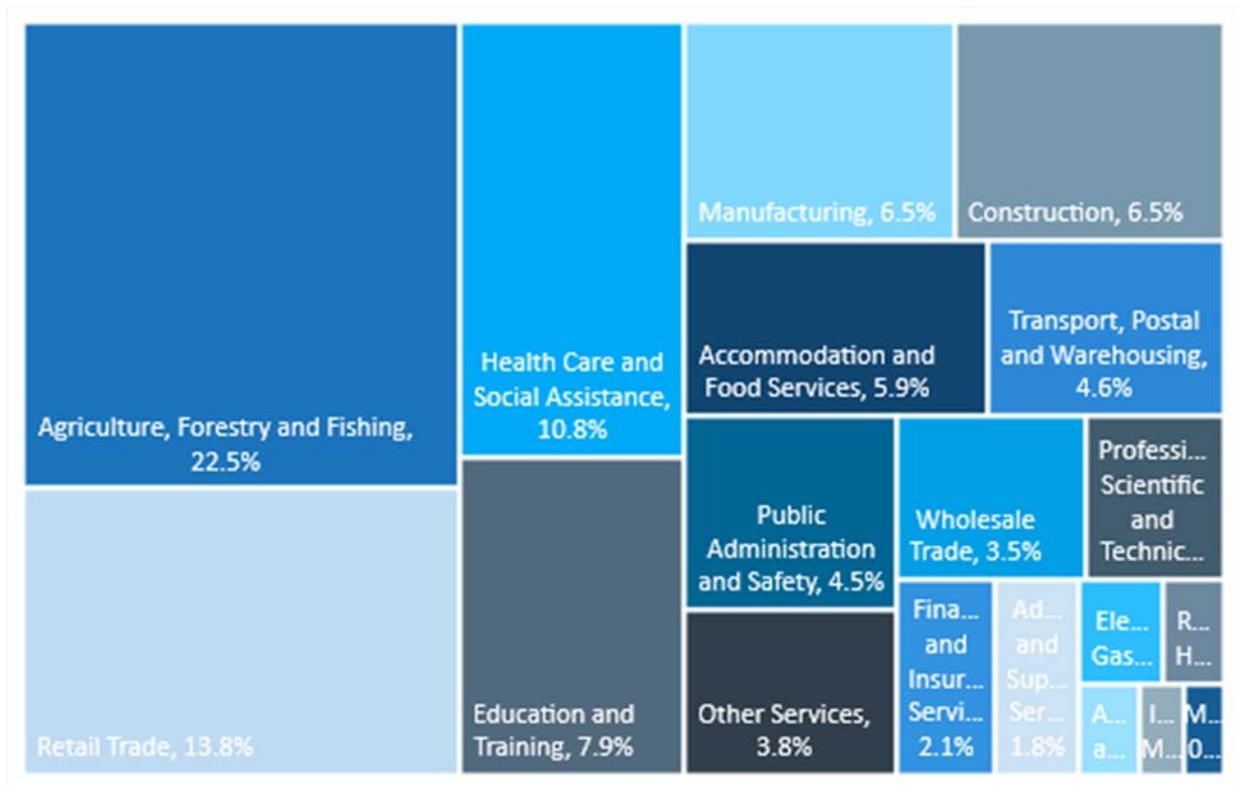


Source: ABS (2012)

Between 2006 and 2011, total employment in Hilltops LGA increased by 1.2%.  Industries which posted strong growth outcomes over the period between 2006 and 2011 included:

- Electricity, Gas, Water and Waste Services (an increase of 23 jobs or 47.5% from 2006)
- Financial and Insurance Services (38 jobs or 32.3%)
- Transport, Postal and Warehousing (45 jobs or 15.5%)
- Health Care and Social Assistance (91 jobs or 13.1%)
- Accommodation and Food Services (49 jobs or 12.8%).

The worst performing industries over the period in terms of percent growth in employment were:

- Mining (a decrease of -21 jobs or -41.2% from 2006)
- Information Media and Telecommunications (-13 jobs or -27.8%)
- Manufacturing (-173 jobs or -26.8%)
- Professional, Scientific and Technical Services (-32 jobs or -15%)
- Rental, Hiring and Real Estate Services (-7 jobs or -12%).

**Change in Employment by Industry, 2006 to 2011**
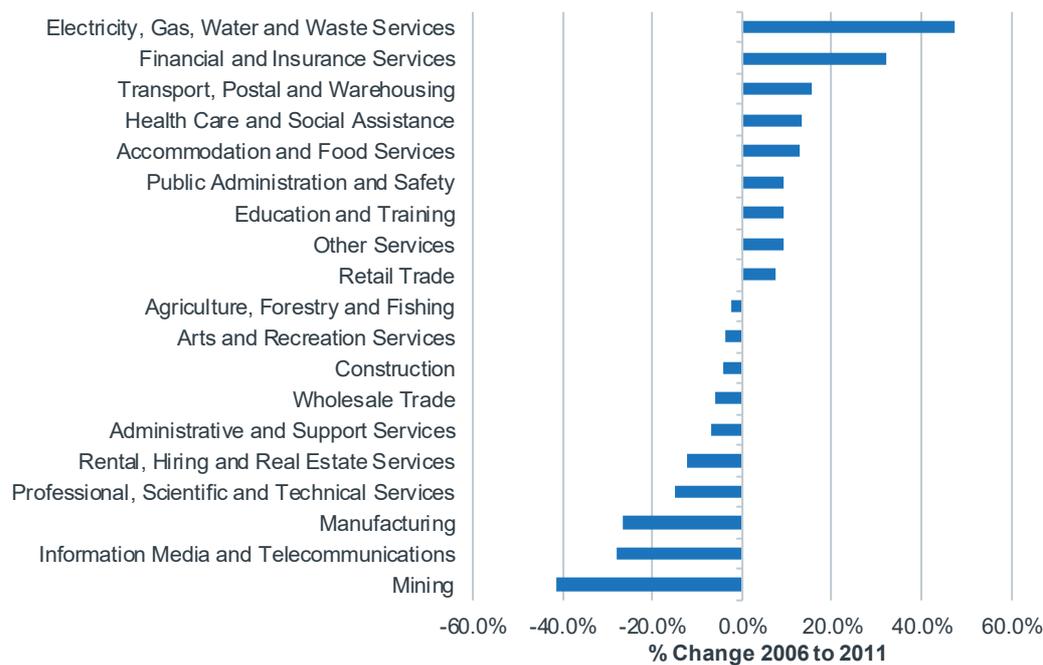


Source: ABS (2007, 2012)

A total of 7,517 residents of Hilltops LGA were working in 2011 (by place of usual residence). The industries in which the most Hilltops LGA residents worked in 2011 were:

- Agriculture, Forestry and Fishing (22% of employed residents)
- Retail Trade (13.8%)
- Health Care and Social Assistance (10.8%)
- Education and Training (7.9%)
- Manufacturing (6.5%).

When compared to all the comparison regions, the local labour force in Hilltops LGA has strengths in the areas of Agriculture, Forestry and Fishing and Retail Trade.
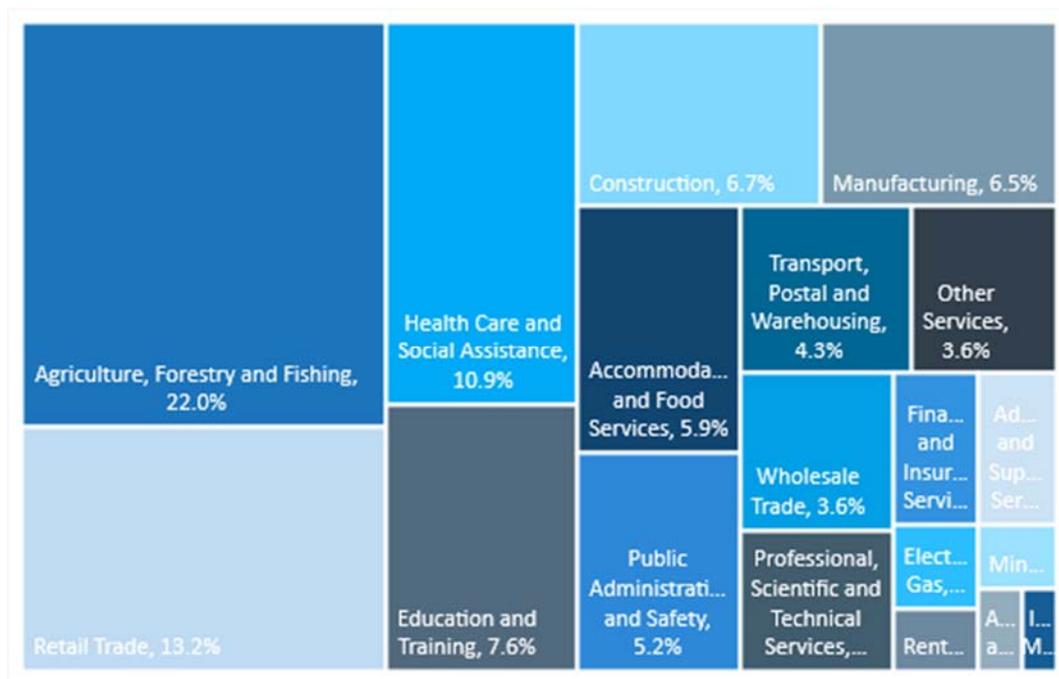
**Employment by Industry, PoUR, 2011**

| Industry | Hilltops LGA | Parkes LGA | Western Plains Regional LGA | Yass Valley LGA | Snowy Monaro LGA | Mid-Western Regional LGA |
|---|---|---|---|---|---|---|
| Agriculture, Forestry and Fishing | 22.0% | 11.6% | 5.5% | 8.2% | 10.4% | 9.6% |
| Retail Trade | 13.2% | 12.0% | 12.3% | 8.2% | 10.5% | 11.6% |
| Health Care and Social Assistance | 10.9% | 11.6% | 14.8% | 9.0% | 8.5% | 9.3% |
| Education and Training | 7.6% | 7.5% | 9.4% | 8.3% | 7.0% | 7.6% |
| Construction | 6.7% | 6.0% | 7.2% | 10.6% | 7.8% | 8.1% |
| Manufacturing | 6.5% | 5.7% | 6.3% | 2.8% | 4.2% | 5.9% |
| Accommodation and Food Services | 5.9% | 7.5% | 7.4% | 6.6% | 13.4% | 8.3% |
| Public Administration and Safety | 5.2% | 7.0% | 8.1% | 19.7% | 9.3% | 4.3% |
| Transport, Postal and Warehousing | 4.3% | 6.8% | 4.8% | 3.0% | 3.3% | 3.4% |
| Other Services | 3.6% | 4.5% | 4.6% | 3.2% | 3.0% | 3.9% |

| Industry | Hilltops LGA | Parkes LGA | Western Plains Regional LGA | Yass Valley LGA | Snowy Monaro LGA | Mid-Western Regional LGA |
|---|---|---|---|---|---|---|
| Wholesale Trade | 3.6% | 2.9% | 4.0% | 2.1% | 2.4% | 2.6% |
| Professional, Scientific and Technical Services | 3.2% | 3.1% | 4.3% | 8.5% | 4.6% | 3.7% |
| Financial and Insurance Services | 1.9% | 1.2% | 2.3% | 1.5% | 1.2% | 1.2% |
| Administrative and Support Services | 1.8% | 2.4% | 2.5% | 2.2% | 3.1% | 2.3% |
| Electricity, Gas, Water and Waste Services | 1.1% | 1.2% | 1.5% | 1.9% | 3.6% | 1.3% |
| Rental, Hiring and Real Estate Services | 0.8% | 0.8% | 1.4% | 1.2% | 1.9% | 1.3% |
| Mining | 0.7% | 7.3% | 0.9% | 0.1% | 0.2% | 14.1% |
| Arts and Recreation Services | 0.5% | 0.3% | 1.6% | 1.5% | 4.9% | 0.7% |
| Information Media and Telecommunications | 0.4% | 0.6% | 1.1% | 1.4% | 0.8% | 0.9% |
| Total | 7,517 | 6,042 | 21,455 | 7,775 | 9,473 | 9,377 |

Source: ABS (2012)

**Employment by Industry, PoUR, % of Total, 2011**



Source: ABS (2012)

Analysis of employment by industry by place of work and place of usual residence, at the 1-digit ANZSIC level, suggests Hilltops LGA had sufficient local labour availability to meet its employment needs in 2011, with most industries recording higher numbers of workers in the area by place of residence than by place of work.

The industries with the best access to local labour in 2011 were:
- Public Administration and Safety
- Professional, Scientific and Technical Services
- Health Care and Social Assistance
- Construction
- Mining.

