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# Northern Rivers Regional Industry and Economic Plan DATA UPDATE December 2009



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# 1 Introduction

## 1.1 Background and Purpose of this Report

This report and the comprehensive data base that supports it follows on from the extensive amount of research, analysis, strategic planning and implementation undertaken by the Northern Rivers Regional Development Board (the NRRDB) and its partners in progressing industry and economic development in the Northern Rivers region over the past decade.

The work of the NRRDB is encapsulated in the Northern Rivers Regional Industry and Economic Plan (RIEP). The original data which informed the RIEP was based on 2001 ABS Census data. This current report utilises more recent 2006 Census data and more recent information from other sources where available, to provide an up-to-date snapshot of industry in the Northern Rivers region and to identify changes in the region's key economic sectors.

This report has been prepared to inform the newly established Northern Rivers Regional Development Australia Committee (RDA – Northern Rivers), which has replaced the Northern Rivers Area Consultative Committee (ACC) and the NRRDB. The purpose of this report is to provide demographic and economic data to identify where the Northern Rivers region is now, how it is positioned and how it is performing. It provides an important resource for the Northern Rivers RDA Committee to help it plan for and ultimately implement action that will:

- Promote economic development and employment growth in the Northern Rivers region;
- Assist capitalisation on the region's strengths to broaden and reposition the industry base of the Northern Rivers and to develop new products and markets;
- Develop solutions for regional or local business development challenges; and
- Identify opportunities to fill gaps left by the market system.

## 1.2 Contents of this Report

The comprehensive data base which complements this report provides the Northern Rivers RDA Committee with an accessible yet comprehensive understanding of the Northern Rivers regional economy, its strengths and attributes and its trends and dynamics, and for each of its constituent local government areas. The Northern Rivers region is benchmarked against New South Wales and national averages and, for some key socio-economic indicators, against selected similar 'lifestyle' regions.

Given the extent and detail of the data considered and analysed to inform the RDA Committee, it is impractical to report in detail, the entire study findings. Instead, a user-friendly data base has been established for use by the committee as required, with selected key findings presented in this report as a practical and useful overview of the region's industry and socio-economic profile. All data sets produced are presented in ready-reference tables and charts in spreadsheet format to enable further analysis and reporting by RDA – Northern Rivers in appropriate formats in the future. Where possible, data has been provided on a local government area (LGA) basis and then aggregated to provide a regional perspective. The source of data sets has been identified with each piece of data to enable ease of future updating. It



is considered that RDA – Northern Rivers may wish to use this information in future industry investment documentation, general websites and other publications.

The information presented in this report is informed not only by the data analysis but also by a review of regional strategy and policy reports of relevance to economic development in the Northern Rivers and the insights gained from consultation with a select number of the region's key stakeholders in the public and private sectors. Previous work of the NRRDB encapsulated in the Regional Industry and Economic Plan identified:

- A regional economic profile for the Northern Rivers region including information on key industry value chain dynamics;
- Economic development objectives and supporting principles for the Northern Rivers region;
- Recommended strategic activity areas and accompanying actions to foster economic development and employment growth in the Northern Rivers region.

This report builds on that previous work by using the updated data and information acquired to identify where the Northern Rivers region is now (in particular, key industry sectors), how it is positioned and how it is performing, and to draw conclusions regarding potential priorities in planning for the region's sustainable economic development over the medium to long-term.

Subsequent sections of this report are as follows:

**Section 2** presents a socio-economic profile and analysis of the Northern Rivers region, focusing on selected social and economic indicators. It also includes a report on the region's 'employment challenge', that is, the level of job creation required over the next 20 years to support the Northern Rivers' sustainable economic development.

**Section 3** presents a brief snapshot of progress made towards the economic development targets set in the 2005 RIEP and comments on progress towards these targets in light of the socio-economic profile presented in Section 2.

**Section 4** presents selected socio-economic indicators to provide a comparative overview of each of the seven local government areas of the Northern Rivers region.

**Section 5** provides a comparative socio-economic and industry profile of the Northern Rivers region with other selected 'lifestyle' regions located in New South Wales, Queensland and Victoria.

**Section 6** presents a detailed analysis of key industry sectors in the Northern Rivers region using 2006 Journey to Work data on employment by industry. This includes an assessment of the industry profile down to the detailed industry sub-sector level and an assessment of each industry's level of relative specialisation compared to non-metropolitan NSW. Where appropriate, commentary is provided on how the industry is placed relative to the situation in 2001.

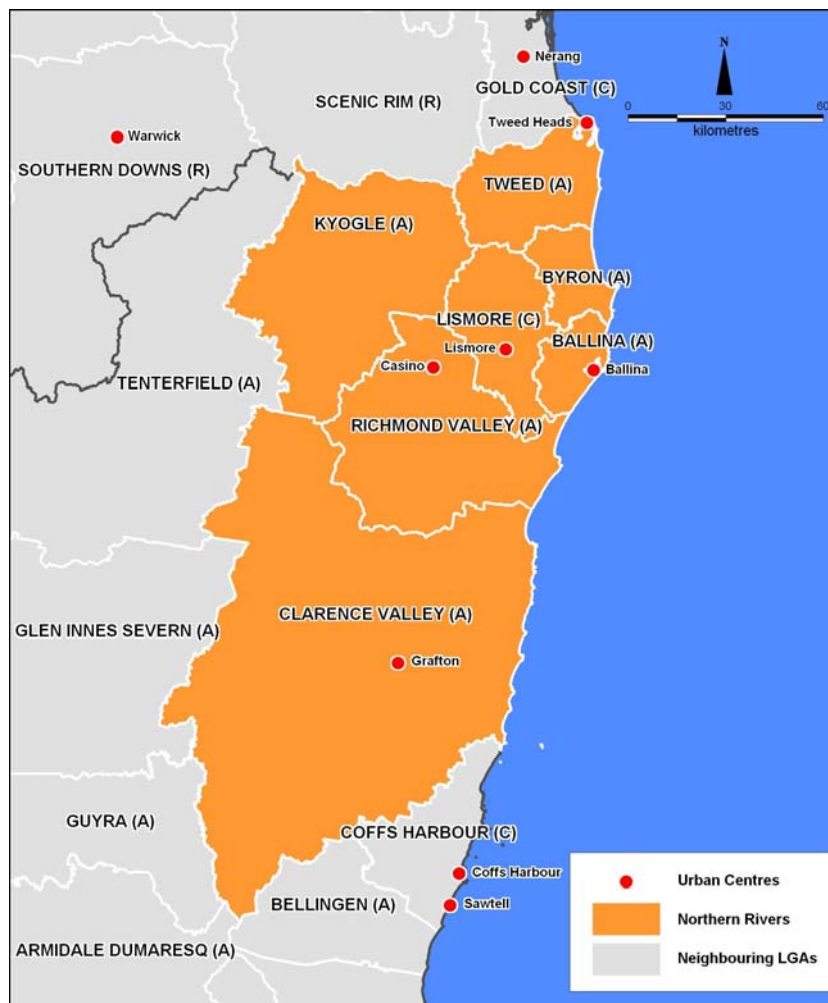
**Section 7** considers the region's key industry sectors by re-visiting the industry cluster concept (as previously examined in the 2003 RIEP Working Paper) and the pre-conditions for a competitive region.

Through the data analysis undertaken to inform the RIEP Data Update, limited consultation with key industry participants and stakeholders, and through the review of relevant policy and strategy material, **Section 8** provides: a recap of previously identified industry sector priorities drawn from the 2006 REIP update; an overview of actions advanced between 2006 and 2009; and an overview of current considerations, issues and opportunities relevant to the sector. The information is provided to present the Northern Rivers RDA Committee with an overview of the key issues and opportunities relevant to the region's key economic sectors that could be considered in its planning agenda to facilitate regional industry and economic development consistent with the contextual framework outlined in Chapter 7 of this report.

## 1.3 Regional Context

The Northern Rivers Region stretches from the Queensland border in the north to the southern end of the Clarence Valley and from the coastal plains in the east to the Great Dividing Range in the west.

**Figure 1.** The Northern Rivers Region



Source: SGS Economics and Planning using data from the Australian Bureau of Statistics

The Northern Rivers is environmentally and culturally diverse. It is dissected by three major river systems - the Tweed, Richmond and Clarence and has a predominantly rural outlook. It enjoys a warm subtropical climate and boasts national parks, world heritage areas, rainforests and an attractive and popular coastline. The region also has a rich indigenous cultural history and is recognised as one of the highest ranking in Australia in terms of its biodiversity values.

The topography and fertility of the region, particularly in the run down to the coast from the ranges, combine to produce rolling and lush hills that are much admired and unique in the Australian context. This range of natural environments has made the region popular as a location for film and television productions.

## 2 Northern Rivers Socio-Economic Profile – An Overview

### 2.1 Population Structure and Trends

#### 2.1.1 Population Figures and Projections

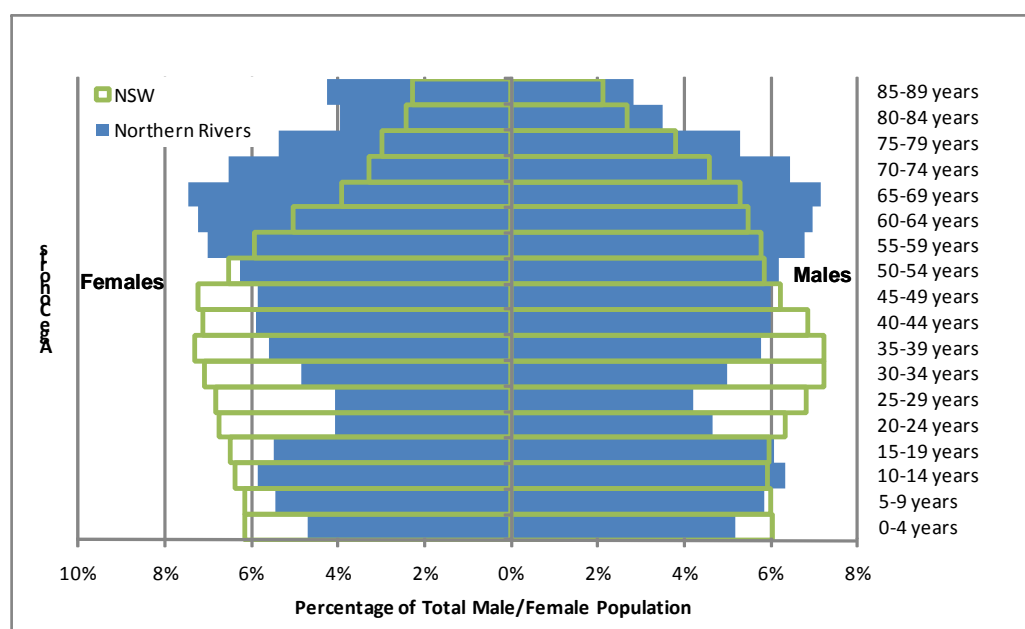
To better understand the potential issues that could arise in the Northern Rivers region, it is important to understand anticipated population growth. According to the Australian Government Department of Health and Ageing, the Northern Rivers region is projected to grow from 283,615 persons in 2007 to 359,720 in 2027. This growth is projected to be at a higher average rate over all years when compared to forecast population growth across the whole of NSW for the same time period.