**Employment by Industry, PoW vs PoUR, 2011**

| Industry | Place of Work | Place of Residence | Difference |
|---|---|---|---|
| Agriculture, Forestry and Fishing | 1,639 | 1,652 | 13 |
| Mining | 29 | 56 | 26 |
| Manufacturing | 473 | 486 | 13 |
| Electricity, Gas, Water and Waste Services | 70 | 80 | 10 |
| Construction | 470 | 502 | 32 |
| Wholesale Trade | 251 | 268 | 17 |
| Retail Trade | 1,006 | 995 | -11 |
| Accommodation and Food Services | 428 | 446 | 18 |
| Transport, Postal and Warehousing | 334 | 324 | -11 |
| Information Media and Telecommunications | 33 | 32 | -1 |
| Financial and Insurance Services | 154 | 145 | -9 |
| Rental, Hiring and Real Estate Services | 51 | 60 | 9 |
| Professional, Scientific and Technical Services | 183 | 240 | 58 |
| Administrative and Support Services | 133 | 133 | 0 |
| Public Administration and Safety | 331 | 394 | 63 |
| Education and Training | 574 | 571 | -3 |
| Health Care and Social Assistance | 787 | 822 | 35 |
| Arts and Recreation Services | 44 | 40 | -4 |
| Other Services | 279 | 272 | -7 |
| **Total** | **7,269** | **7,517** | **248** |

Source: ABS (2012)

## Unemployment and Labour Force

In December 2016 the Hilltops LGA labour force contracted by 1.9% to 8,683. Over the past 5 years, the performance of the labour force has lagged behind compared to the comparison regions, contracting 4.6%. Over the same time, the number of persons unemployed in Hilltops LGA has expanded by 24.2%. As a result, over the past 5 years, the unemployment rate in Hilltops LGA has increased by 1.2% points, which is a higher increase than all other comparison regions. In the last quarter, the unemployment rate increased by 0.2 points, to 5.0%.

**Unemployment and Labour Force, 2006 to 2016**
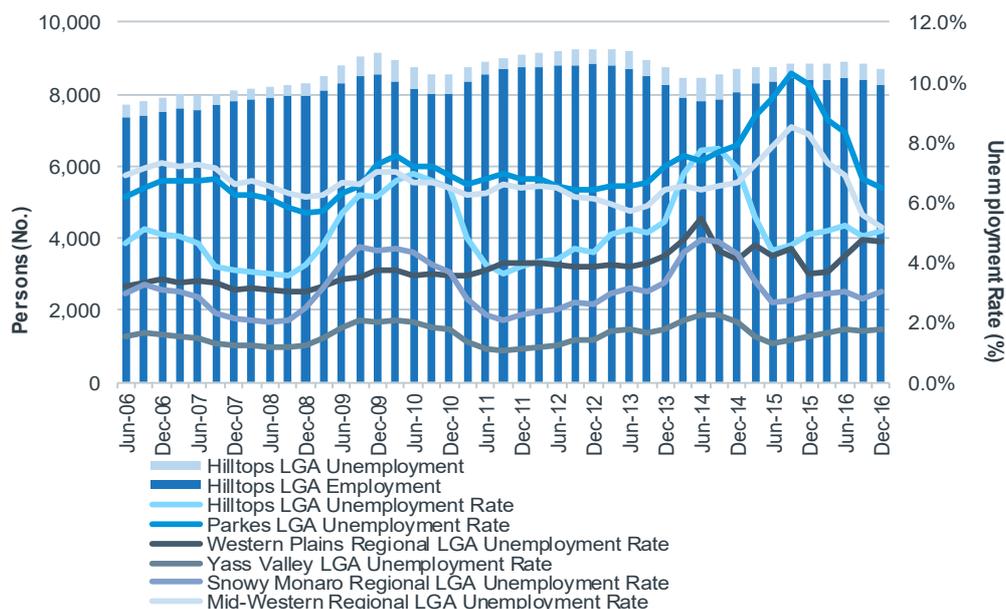


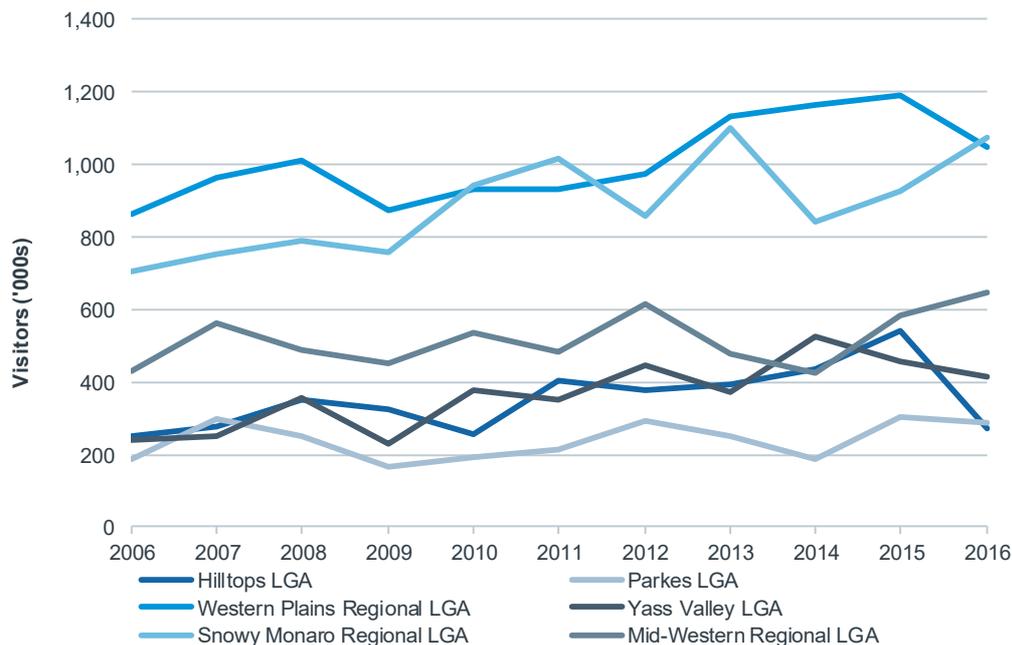Source: Department of Employment (2017)
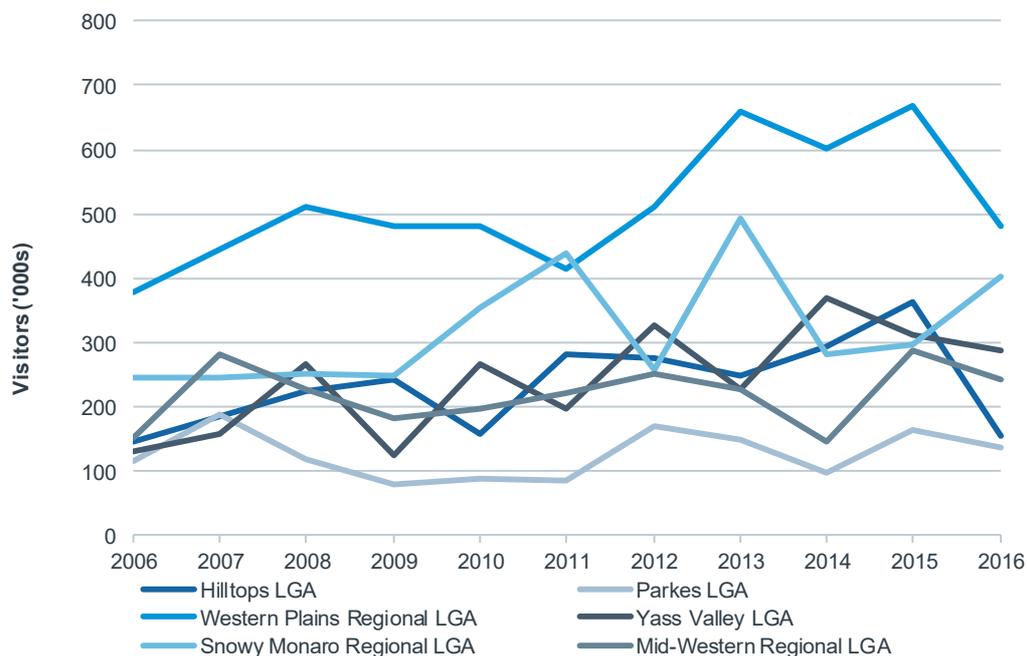
# TOURISM

## Visitors

Between 2006 and 2016, total visitors in Hilltops LGA grew at an average annual rate of 1% to reach approximately 274,000. This rate of growth is lower than all comparison regions, which average between 2 and 6%. This is also lower than all comparison regions in absolute terms. Hilltops LGA is seeing a moderate average annual rate of growth in Domestic Overnight – Intrastate and International visitors, with 3.8% and 3.3%, respectively. In 2016, 57% (156,000) of total visitors were Daytrip visitors, 8% (23,000) were Domestic Overnight – Interstate visitors, 34% (93,000) were Domestic Overnight – Intrastate visitors, and only 1% (2,000) were International visitors.

**Visitors, Total, '000s, 2006-2016**



Source: TRA (2017a,b)

**Visitors, Daytrip, '000s, 2006 to 2016**
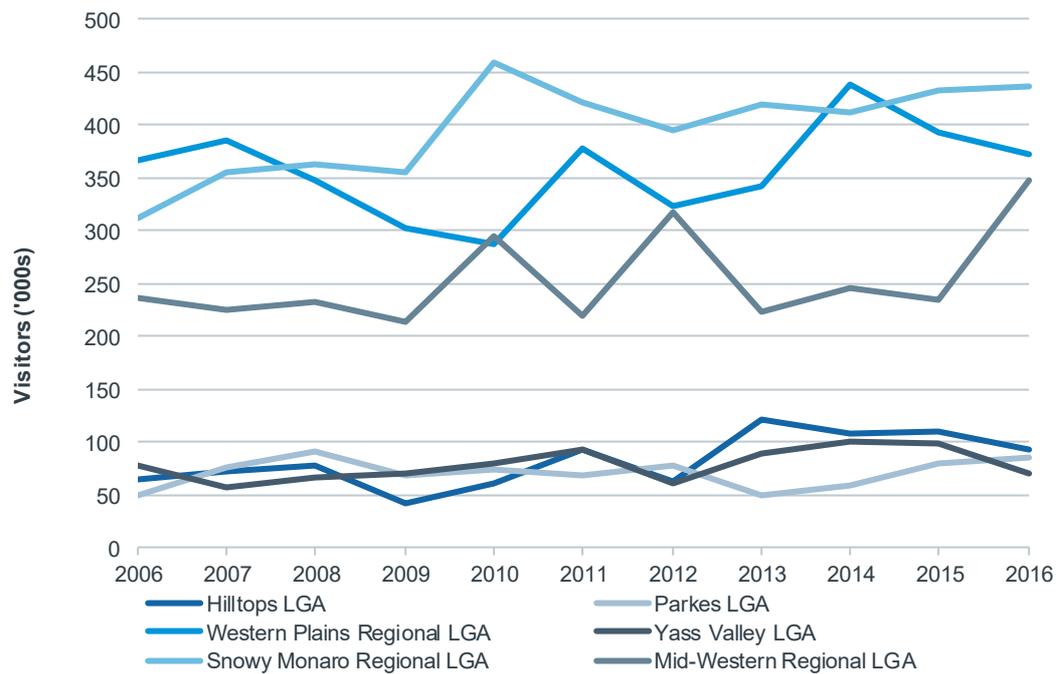


Source: TRA (2017b)
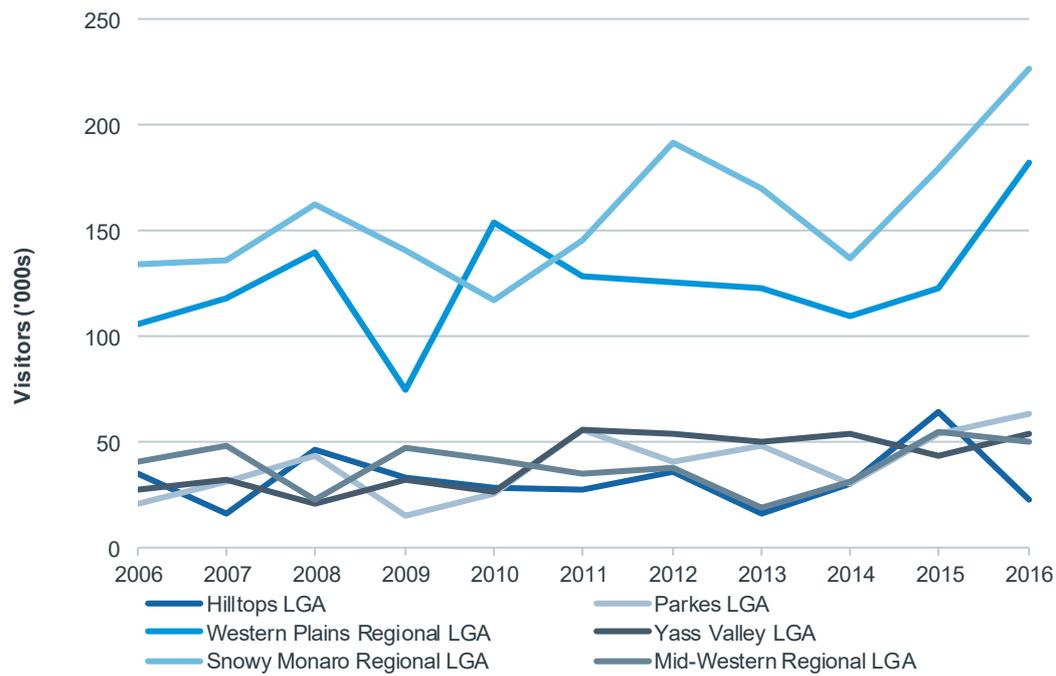
**Visitors, Domestic Overnight – Interstate, '000s, 2006-2016**