**Table 1.** Population Projections to 2027, Northern Rivers Region and NSW

Population Projection			Average Annual Change		
	Northern Rivers	NSW		Northern Rivers	NSW
2007	283,615	6,888,014	2007-2012	1.35%	1.12%
2012	303,292	7,281,890	2012-2017	1.26%	1.08%
2017	322,911	7,684,353	2017-2022	1.15%	1.02%
2022	341,905	8,083,896	2022-2027	1.02%	0.94%
2027	359,720	8,470,705			

Source: Australian Government Department of Health and Ageing

**Figure 2.** Forecast Population by Age/Sex, Northern Rivers Region and NSW, 2027



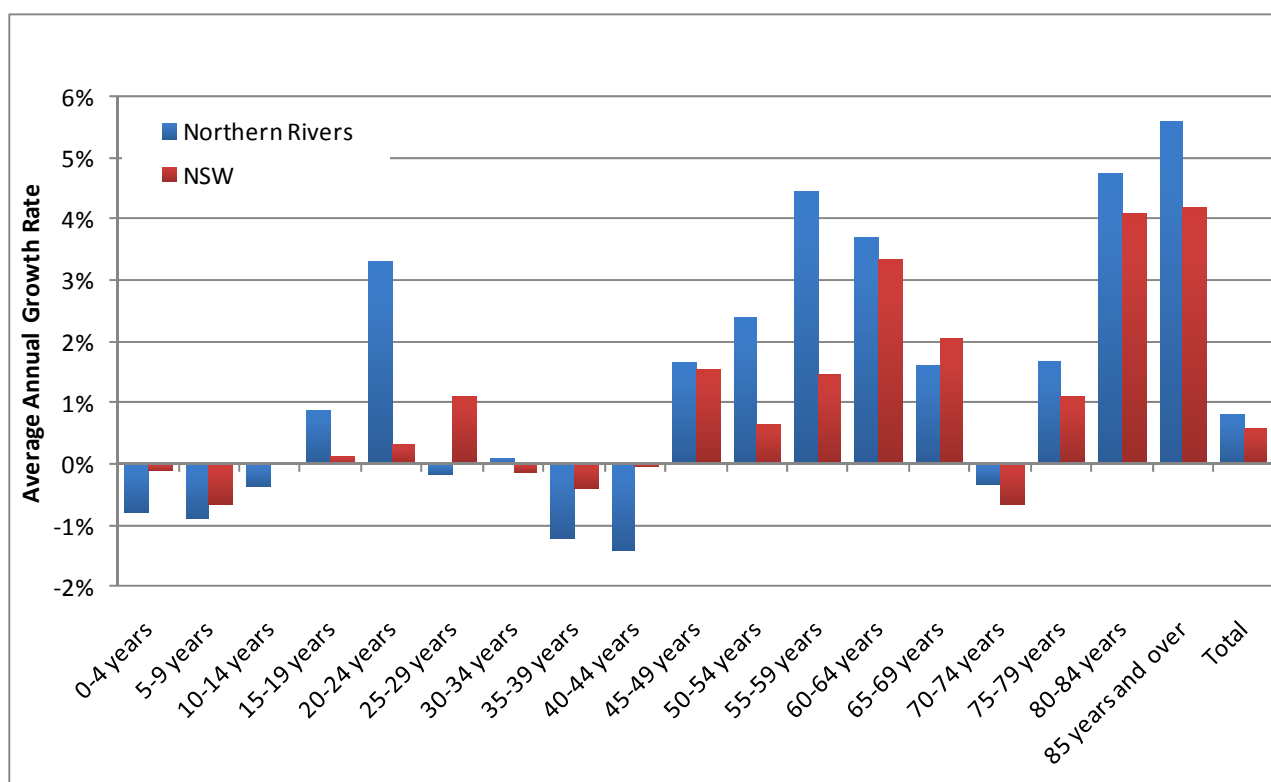
Source: Australian Government Department of Health and Ageing

The population structure of the Northern Rivers region is projected to age significantly when compared to NSW. It is projected that the majority of the Northern Rivers population will be aged between 50 and 90 years of age in 2027, compared to a majority of people aged between 20 and 45 years of age for NSW as a whole. Particular lifestyle factors and attractions within the Northern Rivers region that accommodate an aging population may be a significant contributor to this projected trend. The distribution between males and females within the area is expected to remain relatively even to 2027.

## 2.1.2 Recent Growth

The Northern Rivers region displays a number of similarities to New South Wales (NSW) in terms of recent population growth. The region experienced a healthy rate of population growth between 2001 and 2006, primarily in people over the age of 40. This indicates an aging in population in both the Northern Rivers region and NSW. The Northern Rivers experienced significantly higher rates of population growth in the 50-59 year age group and the 75-85 year age group. This was also the case in the 15-25 year age group in Northern Rivers where much higher levels of growth occurred compared to NSW. Significant population decline was evident for the Northern Rivers region within the 0-4 years, 35-39 years and 40-44 year age groups. These instances of decline were significantly greater than the decline for the same age groups within NSW. Overall, figures indicate that population growth has occurred in both the Northern Rivers and NSW. There were only limited instances of population decline, primarily in younger age groups.

**Figure 3.** Average Annual Population Growth by Age Cohort, Northern Rivers Region and NSW, 2001- 2006

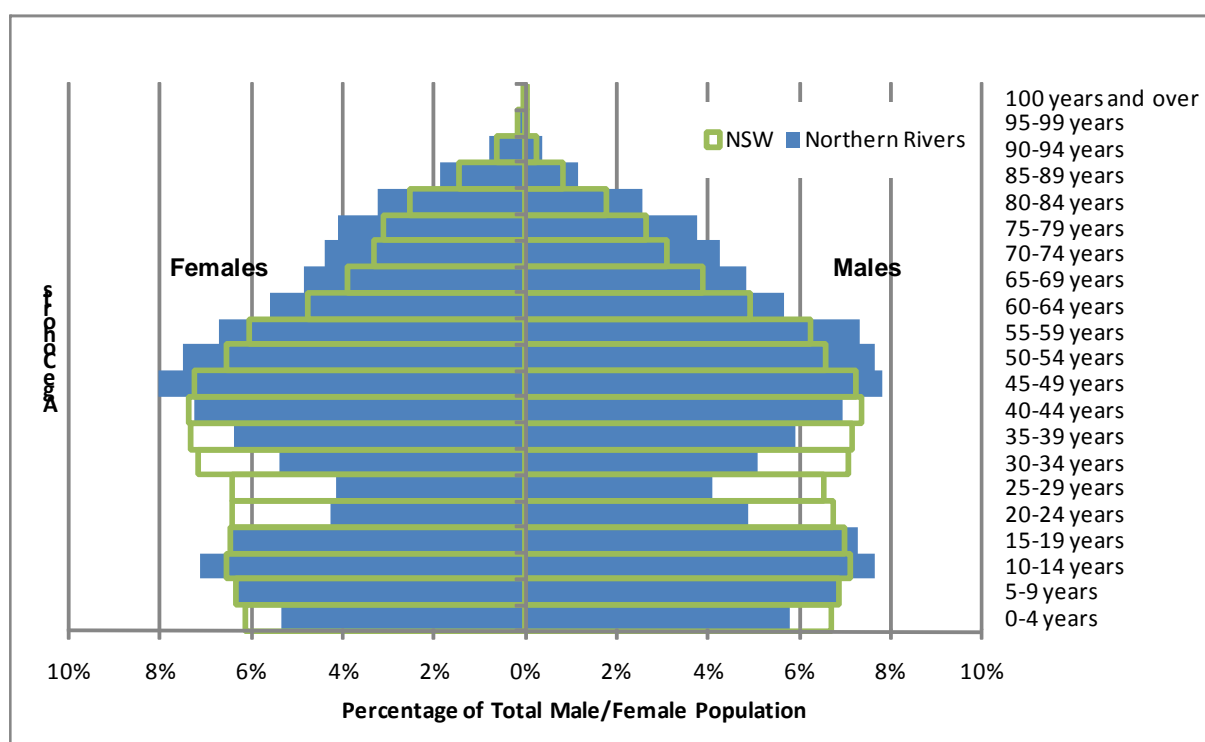


Source: ABS Census of Population and Housing, 2001 and 2006

### 2.1.3 Age/Sex Structure

The age/sex profile of the Northern Rivers region highlights a number of distinct features. Firstly, there is a relatively equal distribution between males and females within the region, very similar to that of NSW as a whole. There are a smaller proportion of residents aged between 20 and 39 years of age and a higher proportion of residents aged between 45 and 59 years of age in the Northern Rivers region compared to NSW. The demographic profile suggests an aging resident population in the Northern Rivers region. In particular, there are a significantly larger number of Tweed residents aged over 60 years of age compared to the NSW average. There are also proportionally fewer people aged between 20 and 39 years of age within the Tweed local government area compared to elsewhere in the region and the NSW average.

**Figure 4.** Population by Age and Sex, Northern Rivers Region and NSW, 2006

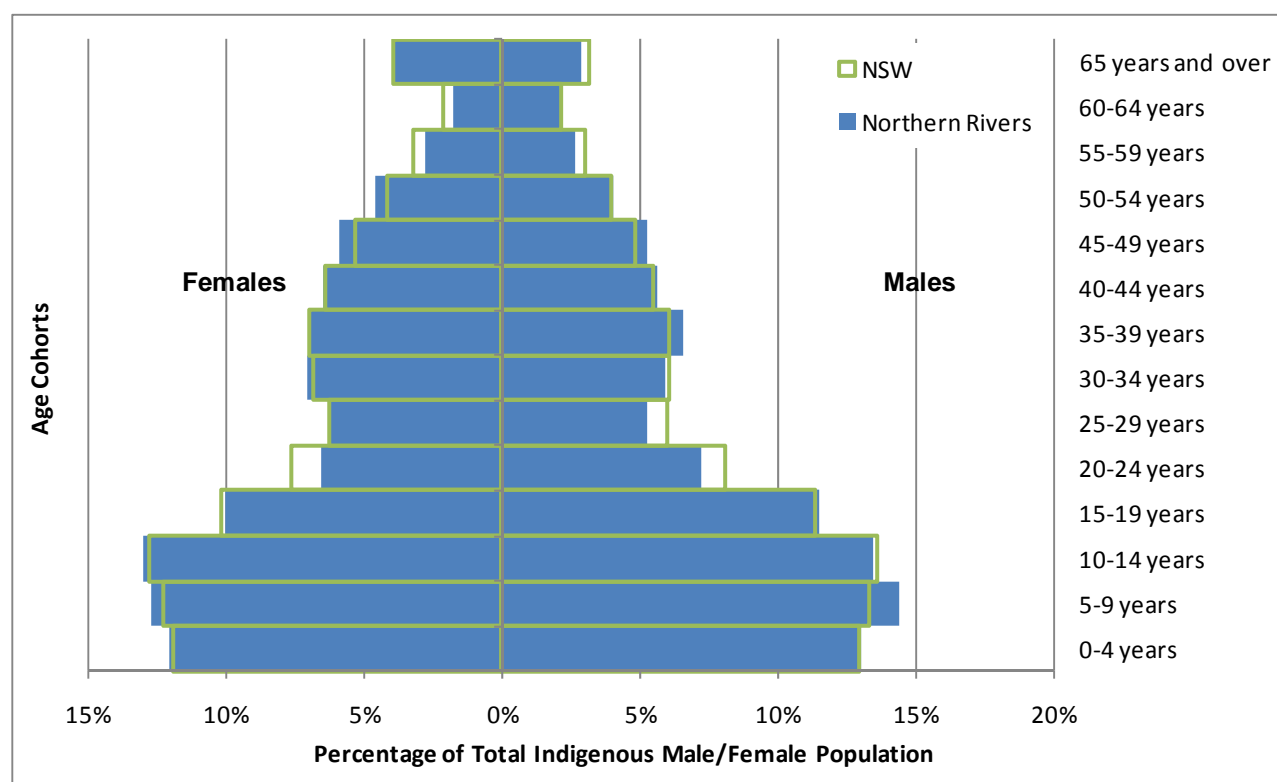


Source: ABS Census of Population and Housing, 2006

## 2.1.4 Indigenous Age/Sex Structure

At the time of the 2006 Census 3.55% of the resident population claimed indigenous status in the Northern Rivers region. This compares with 2.11% of residents claiming indigenous status in NSW in 2006, meaning there is a high representation of indigenous persons in the Northern Rivers. It is important to note that 4.7% of Northern Rivers' residents and 6.0% of NSW's residents didn't state their indigenous status.

**Figure 5.** Indigenous Population by Age and Sex, Northern Rivers Region and NSW, 2006



Source: ABS Census of Population and Housing, 2006

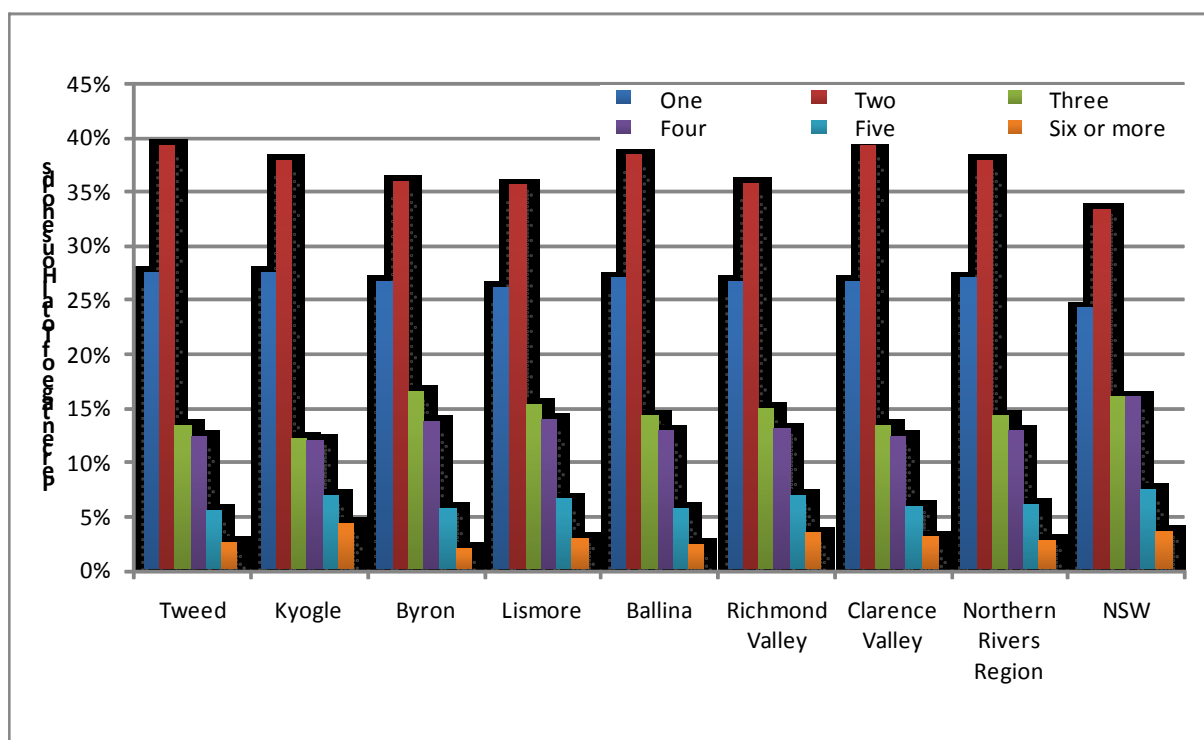
The indigenous population of the Northern Rivers, generally speaking, follows a similar age and sex distribution to the indigenous population of NSW as a whole. The majority of the indigenous population appears to be between the ages of 0 and 19 years, making it a very young population. There appears to be slightly more indigenous persons between the ages of 0 and 19 in the Northern Rivers region compared with NSW, whereas there are fewer indigenous persons aged between 20 and 29 years in the region compared with the state.

## 2.2 Housing

### 2.2.1 Household Size

In the Northern Rivers region, over 35% of all households are two person households. This is the most common household size for both the Northern Rivers and NSW as a whole, as approximately 33% of households in NSW have two persons resident. This compares to the Australian average, with 34% of residents in a two person household. One person households are the next most common household size accounting for 27% of households in the Northern Rivers and 24% of households in NSW and Australia. Compared to the Northern Rivers region, NSW has a higher proportion of three and four person households. Households with five people or more are both relatively uncommon in both the Northern Rivers region and the whole of NSW.

**Figure 6.** Number of Persons Resident in Households, Northern Rivers Region and NSW, 2006



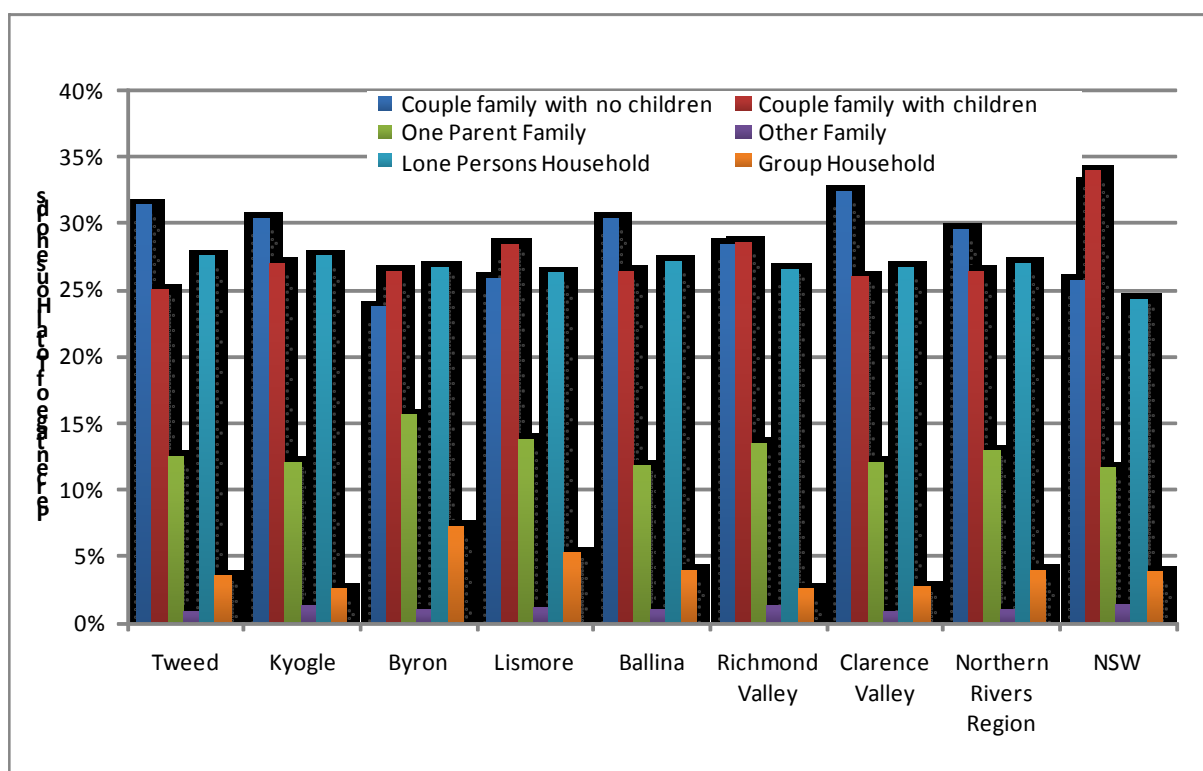
Source: ABS Census of Population and Housing, 2006



## 2.2.2 Household Type

The household characteristics of the Northern Rivers region differ from that of NSW as a whole in a number of significant ways. Approximately 34% of households in NSW are couples with children. This is significantly higher compared to the Northern Rivers region, where 26% of households are couples with children. The Australian average is slightly less than the NSW average for a couple family with children, making up 33% of all households. Compared to the NSW average, the Northern Rivers region has a higher proportion of couple families with no children. This is the most common household type in the region accounting for 29% of all households. For NSW as a whole, approximately 26% of households consist of couples with no children. There are also a significant proportion of lone person households within the Northern Rivers region. Lone person households account for 27% of households in Northern Rivers compared to 24% in NSW and Australia.