Source: TRA (2017b)

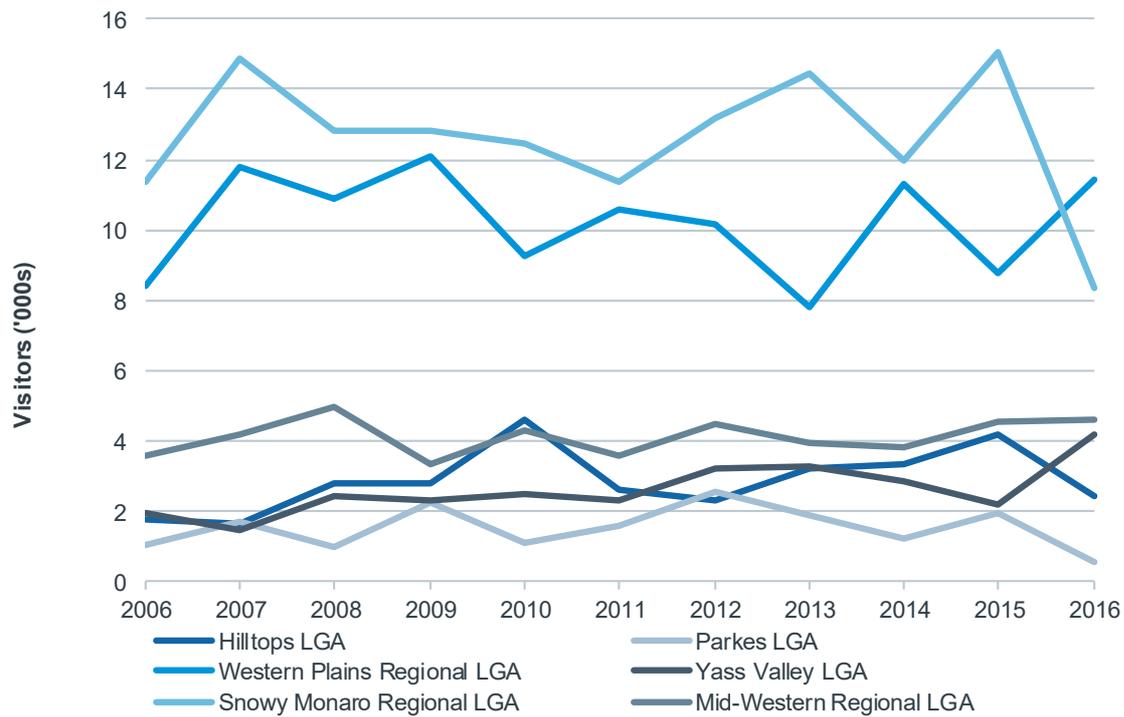**Visitors, Domestic Overnight – Intrastate, '000s, 2006-2016**



Source: TRA (2017b)

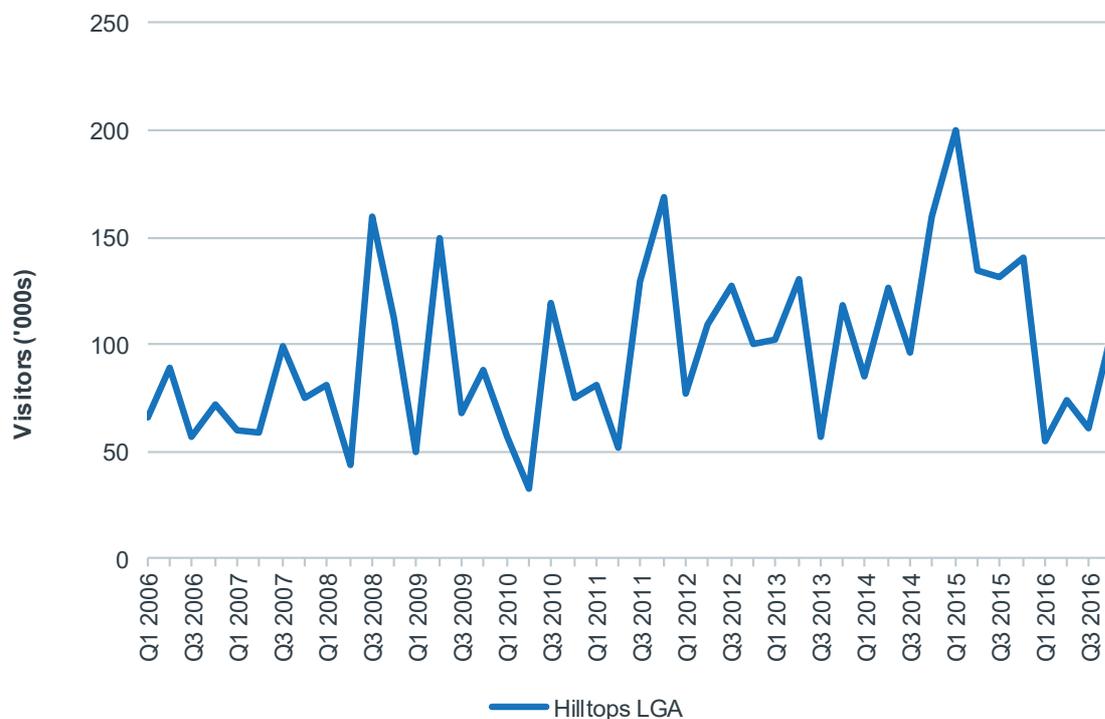**Visitors, International, '000s, 2006-2016**



Source: TRA (2017a)

## Seasonality

There is no significant trend in which quarter garners the most total visitors each year for Hilltops LGA.

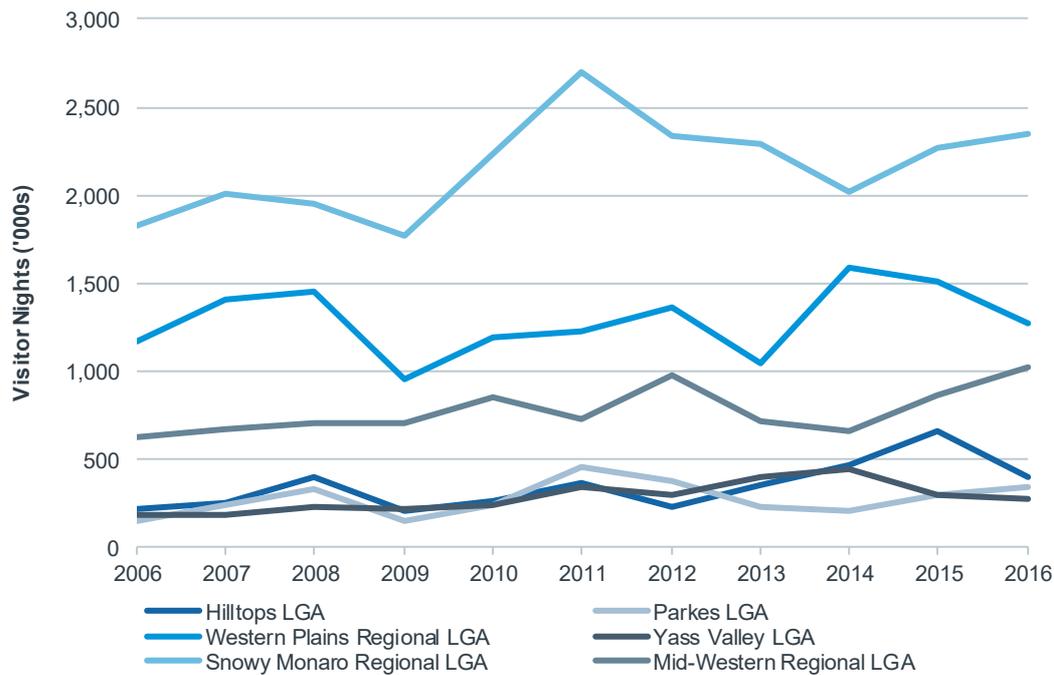**Visitors by Quarter, Total, '000s, 2006-16**
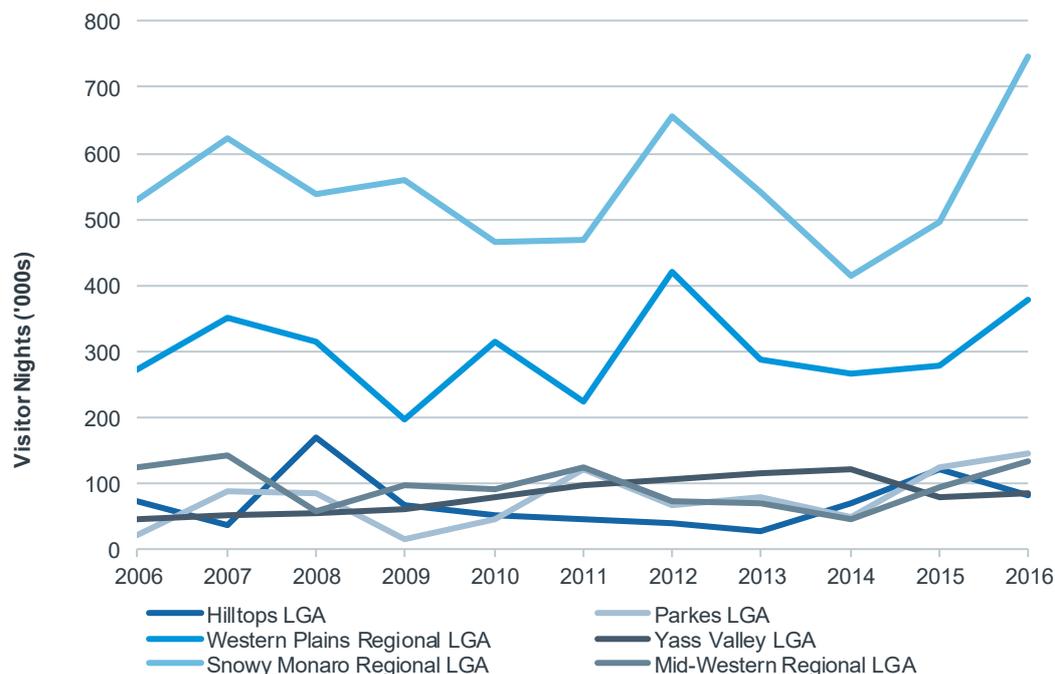


Source: TRA (2017a,b)

## Visitor Nights

Between 2006 and 2016, total visitor nights in Hilltops LGA grew at an average annual rate of 6.1% to reach approximately 397,000. This rate of growth is higher than all comparison regions, with the exception of Parkes LGA. In absolute terms, visitor nights in Hilltops LGA falls in the middle of the comparison regions. Hilltops LGA is seeing the most substantial average annual growth rate in International visitor nights at 18.5%. In 2016, 21% were Domestic Overnight – Interstate visitor nights, 52% were Domestic Overnight – Intrastate visitor nights, and 28% were International visitor nights.

**Visitor Nights, Total, '000s, 2006-2016**
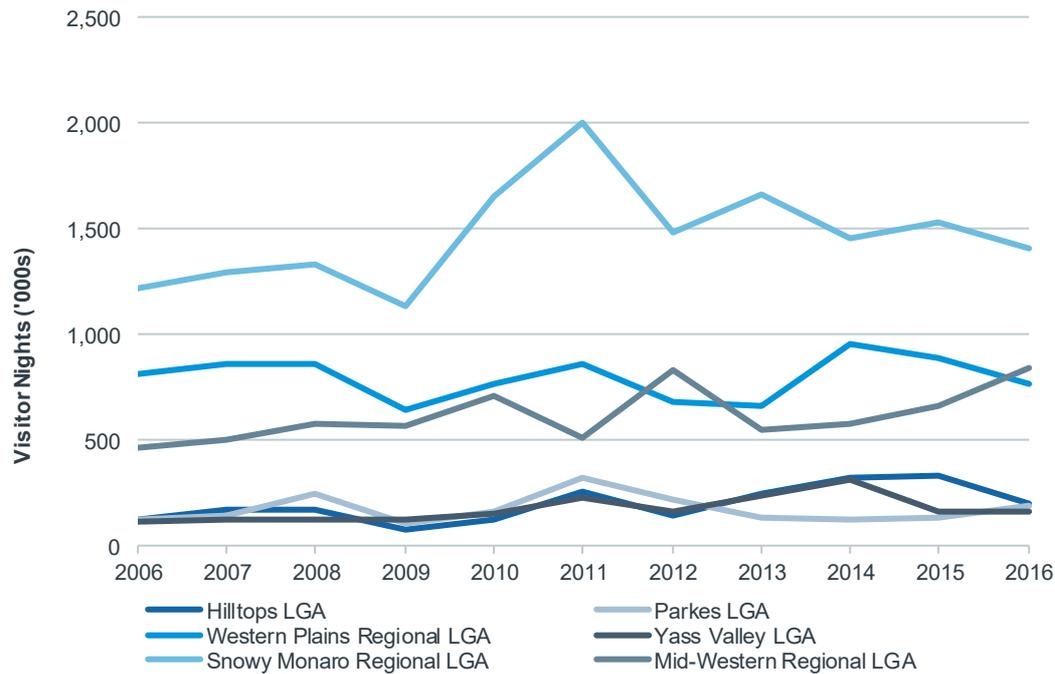


Source: TRA (2017a,b)