**Figure 7.** Household Type, Northern Rivers Region and NSW, 2006



Source: ABS Census of Population and Housing, 2006

## 2.2.3 Median Residential Property Prices

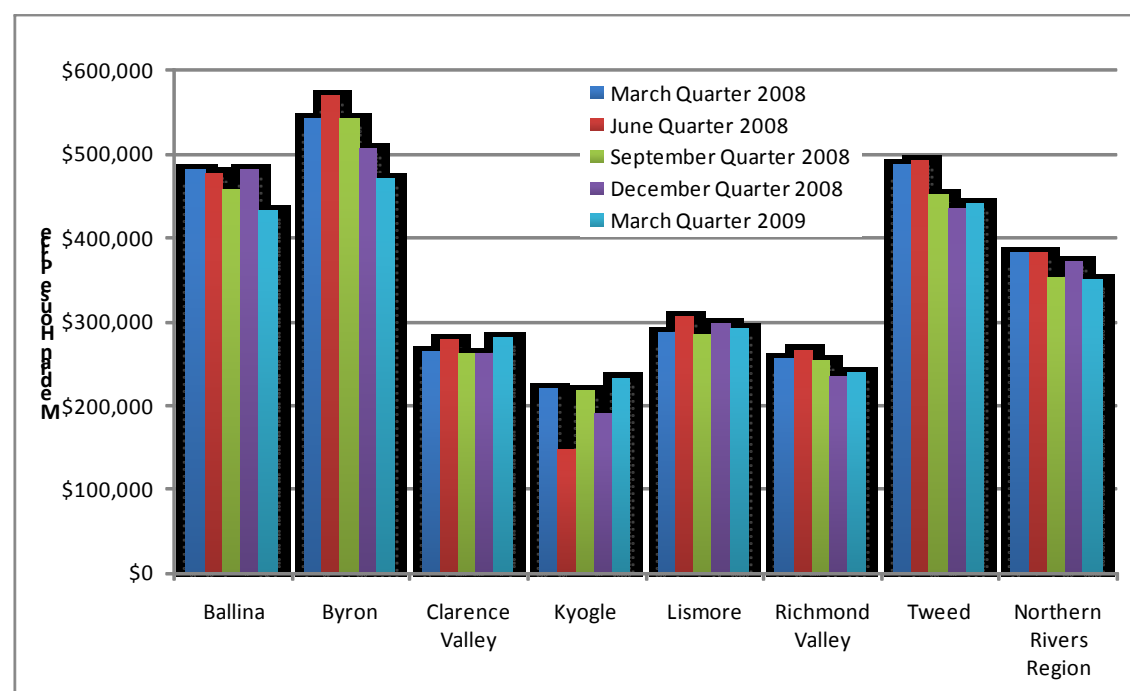
There has been an overall decline in median house prices in the Northern Rivers region since March 2008. Overall, the median house price in the Northern Rivers region has decreased from \$380,000 in March 2008 to \$349,000 in March 2009. Global and national financial pressures since 2008 have resulted in the decline of housing prices in all areas of the Northern Rivers except Clarence Valley and Kyogle. According to the most recently available data (March 2009), median house prices in Ballina, Byron and Tweed are significantly higher than other areas within the Northern Rivers region.

**Table 2.** Median Residential Property Prices, Northern Rivers Region, March 2008 to March 2009

Single Res Dwelling	March Quarter 2008	June Quarter 2008	September Quarter 2008	December Quarter 2008	March Quarter 2009
Ballina	\$480,000	\$475,000	\$456,250	\$480,000	\$430,000
Byron	\$540,000	\$567,875	\$540,000	\$505,000	\$468,000
Clarence Valley	\$262,000	\$276,000	\$260,000	\$260,000	\$280,000
Kyogle	\$218,750	\$146,500	\$215,000	\$188,000	\$229,500
Lismore	\$285,000	\$305,000	\$283,000	\$295,000	\$290,000
Richmond Valley	\$253,000	\$264,000	\$252,000	\$232,500	\$236,500
Tweed	\$485,000	\$490,000	\$451,000	\$433,000	\$438,750
Northern Rivers Region	\$380,000	\$380,000	\$350,000	\$369,000	\$349,000

Source: RPData

**Figure 8.** Single Dwellings Median House Prices, Northern Rivers Region, March 2008 to March 2009



Source: RPData

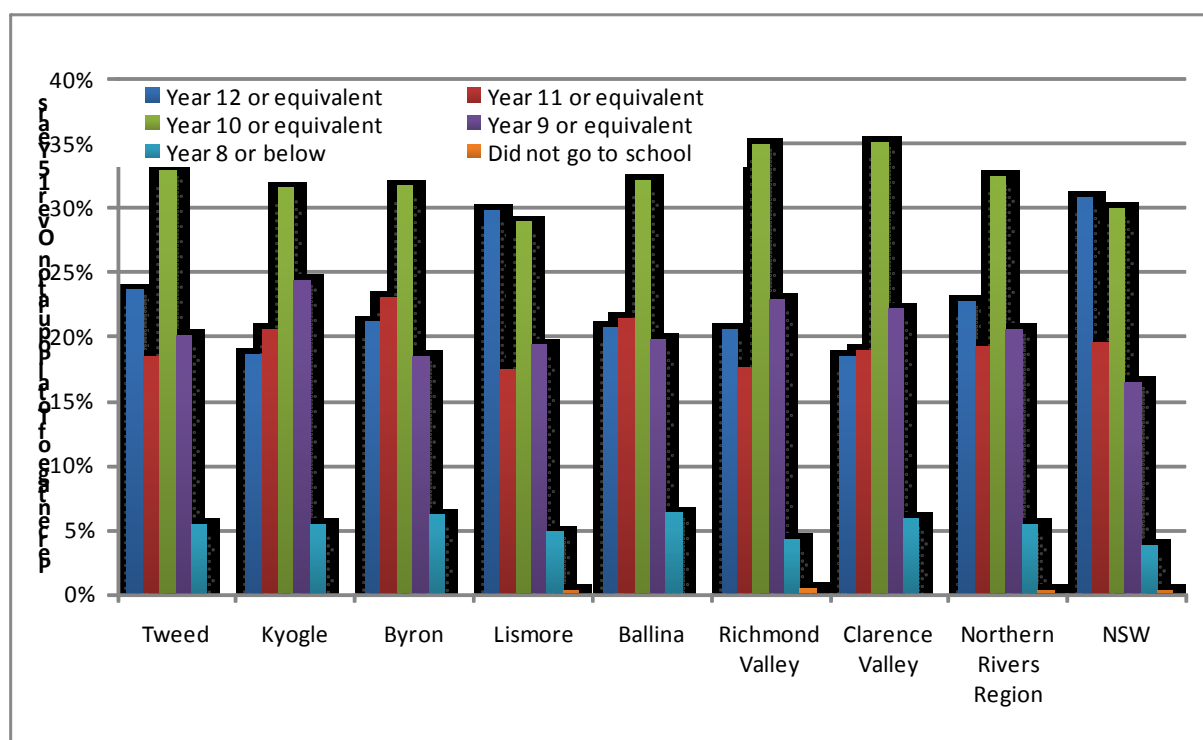
## 2.3 Education and Income

### 2.3.1 School Qualifications

The qualifications of residents of the Northern Rivers region vary from those qualifications displayed by the residents of NSW as a whole. It is evident that approximately 32% of residents in the Northern Rivers have completed up to Year 10 or the equivalent in schooling. This is the most common school qualification of residents within Northern Rivers with only 22% of residents having completed Year 12 or equivalent.

At a local level, more residents in Lismore (29%) have completed Year 12 or equivalent compared to other areas of the Northern Rivers region. The school qualifications of Lismore residents are relatively similar to the NSW average. Residents of NSW, on average, have higher school based qualifications than those of residents of the Northern Rivers region. Approximately 31% of NSW residents have completed Year 12 or equivalent and a further 30% have completed year 10 or equivalent. The Australian average has 47% of the resident population having completed Year 12 or the equivalent, and 25% with Year 10 or equivalent qualifications.

**Figure 9.** Highest Level of School Completed, Northern Rivers Region and NSW, 2006



Source: ABS Census of Population and Housing, 2006

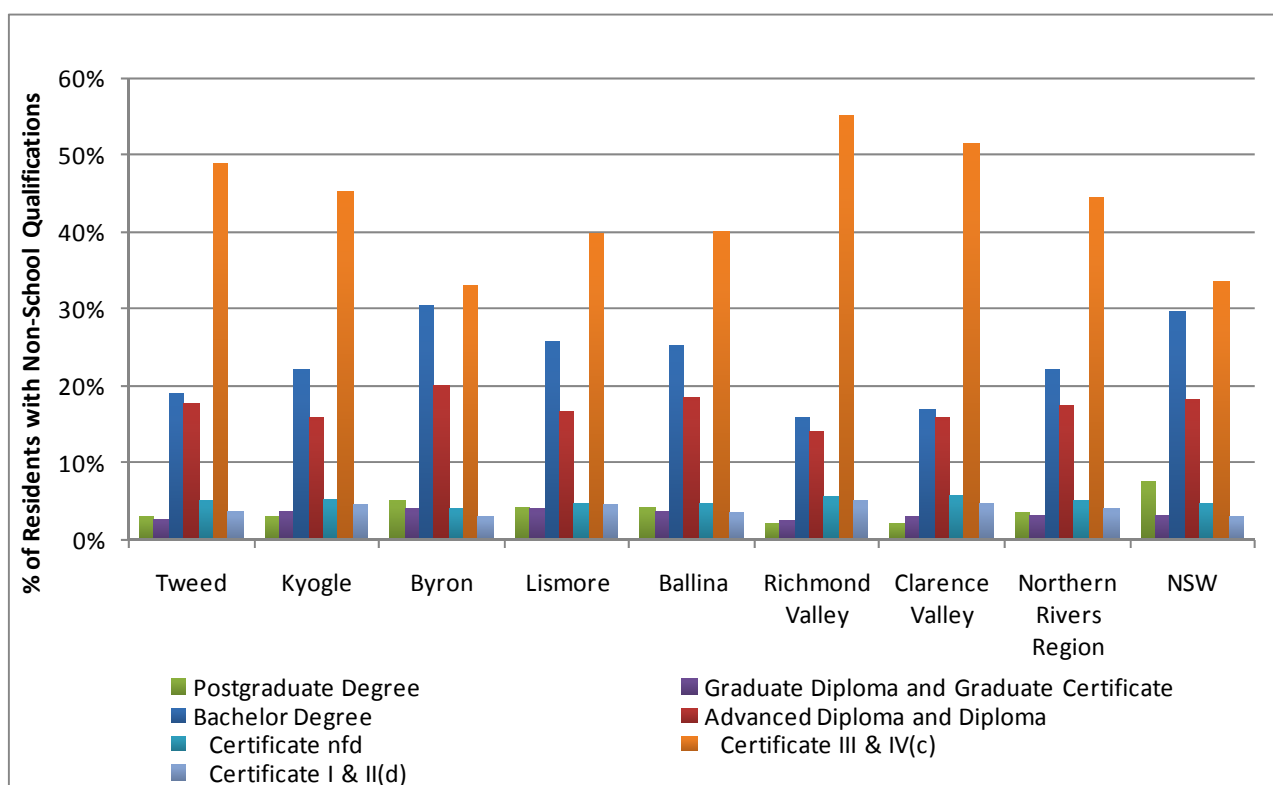
### 2.3.2 Non-School Qualifications

The most prevalent non-school qualification held by residents of the Northern Rivers region is a Certificate III and IV qualification. Approximately 45% of Northern Rivers residents hold this qualification. Approximately 22% of Northern Rivers residents hold a bachelor degree.