**Visitor Nights, Domestic Overnight - Interstate, '000s, 2006-2016**
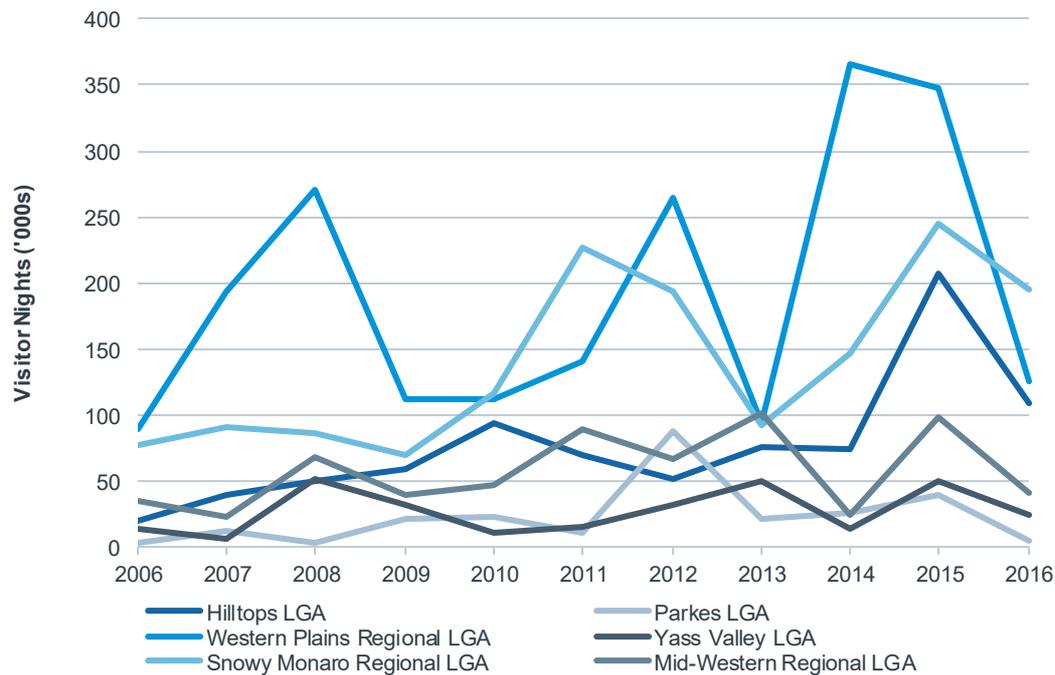


Source: TRA (2017b)

**Visitor Nights, Domestic Overnight - Intrastate, '000s, 2006-2016**



Source: TRA (2017b)

**Visitor Nights, International, '000s, 2006-2016**



Source: TRA (2017a)
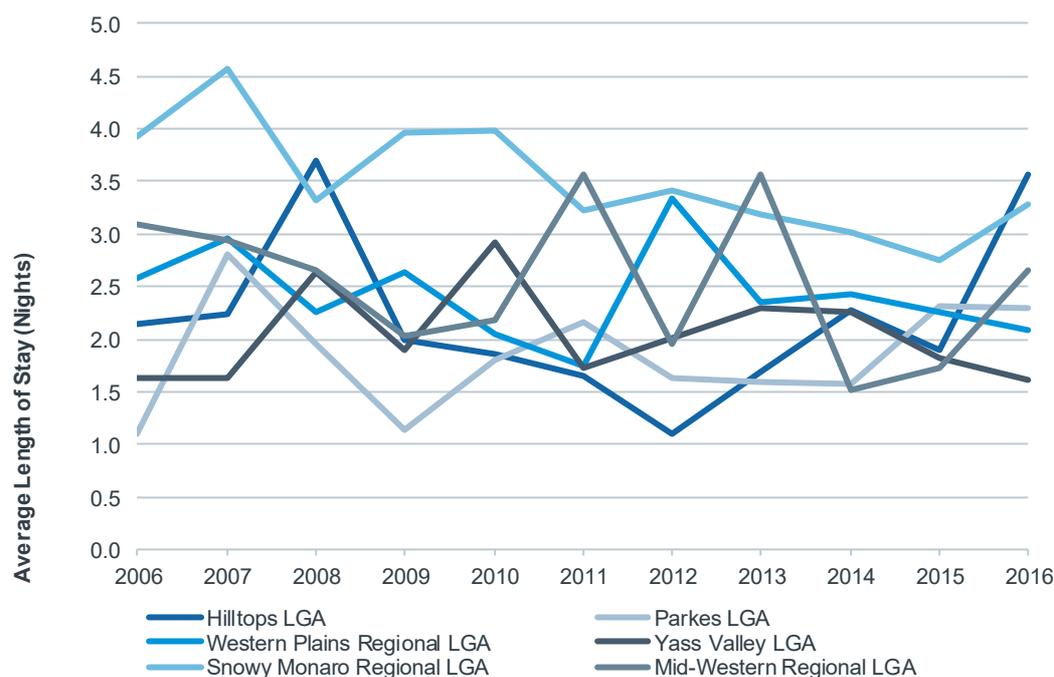
## Average Length of Stay

Between 2006 and 2016, the average length of stay for total visitors to Hilltops LGA grew at an average annual rate of 4.4% to reach 3.4 nights. This rate of growth is higher than all comparison regions and in absolute terms, average length of stay in Hilltops LGA was higher than all comparison regions in 2016, with the exception of Snowy Monaro Regional LGA. Hilltops LGA is seeing the most substantial average annual growth rate in International visitor average length of stay at 14.7% between 2006 and 2016.

**Average Length of Stay, Total, Nights 2006-2016**
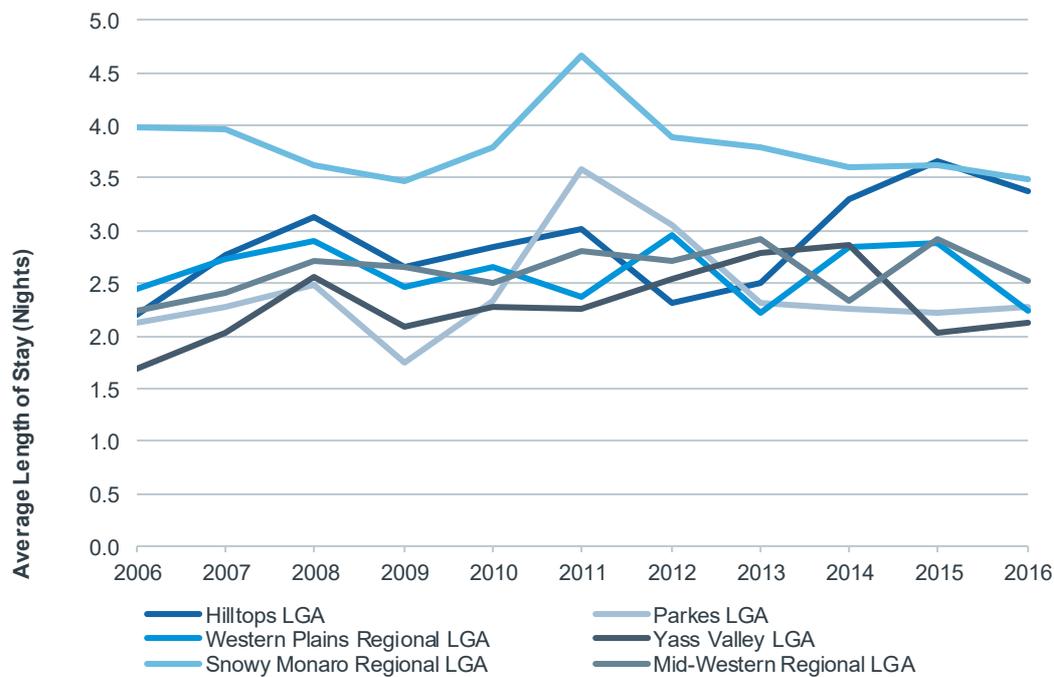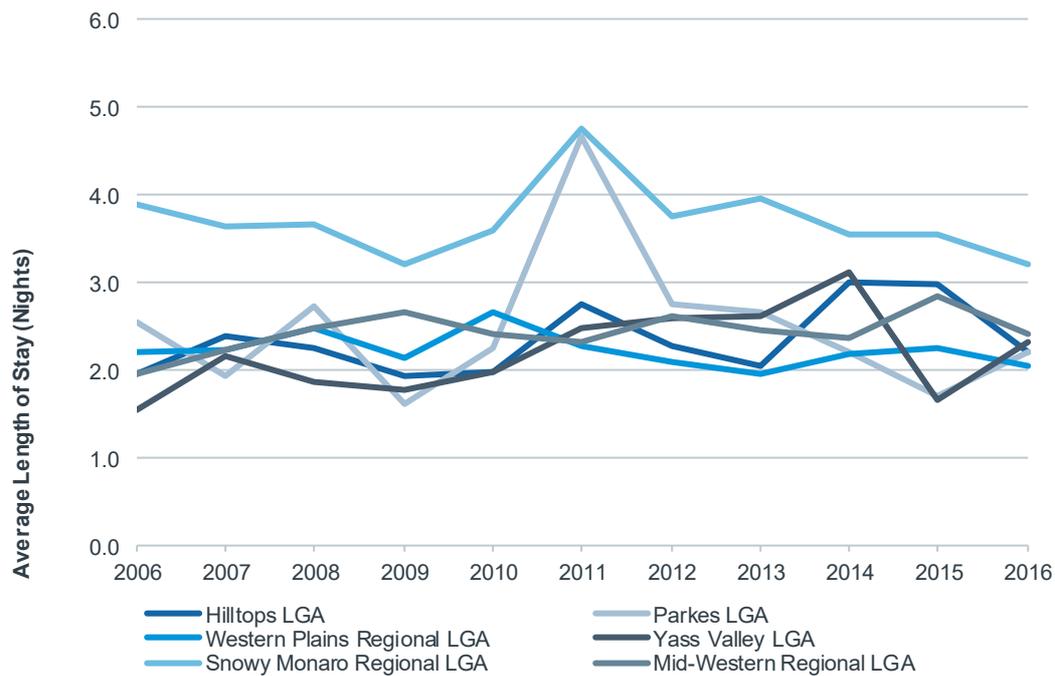


Source: TRA (2017a,b)

**Average Length of Stay, Domestic Overnight – Interstate, Nights, 2006-2016**
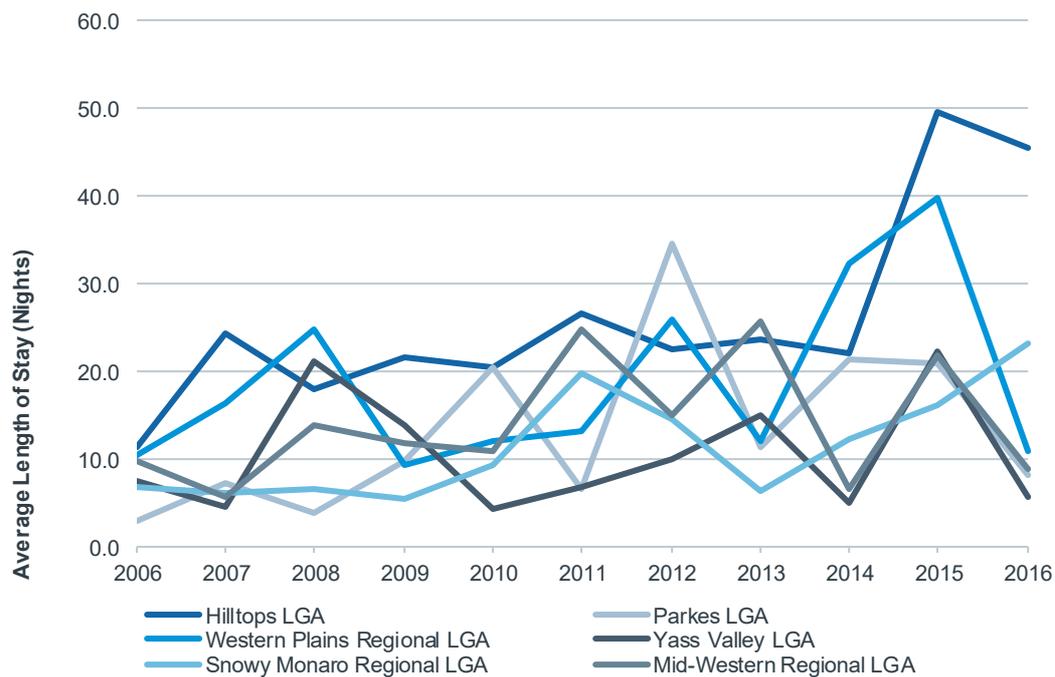


Source: TRA (2017b)

**Average Length of Stay, Domestic Overnight – Intrastate, Nights, 2006-2016**



Source: TRA (2017b)

**Average Length of Stay, International, Nights, 2006-2016**



Source: TRA (2017a)

## Visitors by Purpose

Of the total visitors in 2016, the main purpose for visiting Hilltops LGA was for holiday (49.5%), followed by visiting friends and relatives (29.1%), and then business (15.3%).

**Total Visitors by Purpose, % of Total, 2016**
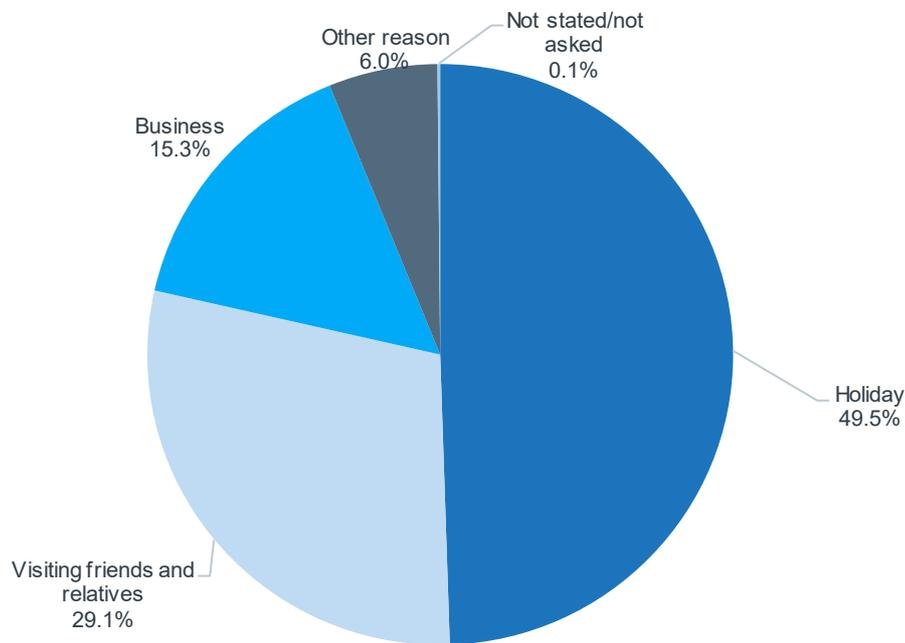


Source: TRA (2017a,b)

**Visitors by Purpose, % of Total, 2016**

| Type of Visitor | Holiday | Visiting friends and relatives | Business | Other reason |
|---|---|---|---|---|
| Daytrip | 59.7% | 17.9% | 16.4% | 6.0% |
| Domestic Overnight - Interstate | 35.5% | 35.7% | 26.3% | 2.5% |
| Domestic Overnight - Intrastate | 35.7% | 47.0% | 11.2% | 6.0% |
| International | 52.6% | 8.5% | 38.9% | 0.0% |

Source: TRA (2017a,b)

## Types of Activities

In 2016, over half of total visitors to Hilltops LGA did social activities, whilst 11.3% did local attractions/tourist activities.

**Total Visitors by Activity, % of Total, 2016**
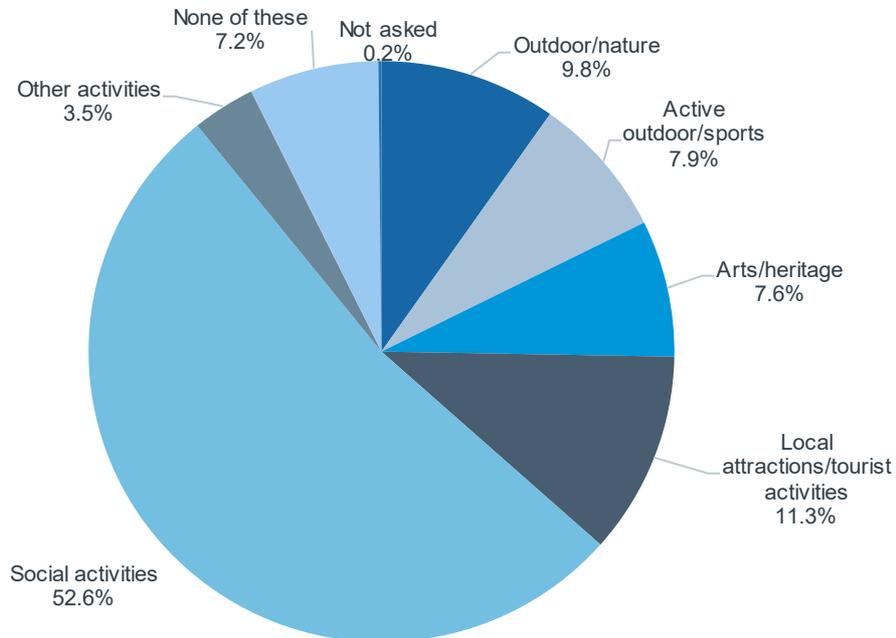


Source: TRA (2017a,b)

**Visitors by Activity, % of Total, 2016**

| Type of Visitor | Outdoor/ nature | Active outdoor/ sports | Arts/ heritage | Local attractions/ tourist activities | Social activities | Other activities | None of these | Not asked |
|---|---|---|---|---|---|---|---|---|
| Daytrip | 10.9% | 3.7% | 9.9% | 15.0% | 75.9% | 9.4% | 13.6% | 0.2% |
| Domestic Overnight - Interstate | 9.6% | 30.1% | 1.0% | 9.5% | 72.0% | 0.0% | 20.8% | 1.7% |
| Domestic Overnight - Intrastate | 21.4% | 21.1% | 15.7% | 22.6% | 91.1% | 0.0% | 4.5% | 0.0% |
| International | 83.8% | 47.4% | 70.7% | 40.6% | 96.2% | 0.0% | 0.0% | 0.0% |

Note: *May not sum to 100% because multiple answers were allowed.
Source: TRA (2017(a,b)

## Type of Accommodation Used

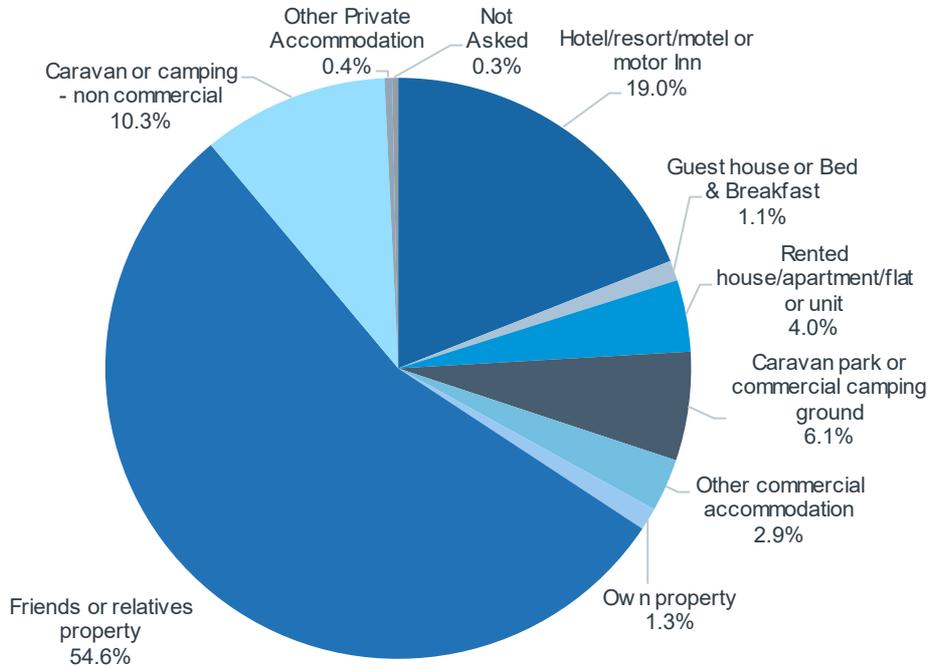In 2016, the most common type of accommodation used by total visitors in Hilltops LGA was friends' or relatives' property. The second most common type of accommodation was a hotel/resort/motel or motor inn.

**Total Visitors by Accommodation, % of Total, 2016**



Source: TRA (2017a,b)

**Visitors by Accommodation, % of Total, 2016**

| Type of Visitor | Hotel/resort/motel or motor Inn | Guest house or Bed & Breakfast | Rented house/apartment/flat or unit | Caravan park or commercial camping ground | Other commercial accommodation | Own property | Friends or relatives property | Caravan or camping - non commercial | Other Private Accommodation | Not Asked |
|---|---|---|---|---|---|---|---|---|---|---|
| Domestic Overnight - Interstate | 12.5% | 4.9% | 0.0% | 12.4% | 15.1% | 0.0% | 38.9% | 14.1% | 0.5% | 1.7% |
| Domestic Overnight - Intrastate | 20.9% | 0.0% | 4.5% | 4.3% | 0.0% | 1.6% | 59.1% | 9.6% | 0.0% | 0.0% |
| International | 8.8% | 8.6% | 21.5% | 14.5% | 0.0% | 0.0% | 33.9% | 1.2% | 15.3% | 0.0% |

Note: *May not sum to 100% because multiple answers were allowed.
Source: TRA (2017(a,b)

## Age of Visitors

In Hilltops LGA, the 55+ age group was the most prominent age group in 2016 with 40.4% of visitors. The next more prominent category was the 40-44 age group at 19.4%.

**Visitors by Age, % of Total, 2016**
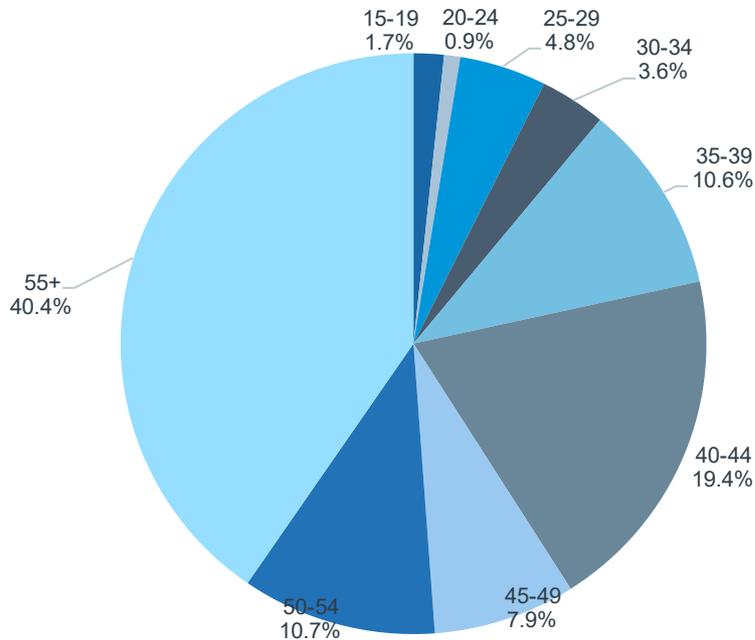


Source: TRA (2017a,b)

**Visitors by Age, % of Total, 2016**

| Type of Visitor | 15-19 | 20-24 | 25-29 | 30-34 | 35-39 | 40-44 | 45-49 | 50-54 | 55+ |
|---|---|---|---|---|---|---|---|---|---|
| Daytrip | 0.5% | 0.0% | 1.5% | 0.0% | 15.8% | 23.7% | 10.0% | 10.0% | 38.5% |
| Domestic Overnight - Interstate | 16.2% | 8.6% | 0.0% | 13.1% | 0.0% | 0.6% | 0.9% | 29.1% | 31.7% |
| Domestic Overnight - Intrastate | 0.0% | 0.2% | 10.7% | 7.5% | 4.6% | 17.4% | 6.3% | 7.8% | 45.6% |
| International | 6.0% | 11.3% | 38.1% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 44.7% |

Source: TRA (2017a,b)

## Source of Origin

In 2016, nearly half of all Domestic Overnight – Interstate visitors to Hilltops LGA were from ACT. This was followed by Queensland at 22.1% and Victoria at 16.7%. There were no visitors recorded from Western Australia or Northern Territory.

**Visitors by Source of Origin, Domestic Overnight - Interstate, % of Total, 2016**
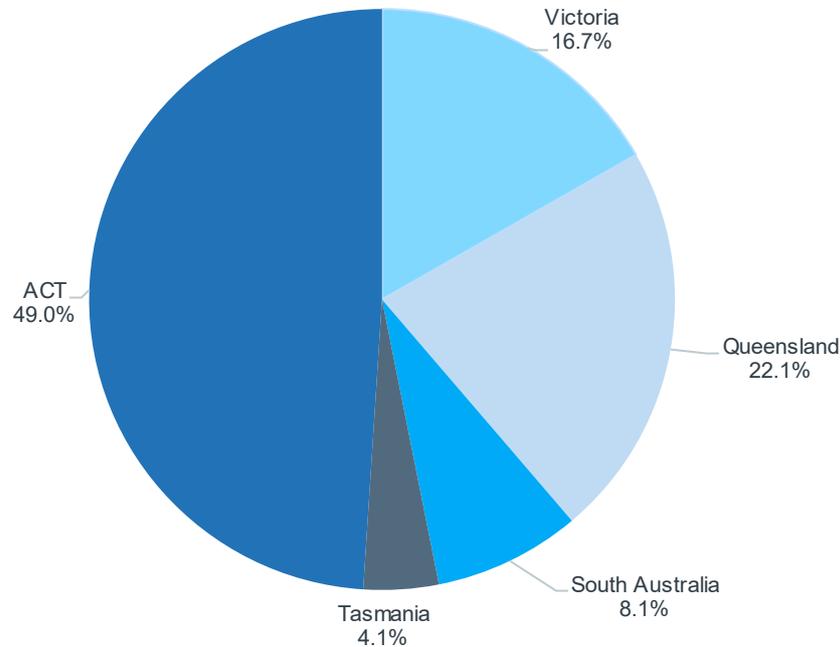


Source: TRA (2017a)

In 2016, 35.1% of International visitors to Hilltops LGA were from Canada. Another quarter of International visitors were from China. Visitors from the United Kingdom and Germany comprised a moderate proportion of International visitors.