For NSW as a whole, 34% of residents hold Certificate III and IV qualifications and approximately 30% of residents hold a bachelor degree. In Australia, as a whole, around 35% of residents hold Certificate III and IV qualifications and approximately 29% hold a bachelor degree.

In both the Northern Rivers region and the NSW as a whole, many residents also hold advanced diplomas and diplomas.

**Figure 10.** Resident Non-School Qualifications, Northern Rivers Region and NSW, 2006

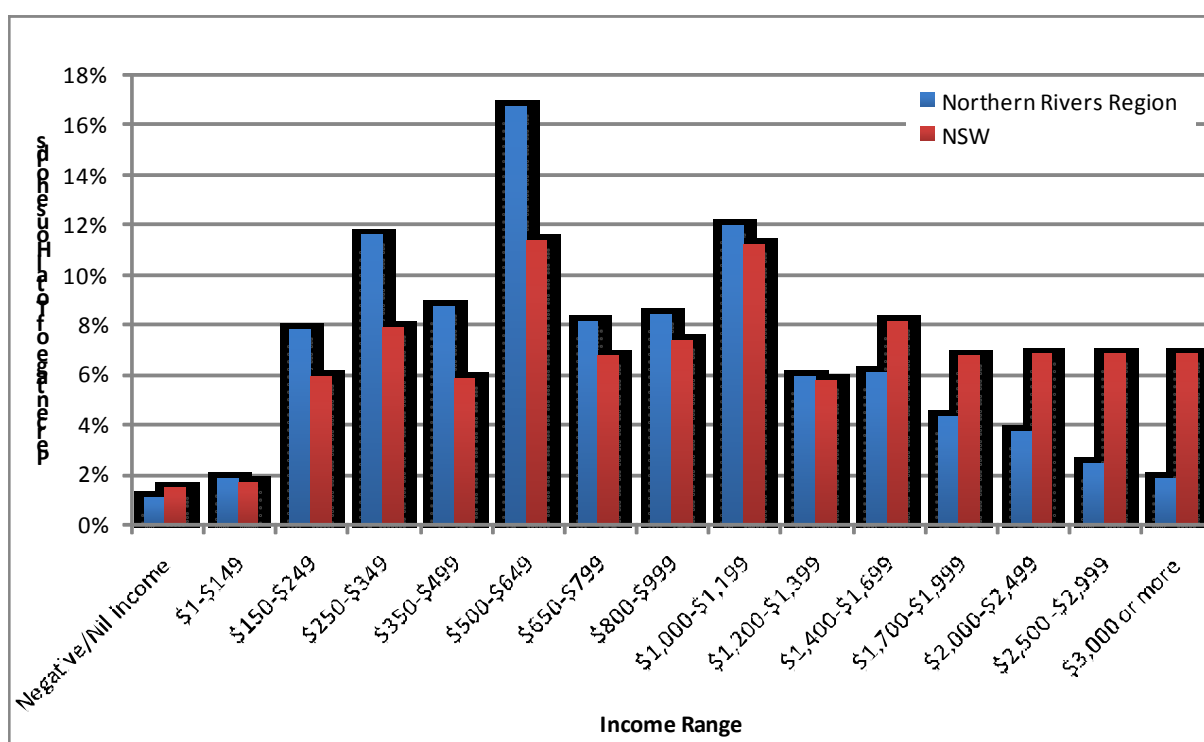


Source: ABS Census of Population and Housing, 2006

### 2.3.3 Resident Income Profile

According to the 2006 ABS Census data, the Northern Rivers region has an average household income that primarily ranges between \$250 and \$1,200 per week. Of this range, approximately 17% of households earn between \$500 and \$649 per week. The Northern Rivers region has significantly fewer households earning over \$1,400 per week when compared to the NSW average. The median household income for the Northern Rivers is \$695, compared to \$1,093 for NSW and \$1,027 for Australia. Through the analysis of this data, it is evident that households in the Northern Rivers region generally earn less than households in NSW as a whole.

**Figure 11.** Household Income, Northern Rivers Region and NSW, 2006



Source: ABS Census of Population and Housing, 2006

## 2.4 Labour Force

### 2.4.1 Labour Force Participation

According to 2006 ABS Census Data, there were 215,256 Northern Rivers residents of working age. Of these residents, only 112,716 were employed resulting in a labour force participation rate of 52.4%. Of these employed residents, 51.3% were in full time work and 34.2% in part time work (note the other 6.7% were employed “away from work” or did not state their level of employment at the time of the census). This can be compared to NSW which, at 2006, had a labour force participation rate of 58.9% with 64.6% of employed NSW residents employed in full time work and 29.0% in part time work.

While unemployment in the Northern Rivers region in 2006 was substantially lower than it was in 2001 the Northern Rivers region displayed a higher unemployment rate of 8.4%, compared to the NSW average of 5.9%. It is important to note, however, that unemployment dropped significantly more in the Northern Rivers region between 2001 and 2006 (down by 4.3%) compared with NSW as a whole (down 1.3%).

**Table 3.** Key Labour Market Indicators, Northern Rivers Region and NSW, 2001 and 2006

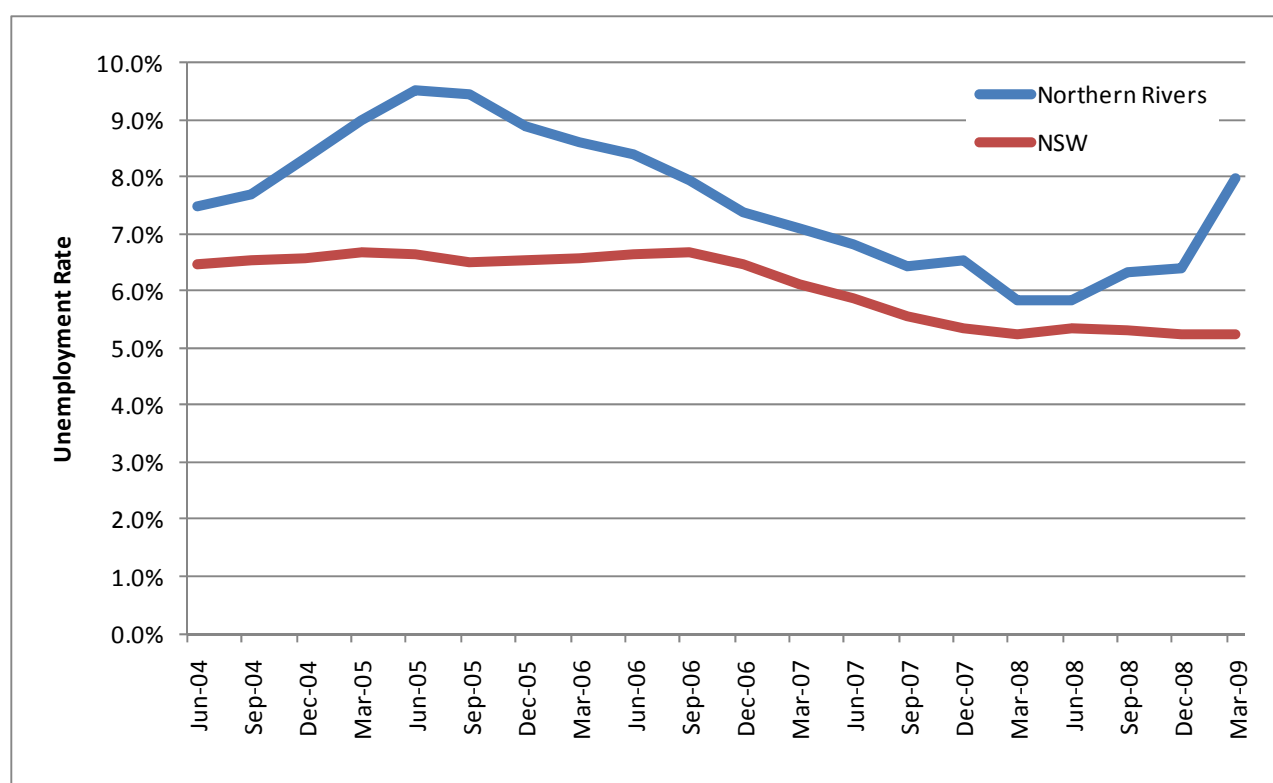
Indicator	Northern Rivers	NSW
Total Population 2006	267,475	6,549,177
Population Change 01-06	4%	2.9%
Labour Force Participation Rate 2006	52.4%	58.9%
Labour Force Participation Rate 2001	51.1%	59.2%
Total Population aged between 15 and 64, 2006	215,256	5,250,261
Labour Force 2006	112,716	3,092,603
Total Employed Residents 2006	103,260	2,909,444
%Employed Full Time	56.0%	64.6%
%Employed Part Time	37.3%	29.0%
Total Unemployed Residents 2006	9,456	183,159
Unemployment Rate 2006	8.4%	5.9%
Unemployment Rate 2001	12.7%	7.2%

Source: ABS Census of Population and Housing, 2001 and 2006

## 2.4.2 Unemployment Trends

According to the Commonwealth Department of Employment and Workplace Relations' Small Area labour Markets data, in the four and a half years to December 2008, unemployment in both the Northern Rivers region and in NSW has declined. Between June 2004 and June 2005, unemployment in the Northern Rivers region increased significantly. From this point, a relatively steady rate of decline occurred between September 2005 and September 2007. After this time, unemployment in the Northern Rivers region began to increase to reach a level of approximately 6.4% by December 2008. With the advent of the Global Financial Crisis, unemployment in the Northern Rivers rose notably between December 2008 and March 2009, reaching 8.0%. Unemployment in NSW as a whole has remained relatively steady at 5.2% in March 2009, up from 5.1% in December 2008. The unemployment rate for Australia as a whole rose from 4.2% in December 2008 to 4.6% in March 2009.