**Visitors by Source of Origin, International, % of Total, 2016**



Source: TRA (2017a)

## APPENDIX B: INFLUENCING FACTORS AND TRENDS

### EXCHANGE RATE

#### Description

The value of the Australian dollar influences the competitiveness of Australian businesses in the global economy.
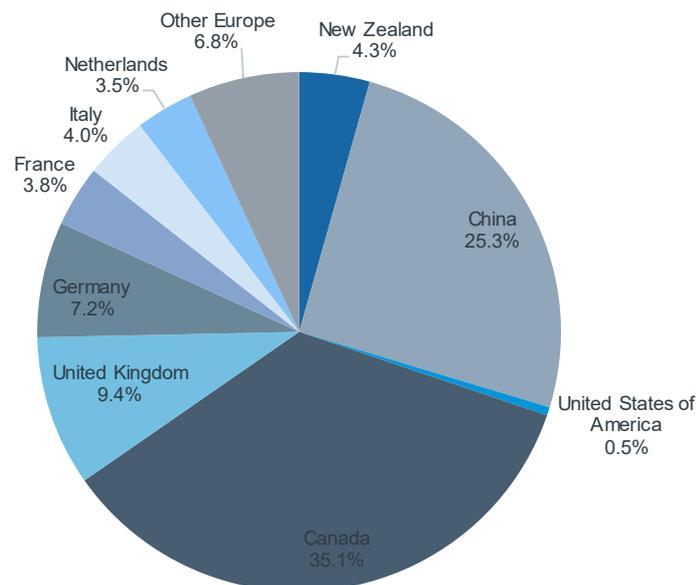
#### Local Context

The performance of the Australian dollar impacts on the competitiveness of Australian producers in the global market. If the Australian dollar declines as it has done recently it is likely to have a positive impact on export focused businesses through an associated increase in competitiveness in the global market. Global competitiveness, particularly around labour rates, also affects Australia's ability to effectively compete across all sectors, in particular with sectors such as agriculture and low skilled manufacturing industries, creating the need for Australian production to focus (generally) on higher quality, premium and/ or niche products.

It is not possible for Councils to influence the Australian exchange rate. However, it is an important factor to be aware of and consider in relation to the impact it can have on the local economy, development programs and the major industries across the area and associated jobs growth.

Similar to the Australian dollar, the price of commodities in global markets influences the attractiveness of industries in the region and the profitability of businesses. Again, there is little Council can do to influence this, but it is important to be aware of the industries/ businesses that are susceptible to this and understand the overarching impact this can have on the economy, both positive and negatively, during times of change and uncertainty.

## THE ASIAN CENTURY

### Description

Economies and populations in developing nations in Asia are growing rapidly. The continual growth of the middle-class across Asia is expected to present an increasing array of opportunities for Australia, specifically through an increase in demand for our goods and services.

To truly benefit from these opportunities, the area needs to explore a range of priorities, such as:

- 'Governance' – establish and grow industry collaboration structures to build the critical mass needed to break into global markets.

- 'Capability' – identify opportunities to build the capability of local businesses to ensure they have the capacity and skills to operate in this market.

- 'Relationships' – identify opportunities and develop strong relationships with strategic Asian markets where mutually beneficial outcomes can be achieved.

- 'Market Knowledge' – there is a need to develop a strong understanding around the current gaps and associated opportunities within these markets and what the key drivers are that influence relationships and business decision making.

### Local Context

There are significant opportunities that can be facilitated because of the size and scope of the economies in Asia, however, they will not happen without applied effort. Council can play a role to help facilitate the development of these opportunities and the associated growth in local jobs.

Global demand, in particular within the growing Asian market, is predicted to generate opportunities for growth in industries such as agribusiness (eg. higher value food production), international education,

tourism and wealth management as well as global demand for energy. For Hilltops, this is key as agriculture and tourism are two of its main economic drivers.

Increasing market knowledge and awareness of the opportunities in these industries will help to ensure that job growth and investment attraction can be achieved, but if regions simply wait for the opportunities to arrive it may not happen. Taking advantage of opportunities associated with the Asian Century is about proactively making them happen.

The Hilltops Council has a strong interest in tapping into the Chinese tourism market, and with the regions history having a strong connection to China and with assets such as the Chinese Tribute Garden, then this interest has potential that is worth exploring further.

New South Wales (NSW) is a strong destination of choice for Chinese visitors, with 60% of all Chinese visitors to Australia and 40% of Chinese visitor nights. It is projected that by 2020 China will be NSW largest international market in terms of visitor arrivals, visitor nights and expenditure.

The challenge for the Hilltops region is how it goes about attracting these visitors into the area.

## INFRASTRUCTURE DELIVERY

### Description
Ongoing population growth will create increased pressure and demand on existing infrastructure and the delivery of future infrastructure. Infrastructure has the capacity to lead or follow development. Good economic outcomes are achieved when the right infrastructure leads development.

Infrastructure plays a crucial role in driving business investment, growth and productivity. Today, both the private and public sector are placing more emphasis on developing basic infrastructure in Australia to promote the growth of the economy and provide for a growing population.

### Local Context
There are currently only minor infrastructure developments being actively developed in the Hilltops LGA, including the construction of Olympic Highway at Apps Lane. However, there are a range of forward looking key infrastructure projects being planned to support forward growth, these initiatives include planning for water and gas pipeline infrastructure, rail augmentation, passing lanes Lachlan Valley Way, regional road network improvements, a range of drainage improvements in Young and the servicing of new industrial precinct in Harden. These are being funded via a range of developer contributions and infrastructure development grants.

Infrastructure projects have the potential to improve the attractiveness of towns and in turn build local confidence and visitor appeal. On this basis, other projects should be considered over time in suitable towns that are aimed at the revitalisation and beautification of towns.

## CHANGING NATURE OF AGRICULTURE

### Description
Shifts in consumer demand, changes in government policies, technological advances and innovation, emerging environmental concerns and a continued decline in the sector's terms of trade have had major implications on restructuring and adjustments of agribusiness value and processing chains. Farms are now fewer but larger than in the previous decades and this trend will continue. With this comes corporate investment with operations often extending across several countries to mitigate risk.

Local and regional agricultural markets are also being increasingly interwoven with global demand and supply dynamics. The agriculture sector will continue to explore and invest in economically viable options

for diversification through different processes, supply chain links, products and marketing avenues, to maintain profitability and long run sustainability of operations. Another important influence on agriculture is the ever increasing land use conflict. The right to farm is an important consideration for the agriculture sector around Australia.

### Local Context

Agriculture, forestry, and fishing is the largest sector in the Hilltops LGA in terms of Industry Value Add for 2014-15 and employment (PoW and PoUR) for 2011. Agriculture as a sub-sector comprises 94.5% of the sector's contribution to Gross Value Add. Since 2009-10, the agriculture, forestry, and fishing sector has grown by 14.6%, but it only grew 0.7% between 2013-14 and 2014-15. The industry also decreased by 2.2% in employment by PoW since 2006. Because agriculture is the most prominent industry in Hilltops LGA, it is important for the region to keep up with changing trends, infrastructure to support technological advancements and continue to support the agricultural sector.

## CHANGING CONSUMPTION TRENDS

### Description

Consumer expenditure is increasingly trending towards households reducing debt, paying down mortgages and embracing the 'sharing economy' to optimise assets by leveraging digital networks to allow collaborative consumption as well as online retailing.

### Local Context

Creating an environment that supports the needs of the modern consumer is important if Hilltops is going to be a desirable and liveable destination, and in turn is going to maximise employment growth opportunities within industries such as retail trade.

The retail sector is constantly changing as consumer preferences shift in response to new trends and economic factors, such as online shopping, increased demand for ready to consume products (e.g. ready to eat meals, plug and play equipment) and the growth of niche, authentic local experiences. Retail is an important sector in Hilltops (providing 13.8% of jobs in 2011), and local retailers will need to continue to be innovative and responsive to the needs of consumers to continue to satisfy demand. Despite this, shifts in consumer preferences and the emergence of online shopping will continue to erode the need for traditional store-based retail (and change the types of job roles required in retail) throughout Australia. In particular, online shopping enables consumers to access goods and services from across the globe, rather than being reliant on local retailers, which will likely negatively impact on demand in Hilltops' retail trade industry.

Despite this, emerging consumer trends highlight the demand for authentic local experiences, and those retailers that are able to stay ahead of consumer trends and have a willingness to work collaboratively to build economies of scale are more likely to be successful.

The cheaper cost of living in Hilltops compared to cities such as Sydney makes the Hilltops LGA an attractive destination for people seeking a more cost-effective lifestyle, while still being able to access a diverse and current mix of retail experiences.

## CHANGING PRODUCTION TRENDS

### Description

Rising demand for services, the industrialisation of East Asia, economic reform and technological change are driving a structural shift in Australia's economy from a reliance on production and processing based activities to a knowledge based economy.

### Local Context

Jobs growth in production-based industries, such as agriculture, manufacturing and mining are largely driven by broad macro factors, including global/ national demand, commodity cycles and terms of trade. However, these industries, and the environments in which they will prosper, are changing. Australia is transitioning towards higher levels of services-based activities, with many production-based industries struggling to remain cost competitive in international markets.

This structural shift is also occurring in Hilltops LGA. Traditional mining and manufacturing industries declined in the region between 2006 and 2011, while many of the services-based industries have increased. The trend towards higher levels of services-based activities is expected to continue into the future. The electricity, gas, water, and waste services, and the financial and insurance services industries recorded the strongest growth in Hilltops LGA between 2006 and 2011. To remain competitive, Hilltops LGA needs to support continued growth in the services sector, whilst also supporting production-based industries, like manufacturing.

## EVOLVING WORKFORCE NEEDS

### Description
A growing proportion of workers around the world are choosing to work from home, as technological advancements have made working from home a more viable option for both employees and employers. However, for some industries, site based labour is important, and skills development may be required to evolve and develop skill levels as technologies develop.

### Local Context
The ability for people to work from home is one of the reasons why more people are choosing to live in regional cities as opposed to the major capital cities. One of the key drivers of this trend is access to suitable telecommunications infrastructure that ensures home-based businesses are able to operate at the same level as they would expect if they were based in the city.

The increasing prevalence of homebased work options can assist a regional area improve its retention of working age adults, primarily in industries and professions that historically have been centred in capital cities (e.g. many knowledge-based industries and professional occupations).

Lifestyle factors play an important role in the attraction and retention of home-based workers. While it is expected that Hilltops can compete in terms of providing an attractive lifestyle alternative, it is not expected to result in the significant attraction of businesses and associated jobs to the region. The reason for this is the region faces competition from a wide range of coastal towns and cities, and coastal lifestyle is a large part of the Australian culture.

The impact of increased levels of home-based work will mostly be felt in terms of planning requirements, rather than providing a strong impetus for additional jobs in the Hilltops LGA. Access to high-speed broadband connectivity is required to provide suitable substitutability between home and office-based work environments. The increase in home-based work is also likely to result in reduced office floor space requirements for business, and an increasing prevalence for 'hot-desk' or shared workspaces which any employee can readily access as required. Home-based work also has the potential to provide demand for a range of innovative work solutions, such as shared and flexible office-based common use facilities, providing work spaces, meeting spaces and conference facilities available for short term hire as needed. Additionally, home based work has the potential to reduce commuter loads each day, reducing transport infrastructure and public transport requirements. At the same time, connectivity is important for mobile workers, and ready access to major long-distance transport infrastructure can be an important factor for home-based workers.

Skills development across all sectors should be a priority, particularly where there are strong rates of technological development.

## EMERGING TECHNOLOGIES AND INNOVATION

### Description
Continually evolving technology will play a major role in shaping the development of Australia over the coming 30 years. Rapidly evolving energy, communications, and transportation technologies will boost economic activity. It also has the potential to revolutionise education and training delivery.

Mobile internet, automation of knowledge work, machine-based learning, cloud technology, advanced robotics and autonomous vehicles, next generation genomics, energy storage, 3D printing, advanced materials and renewable energy are just some of the known technologies that will change the face of how we do business and live into the future.

Technology has the potential to stimulate industries already established and lead to higher levels of labour productivity, while also lowering barriers and costs of new and emerging industries.

### Local Context
Access to new and emerging technologies, in conjunction with efficient and high-quality infrastructure, is resulting in considerable enhancement in productivity, and requires higher levels of technical capability in staff. Accordingly, workers are becoming increasingly highly skilled, well paid, flexible and quite often demanding more from their employer. This is anticipated to continue.

Through technological advancement, there is potential for considerable enhancement of efficiency in industries such as agriculture production, manufacturing and transport and logistics through the emergence of robotics and other technologies.

New technology and innovation has the potential to generate significant efficiency and productivity gains and regions such as the Hilltops need to be aware of how these changes are likely to impact upon key industries.

## TOURISM

### Description
Tourism covers the services provided to international and domestic visitors and is a key driver for many industries throughout the regional, State and Australian economies.

### Local Context
In 2016, approximately 274,000 total visitors came to Hilltops LGA, more than half of which were Daytrip visitors (TRA, 2017a,b). A further third of these visitors were Domestic Overnight – Intrastate visitors. Since 2006, there has been an average annual growth rate in total visitors of only 1%. However, total visitor nights have seen an average annual growth rate of 6.1% to reach approximately 397,000 in 2016.

Tourism is projected to record moderate growth of 4.1% per annum on average in visitor nights (domestic and international) throughout New South Wales over the next decade (to 2024/25), with 4.7% for Greater Sydney and 3.4% for the rest of New South Wales (TRA, 2016). Business and employment visitor markets are projected to record the strongest increases for regions outside Greater Sydney, although leisure visitors are projected to remain the largest market. Visiting friends and relatives, which has traditionally been one of the dominant markets for Hilltops LGA (along with holiday visitors), is projected to record the lowest growth in rest of New South Wales to 2024/25.

The ongoing growth of the domestic market will continue to drive moderate jobs growth and sustainability in this sector throughout New South Wales and Australia, whilst the growing international demand for nature-based experiences in safe and affordable destinations will help to drive an increase in international demand, in particular from the Asian market. Hilltops LGA is expected to capture its share of these markets, however, given visitation for purposes of holiday and visiting friends and relatives are the dominant markets for Hilltops LGA and are projected to be the slowest growing markets over the next

decade, and in consideration of competition with other New South Wales regions with more renowned tourism assets, it is expected tourism growth in Hilltops LGA may be below that of the State overall.

## Food Security

### Description

With the world's population forecast to reach 8 billion by 2030, interest in the region's agricultural potential is likely to increase over the coming years. Further trade and investment interest in the region from Asia is a possibility, where food security is an increasing concern with world food prices having doubled over the past decade.

### Local Context

Accompanying forecast growth in the world's population, income levels in key markets such as Asia are expected to grow significantly. Increased income generally leads to an increase in demand for and consumption of higher quality food. When these factors are combined it is clear that global demand for higher value food products will grow significantly.

Australia and New South Wales have traditionally strong agricultural sectors and are well positioned to capture some of the growth in demand for agricultural and higher value food products. However, this growth will be tempered by other factors, such commodity cycles, climate, exchange rates, costs of production and global competition, as well as competition from residential and higher value industry uses for agricultural lands. Efficient transport networks and infrastructure will be key to supporting this development.

Hilltops has a role to play in this trend, as the region has a high presence of agricultural producers and associated value add food product manufacturing. This sector is an important contributor to the Hilltops economy and it is critically important to understand the current and future drivers of this sector so that it can be supported and enhanced for the future.

### AGING POPULATION

### Description

Australia is experiencing an aging of its population likely due to families, on average, having fewer children, while recent technological advancements are allowing us to live longer.

Australia's population aged 75 and over is expected to rise by 4 million between 2012 and 2060 (increasing from 6.4% to 14.4% of the Australian population).

### Local Context

The average age in Hilltops LGA in 2015 was 41.1 years, with adults (25-64 years) comprising 47% and seniors (65+) comprising 21% of the population (ABS, 2017b). Whilst the most common age group was 5-9 years of age, the 65-69 age cohort was the third most common, with older age cohorts ranking high as well. Quality aged care services and facilities for an aging population is a cited goal within the five directions within the Boorowa Council plans (Hilltops Council, 2016).

An aging population has implications for future demand for services such as hospitals and other forms of health and aged care, and the availability of labour to support industry/business growth. As such, there are opportunities to improve the health and wellbeing of Hilltops LGA residents, whilst promoting a working age population as well.

# APPENDIX C: COMPETITIVE ASSESSMENT

## LOCATION QUOTIENTS

To demonstrate the specialisation of the economy, location quotients based on employment have been calculated. The location quotients demonstrate the degree to which a local or regional economy is specialised by examining the proportion of employment (by industry sub-sector) compared to a larger economy (Australian economy). Location quotients can be used to indicate strengths and weaknesses of a local or regional economy (i.e. its natural competitive advantage).

For this project, the analysis has compared the Hilltops LGA economy with that of the comparison regions. A location quotient of "1" means that Hilltops has an equal share of employment (compared to the Australia) for a specific industry sector, thus no potential advantage either way. A location quotient above "1" indicates a specialisation of labour and therefore an area of potential competitive advantage. If the location quotient is below "1", the area has a weakness in this particular industry sector.

An assessment of location quotients at the 1-Digit ANZSIC level suggests Hilltops has strong labour specialisations in the industries of:

- Agriculture, forestry, and fishing (LQ = 8.8)
- Retail trade (1.3).

The comparison regions all have lower labour specialisations in agriculture, forestry, and fishing. Yass Valley LGA has an LQ of 7.0, but all other comparison regions fall below 5.0. The comparison regions all also have lower labour specialisations in retail trade but only marginally.
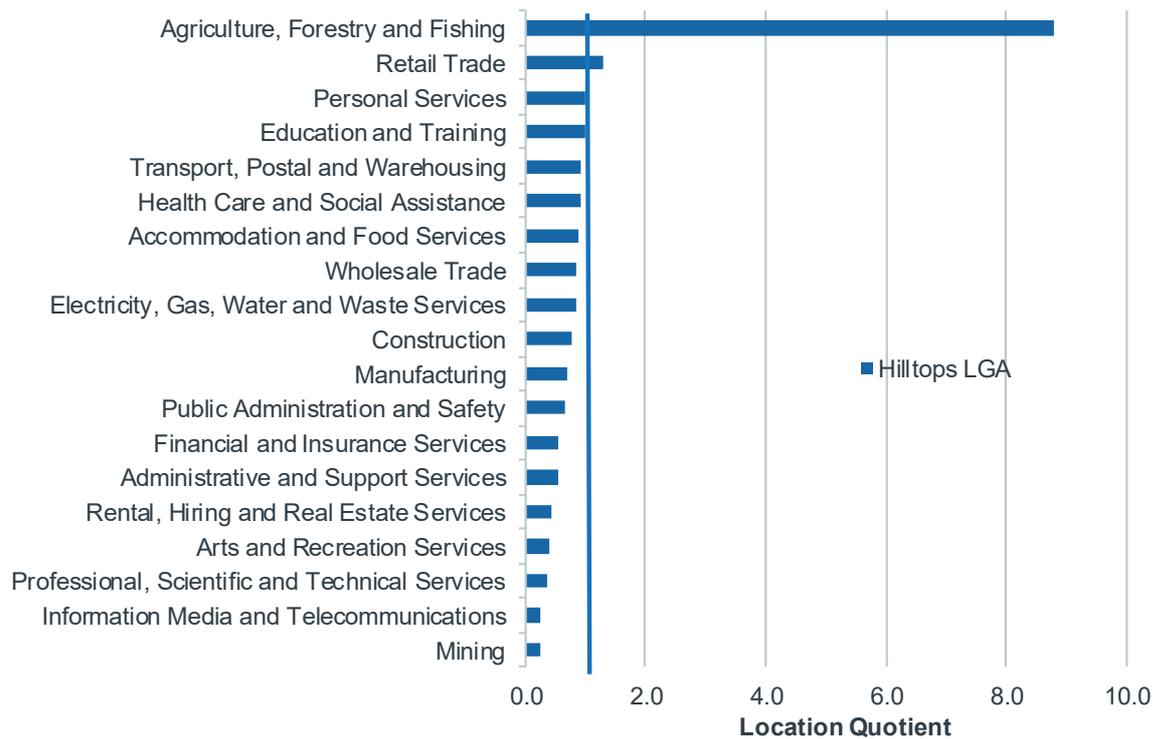
Within the agriculture, forestry, and fishing sector, Hilltops LGA has labour specialisations in the industries of:

- Agriculture: (LQ = 9.4)
- Agriculture, forestry, and fishing support services (7.8).

The comparison regions all have lower labour specialisations in these industries.
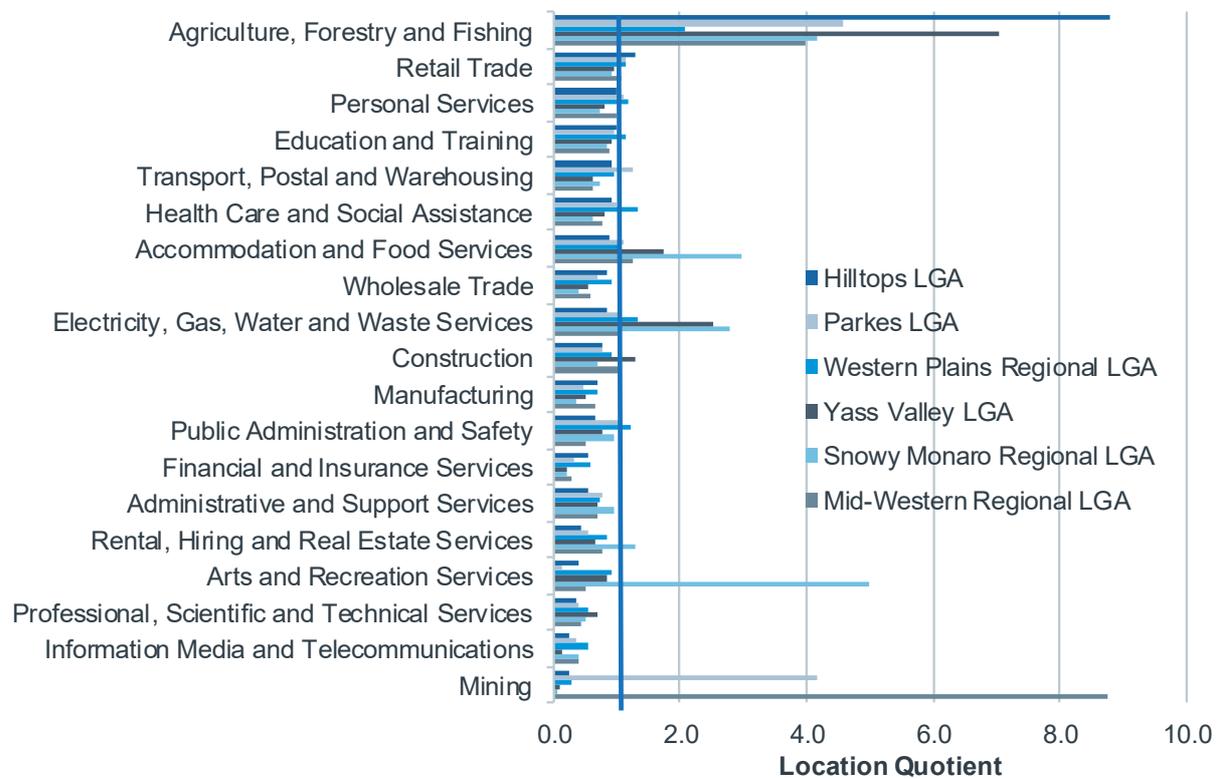
**Location Quotients, 1 Digit ANZSIC, Hilltops LGA**



Source: ABS (2012)

**Location Quotients, 1 Digit ANZSIC, Hilltops LGA & Comparison Regions**



Source: ABS (2012)

## CLUSTER MAPPING

Cluster mapping builds on the location quotient analysis by portraying the regional location quotients against NSW industry estimated employment growth over time (from 2015-16 to 2025-2026). By incorporating industry growth, cluster mapping allows for the identification of growth opportunities in specific industry sectors, where a natural competitive advantage already exists against a backdrop of an expanding sector State-wide.

Industry clusters located above the "1" on the vertical axis indicate an existing industry concentration (strength or competitive advantage, as discussed previously) within the region being examined. The NSW industry average annual employment growth estimate for 2015-16 to 2025-26 (AEC, unpublished c) is plotted along the horizontal axis, with 0% average annual growth over the period creating a midline. The further to the right of this central horizontal axis, the faster the industry is expected to expand. Similarly, the farther to the left of the zero percent midline, the faster it is expected to shed jobs during this period. The size of the cluster (circle/ blob) in the map demonstrates the size of the local workforce in that industry sector.

Industries which are located in the top-right-hand quadrant of the cluster map are industries which benefit from local labour specialisation (i.e., an LQ above 1.0) and are anticipated to experience positive average annual growth in New South Wales between 2016 and 2026.  These sectors should be targeted for economic development activities as they are likely to perform well in the coming years. Industries located in this quadrant for Hilltops are:

- Agriculture, Forestry and Fishing (LQ = 8.8, Growth Expectation = 0.7%)
- Retail Trade (LQ = 1.3, Growth Expectation = 1.6%)
- Personal Services (LQ = 1, Growth Expectation = 1.3%).