**Figure 12.** Unemployment Rate, Northern Rivers Region and NSW, June 2004 to December 2008\*



\*Note that up until the March 2009, the Northern Rivers was defined including the former local government areas of Copmanhurst, Grafton, Maclean and Pristine Waters as an approximation for Clarence Valley.

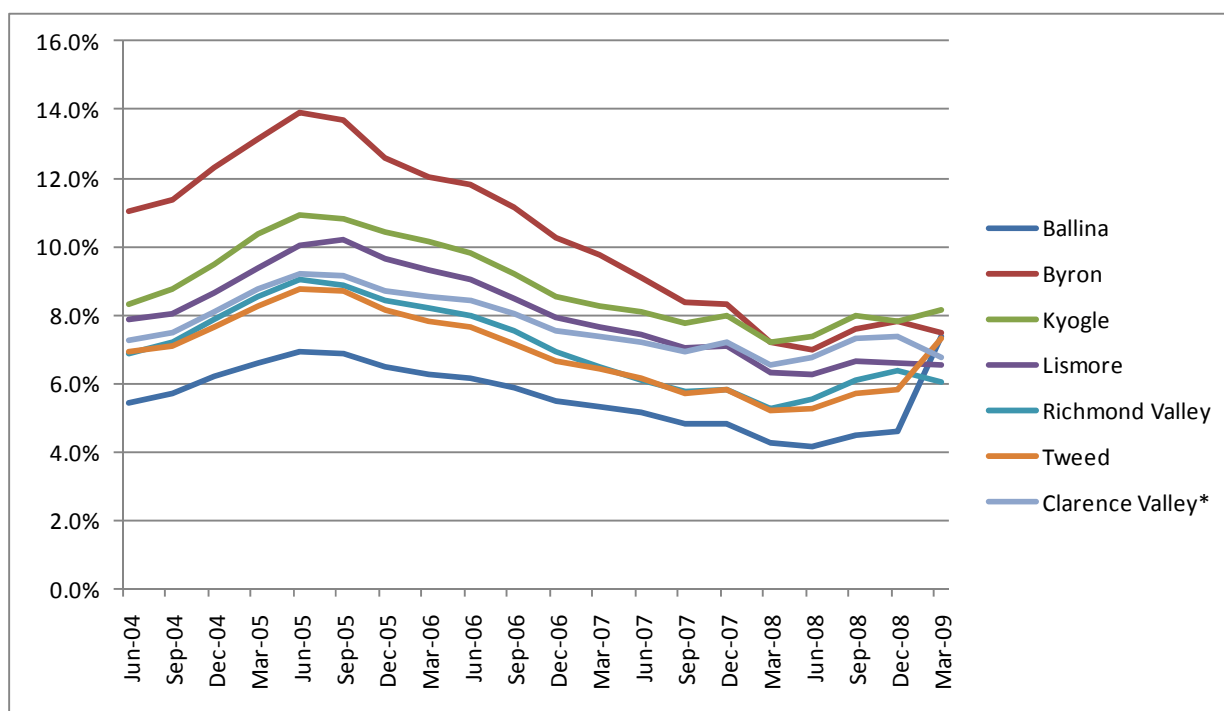
Source: DEWR Small Area Labour Market Data

### 2.4.3 Unemployment Trends by Local Government Area

A breakdown of unemployment rates for each local government area within the Northern Rivers region displays an obvious trend towards declining unemployment from June 2005 through to December 2008. The unemployment trend for Byron LGA is particularly interesting. This area has experienced the highest rate of decline in unemployment when compared to other areas of the Northern Rivers region. All other areas have experienced a decline in unemployment over this same time period.

Looking more specifically at the unemployment rates for the region, it is evident that since June 2008, increases in unemployment have occurred. Ballina has consistently had the lowest unemployment rates in the region while unemployment in Kyogle is the highest in the region of late, although the unemployment rate in Byron has traditionally been the highest out of all the areas. Noticeably there has been a significant increase in the unemployment rates between December 2008 and March 2009 for Ballina and the Tweed. Kyogle also increased somewhat, however, the unemployment rate in all other areas remained the same or in fact became lower.

**Figure 13.** Unemployment by Local Government Area, Northern Rivers Region, June 2004 to December 2008



\*Note that Clarence Valley is a conglomeration of the former Copmanhurst, Grafton, Maclean and Pristine Waters Local Government Areas (except for March 2009), and is a close approximation for the 2006 Census boundary for Clarence Valley.

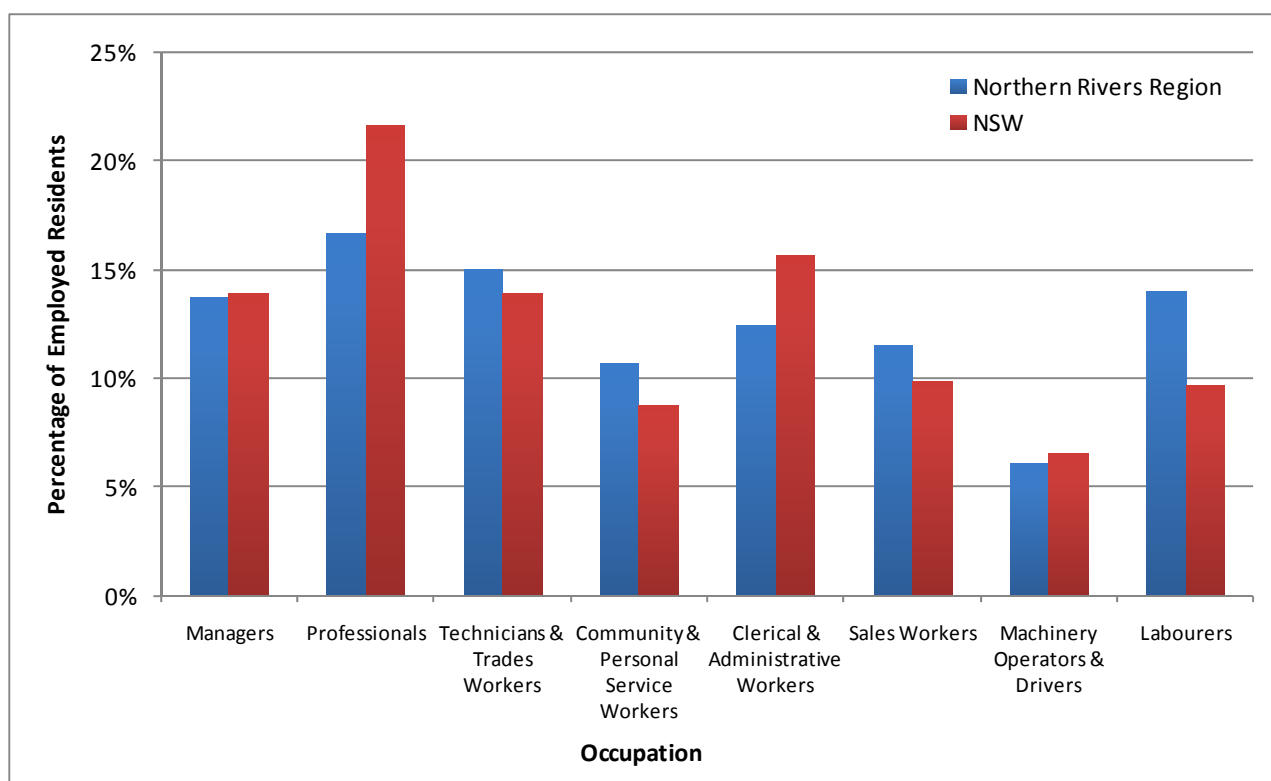
Source: DEWR Small Area Labour Market Data



## 2.4.4 Occupational Profile

Figure 14 shows resident occupational profile for the Northern Rivers region and NSW for 2006. There are a higher proportion of blue collar workers in the Northern Rivers compared to NSW as a whole. Whilst the majority of employment in the Northern Rivers is in a professional capacity (17% of employed residents), the next largest proportion is in Technicians and Trades Workers, making up 15% of employed residents in Northern Rivers compared to 14% for NSW. Labourers were the next largest cohort with 14% of employed persons in Northern Rivers and 10% for NSW.

**Figure 14.** Resident Employment by Occupation, Northern Rivers Region and NSW, 2006



Source: ABS Census of Population and Housing, 2006

## 2.5 Economic Structure and Performance

### 2.5.1 Employment by Industry

The following table and chart profile the number of jobs present in Northern Rivers region by industry sector compared to NSW as a whole (note that in subsequent analysis in Section 5 we compare with non-metropolitan NSW to provide a more contextualised analysis). They also show the share of jobs that each industry category provides as a proportion of the total number of jobs. The proportional representation is then compared to that for NSW as a whole to derive a location quotient (or LQ) for each industry sector. Those industries with a location quotient greater than 1.0, having a greater representation in the Northern Rivers **compared to NSW as a whole**, are considered 'specialised' industries as they employ relatively high proportions of workers relative to the NSW average (i.e. an LQ of greater than 1.0 indicates a relative specialisation).

**Table 4.** Employment by Industry, Northern Rivers Region and NSW, 2006

Industry Sector	Northern Rivers		NSW		LQ
	No.	%	No.	%	
Agriculture, Forestry and Fishing	5565	6%	77239	3%	2.23
Mining	141	0%	19271	1%	0.23
Manufacturing	7020	8%	268726	10%	0.81
Electricity, Gas, Water and Waste Services	809	1%	28767	1%	0.87
Construction	5656	6%	198910	7%	0.88
Wholesale Trade	2924	3%	134233	5%	0.67
Retail Trade	13784	16%	315440	11%	1.35
Accommodation and Food Services	8074	9%	183611	7%	1.36
Transport, Postal and Warehousing	3019	3%	139992	5%	0.67
Information Media and Telecommunications	1402	2%	67550	2%	0.64
Financial and Insurance Services	1901	2%	143699	5%	0.41
Rental, Hiring and Real Estate Services	1736	2%	49943	2%	1.08
Professional, Scientific and Technical Services	3784	4%	209002	8%	0.56
Administrative and Support Services	1966	2%	86607	3%	0.70
Public Administration and Safety	5344	6%	166733	6%	0.99
Education and Training	8452	10%	216146	8%	1.21
Health Care and Social Assistance	12447	14%	296628	11%	1.30
Arts and Recreation Services	1190	1%	38427	1%	0.96
Other Services	3526	4%	107474	4%	1.02
<b>Total</b>	<b>88741</b>		<b>2748398</b>		

Source: ABS Journey to Work Data, 2006

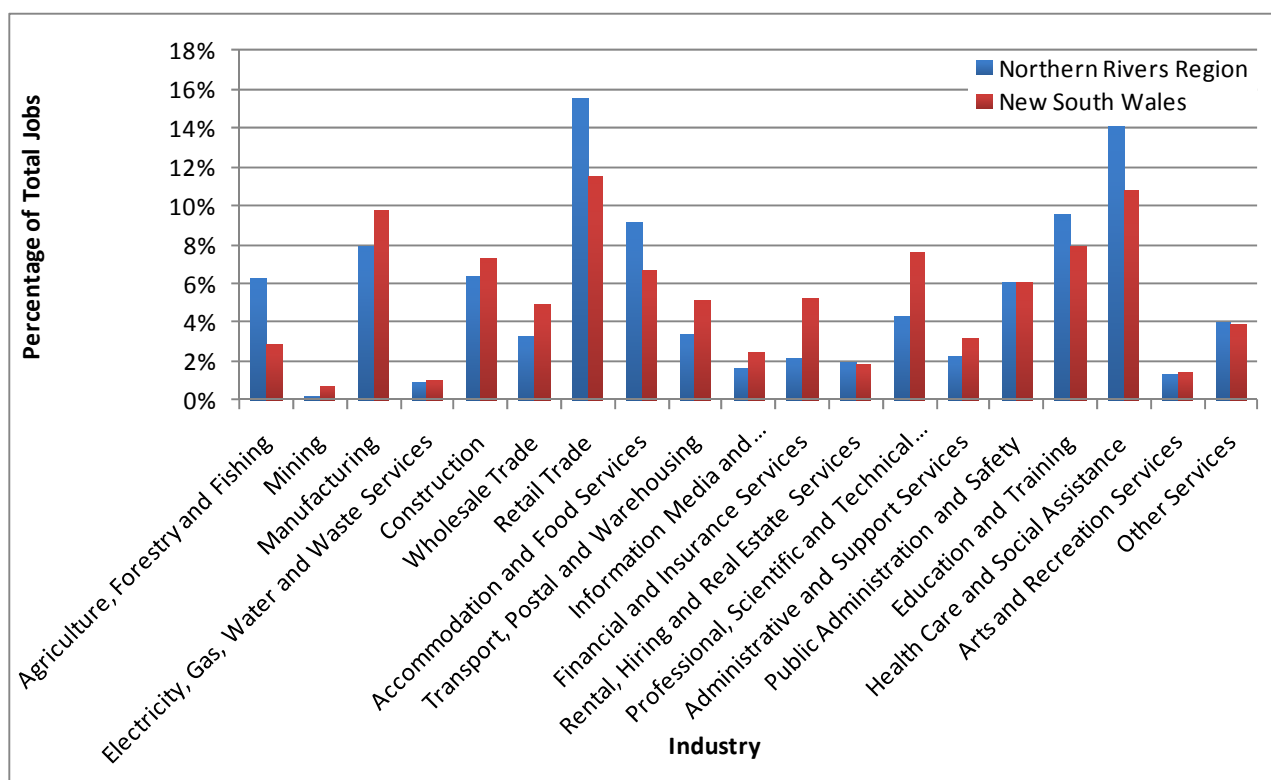
The industry sector for which the Northern Rivers has a strong specialisation relative to NSW as a whole is Agriculture, Forestry and Fishing. This is not surprising given the Northern Rivers region's coastal position and strong agricultural base. Reinforcing the strong tourism market is a relative specialisation in Accommodation and Food Services and Retail Trade. The region also has well established Health Care and Education infrastructure with a relative specialisation in these sectors.

The most significant employer in the Northern Rivers region is Retail Trade, with 16% of all jobs. Other significant employers in the region include Health Care & Social Assistance (14%) and Education & Training (10%).

Besides those mentioned above, the other significant sectors of employment in the Northern Rivers region include:

- Manufacturing; and
- Construction.

**Figure 15.** Employment by Industry, Northern Rivers Region and NSW, 2006



Source: ABS Journey to Work Data, 2006

## 2.5.2 Recent Industry Trends

The chart below illustrates recent trends in employment by industry sector in the Northern Rivers region from 2001 to 2006. There has been a decline in the proportion of jobs in the region supported by Agriculture, Forestry & Fishing and the Industrial sector (i.e. Manufacturing, Wholesale Trade, Transport and Storage and Communication Services).

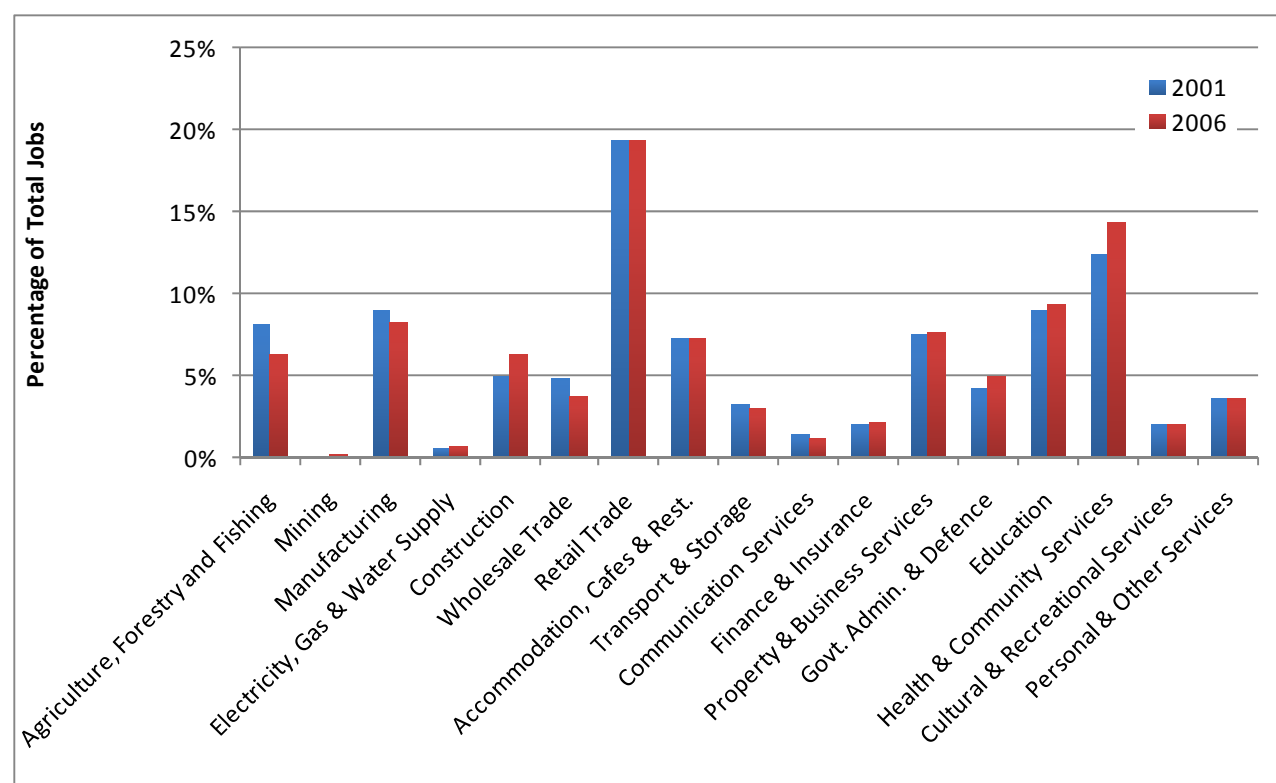
The region showed a marginal increase in Commercial sector jobs (i.e. Property & Business Services and Finance & Insurance) between 2001 and 2006, as well as in the Education industry.

Additionally, strong growth was seen in the Health and Community Service sector over the period.

There has been significant employment growth in the following sectors in the 5 years from 2001 to 2006:

- 6.8% increase in construction;
- 5.0% in health and community services;
- 3.4% in finance and insurance; and
- 2.5% in the creative industries.

**Figure 16.** Employment by Industry (Jobs), Northern Rivers, 2001 & 2006



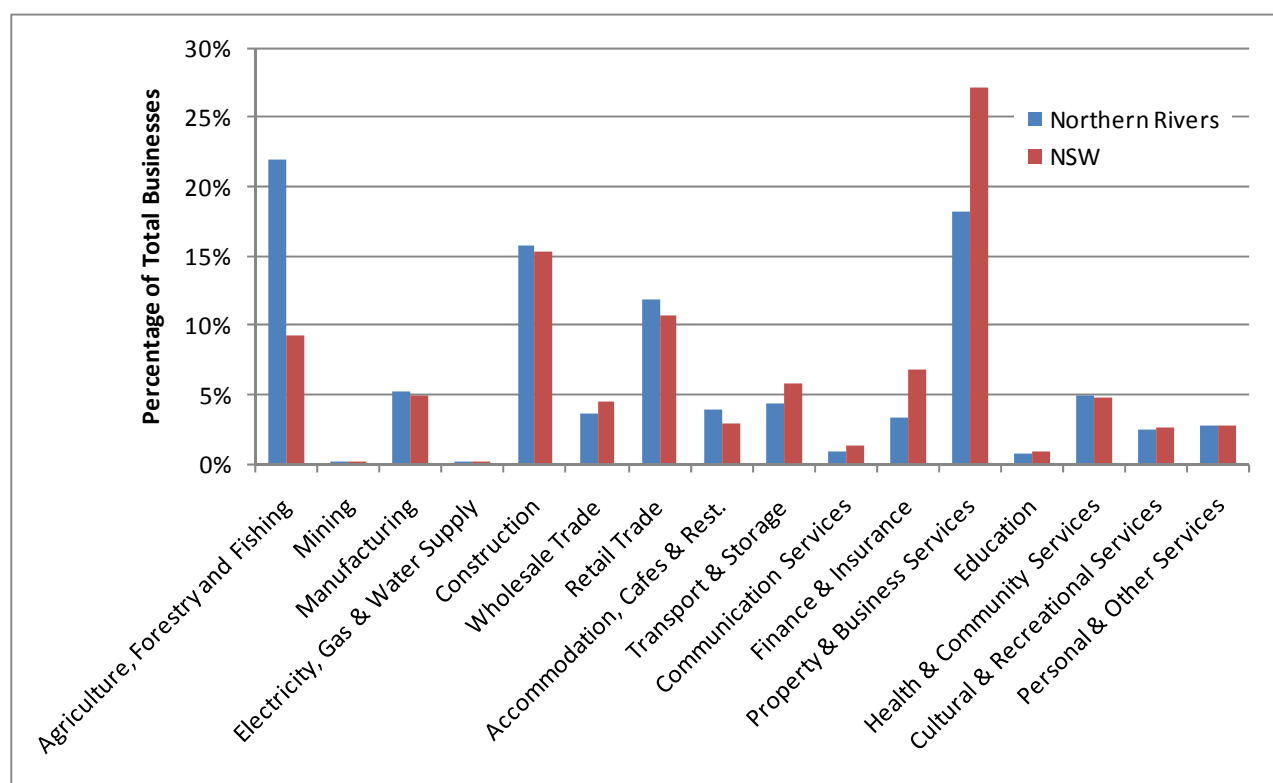
Source: ABS Journey to Work Data, 2001 and 2006