Industries which are located in the bottom-right-hand quadrant of the cluster map are industries which don't yet benefit from local labour specialisation (i.e., an LQ below 1.0) but are anticipated to experience positive average annual growth in New South Wales between 2016 and 2026. These sectors should be investigated further, where appropriate, to determine their potential to be targeted for economic development activities as they are may perform well in the coming years if local supply chains and support are available.  Industries located in this quadrant for Hilltops LGA are:

- Health Care and Social Assistance (LQ = 0.9, Growth Expectation = 1.8%)
- Education and Training (LQ = 1, Growth Expectation = 1.6%)
- Accommodation and Food Services (LQ = 0.9, Growth Expectation = 1.5%)
- Transport, Postal and Warehousing (LQ = 0.9, Growth Expectation = 1.4%)
- Electricity, Gas, Water and Waste Services (LQ = 0.8, Growth Expectation = 1.4%)
- Construction (LQ = 0.8, Growth Expectation = 1.4%)
- Public Administration and Safety (LQ = 0.7, Growth Expectation = 1.5%)
- Financial and Insurance Services (LQ = 0.6, Growth Expectation = 1.5%)
- Administrative and Support Services (LQ = 0.6, Growth Expectation = 1.5%)
- Professional, Scientific and Technical Services (LQ = 0.3, Growth Expectation = 1.6%)
- Rental, Hiring and Real Estate Services (LQ = 0.4, Growth Expectation = 1.5%)
- Arts and Recreation Services (LQ = 0.4, Growth Expectation = 1.4%)
- Wholesale Trade (LQ = 0.8, Growth Expectation = 0.9%)
- Mining (LQ = 0.2, Growth Expectation = 1.1%)
- Information Media and Telecommunications (LQ = 0.3, Growth Expectation = 1.1%)
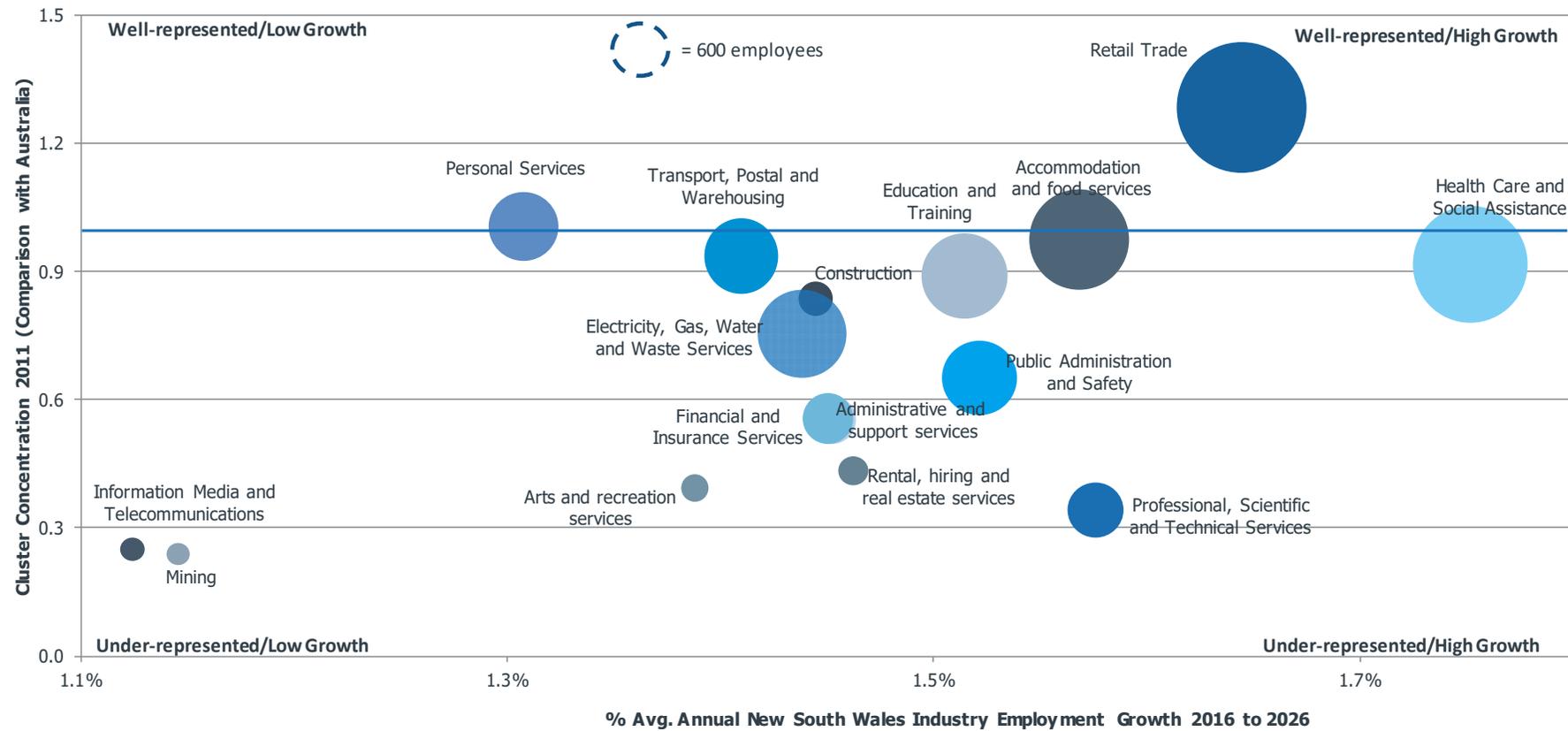- Manufacturing (LQ = 0.7, Growth Expectation = 0.4%).

## Cluster Map, 1 Digit ANZSIC, Hilltops LGA
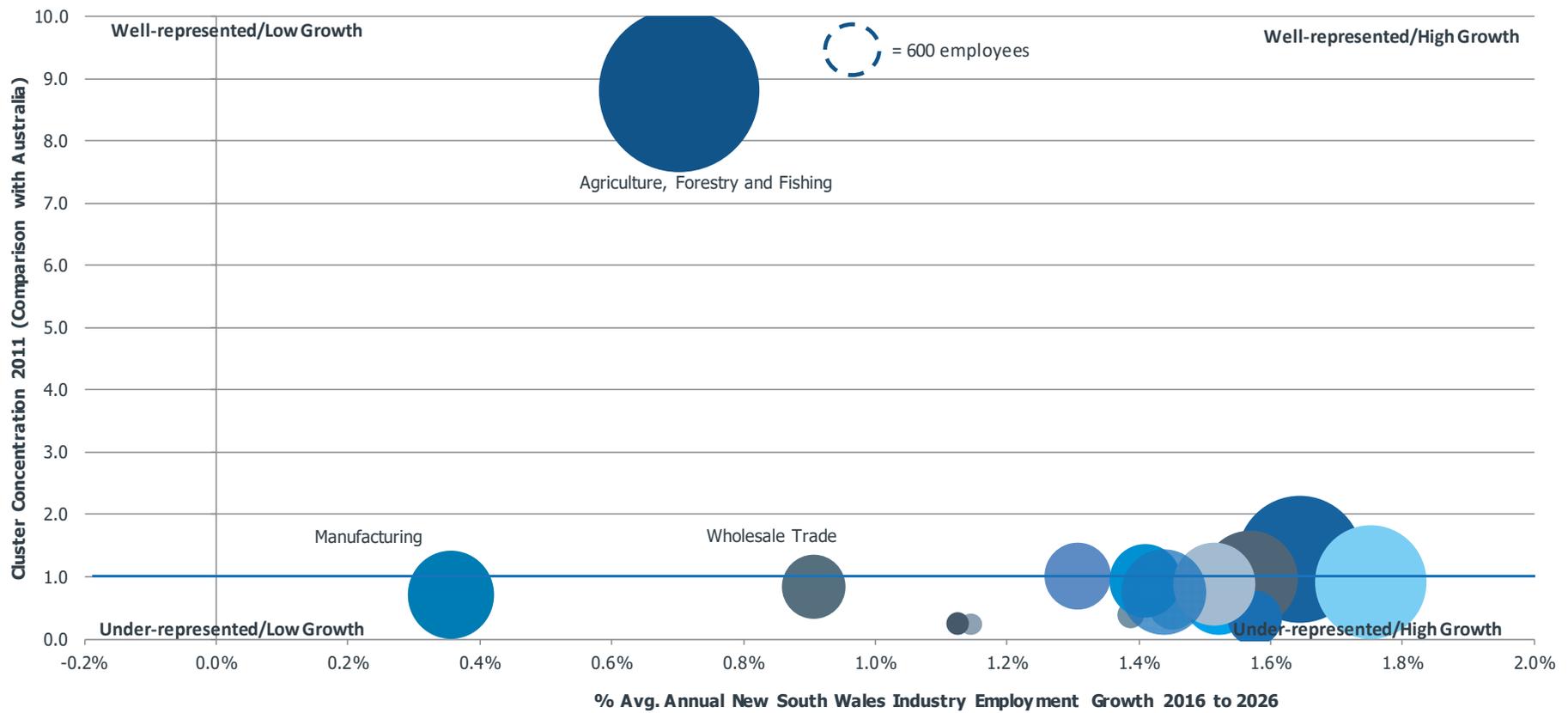


Source: ABS (2012), AEC (unpublished c)

**Cluster Map, 1 Digit ANZSIC, Hilltops LGA (Amended scale excluding Agriculture)**



Note: *The horizontal axis only includes a snapshot from 1.1% to 1.8% to better identify the industries in this region.
Source: ABS (2012), AEC (unpublished c)

# IMPORT/ EXPORT ANALYSIS

Prominent imports into a region can represent opportunities, where skills and labour can be easily sourced. This could improve local industry supply chains and provide additional job opportunities for locals.

In 2013-14, an estimated $543.45 million worth of imports were brought into Hilltops LGA. The key import into Hilltops LGA is oil and gas extraction. As is often the case in a non-CBD area, Hilltops LGA also imports a high amount of professional, scientific, and technical services.

**Imported Goods and Services, 2013-14, Hilltops LGA**
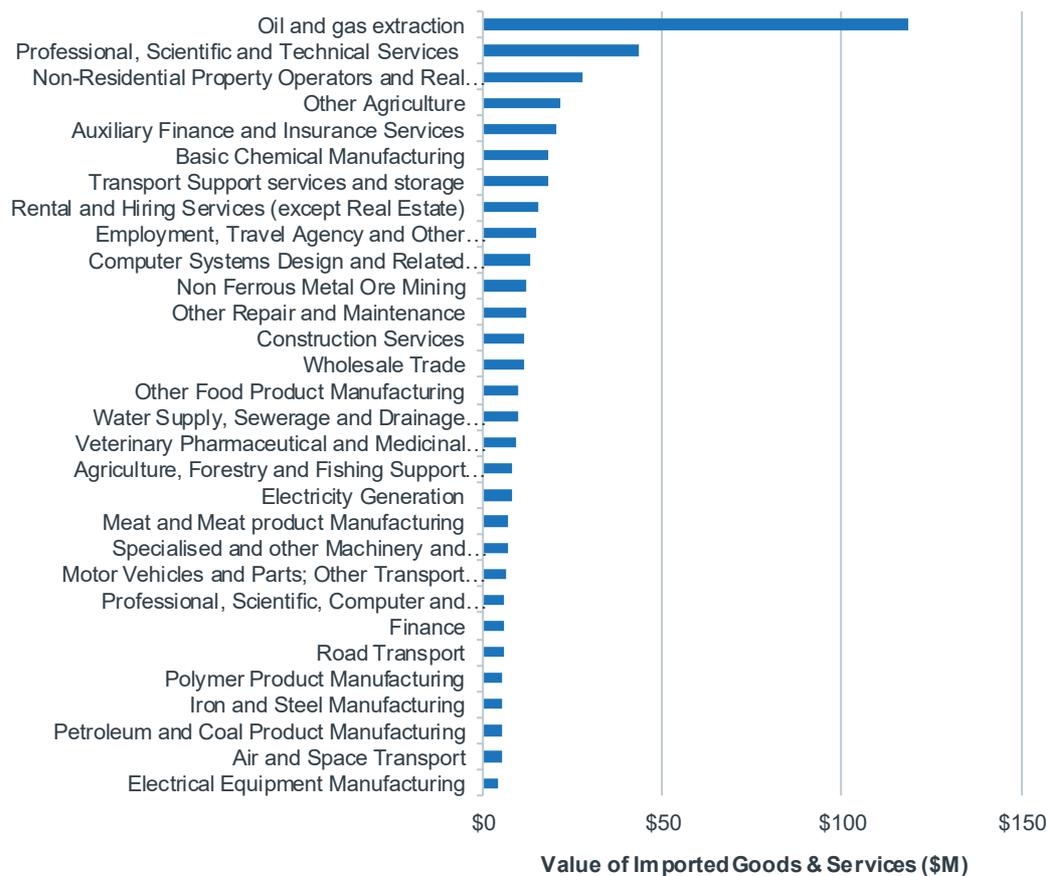


Source: ABS (2012), ABS (2016b)

In 2013-14, an estimated $851.93 million worth of exports left from Hilltops LGA. Key exports from Hilltops align with the key sectors of the economy, with sheep, grains, beef and dairy cattle, petroleum and coal product manufacturing, poultry and other livestock, and retail trade comprising the top four exporting sectors.

**Exported Goods and Services, 2014-15, Hilltops LGA**



Source: ABS (2012), ABS (2016b)

This Economic Action Plan was developed with the assistance of AEC Group Pty Ltd.

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