## 2.5.3 Business Profile

The chart below shows the proportion of businesses in the Northern Rivers region categorised by industry sector. The data in the Counts of Australian Businesses is derived from actively trading businesses determined by the ABNs maintained by the Australian Tax Office and the Trading Activity Units (TAUs)<sup>1</sup> maintained by the Australian Bureau of Statistics. The Counts do not include entities which are not considered to be actively trading in the market sector and as such are not considered to be businesses. General Government is one of the excluded categories and this impacts on data for Education and Health and Community Services.

Agriculture, Forestry and Fishing is the largest industry sector for the Northern Rivers region in terms of business numbers at 5,421 or 22% of all businesses, followed by Property and Business Services at 4,506 or 18% and Construction at 3,903 (16% of total Northern Rivers businesses).

**Figure 17.** Businesses by Industry Sector, Northern Rivers Region and NSW, 2007



Source: Counts of Australian Businesses, Entries and Exits, 2007

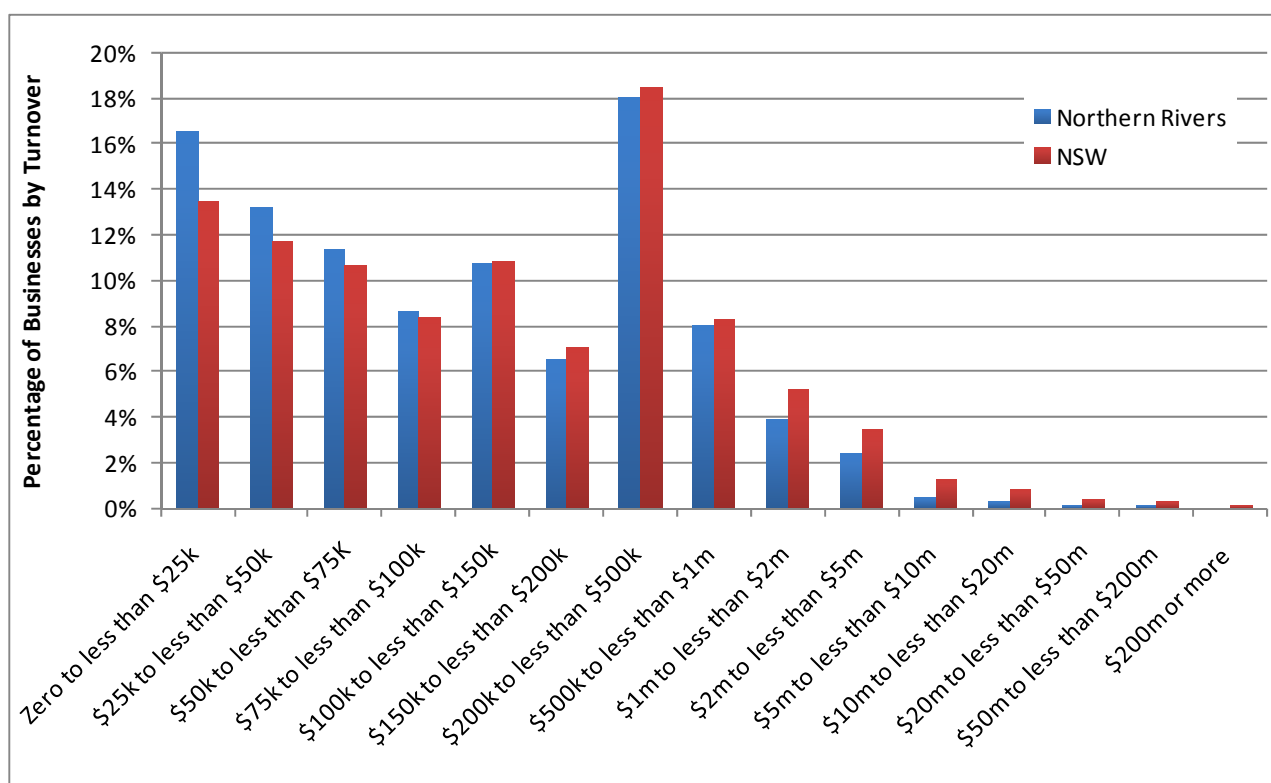
<sup>1</sup> For a relatively small number of businesses, the ABN unit is not suitable for ABS economic statistics purposes and the ABS maintains direct contact with businesses. These businesses constitute the ABSMP. This population consists typically of large, complex and diverse groups of businesses. A type of activity unit (TAU) equates to one business. The TAU is comprised of one or more business entities, sub-entities or branches of a business entity within an enterprise group that can report production and employment data for similar economic activities.

## 2.5.4 Business Profile by Turnover Size

The chart below compares the number of businesses categorised by annual turnover value. The most common turnover value for any business in the Northern Rivers is between \$200,000 and \$500,000 per annum (4,467 businesses which is 18% of total businesses in Northern Rivers).

Generally speaking, the Northern Rivers region has a larger proportion of smaller businesses, in terms of turnover size, compared to NSW as a whole.

**Figure 18.** Businesses by Turnover Size, Northern Rivers & NSW, 2007



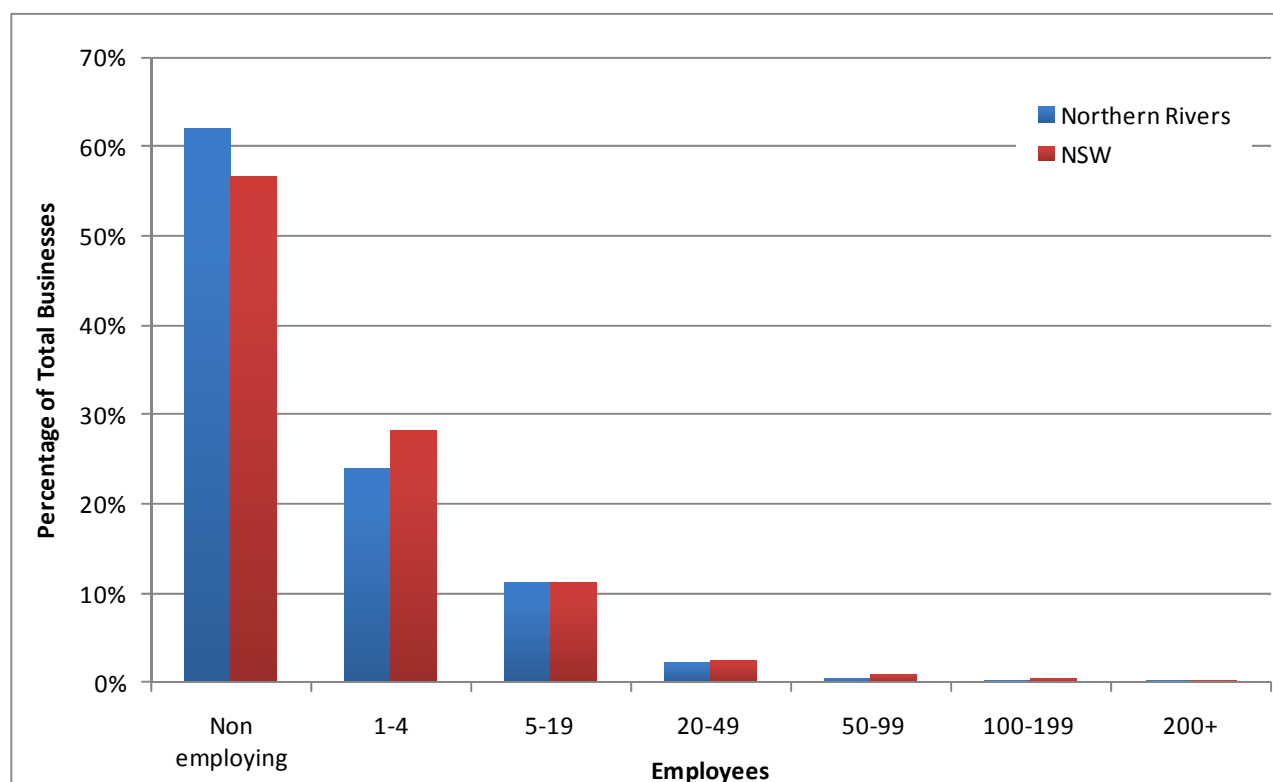
Source: Counts of Australian Businesses, Entries and Exits, 2007

## 2.5.5 Business Profile by Employment Size

An employing business is defined as an owner of a business employing one or more workers to undertake work for that business whereas non-employing businesses are those for which the owner or owning family are the sole operators of that business. According to the latest (June 2007) data from the ABS Business Counts, the Northern Rivers region contains a large amount of non-employing businesses when compared to NSW as a whole. Non-employing businesses make up 62% of all businesses in the Northern Rivers (15,333 businesses) with the remainder employing 1 or more persons.

As shown in the chart below, proportionally speaking, the Northern Rivers generally contains fewer businesses in each employment size bracket compared to NSW as whole. In terms of a percentage breakdown of employing businesses, 24% of businesses in the Northern Rivers region employ between 1 and 4 employees, 11% employ between 5 and 19 employees, and 4% employ 20 or more persons.

**Figure 19.** Businesses by Employment Size, Northern Rivers Region and NSW, 2007



Source: Counts of Australian Businesses, Entries and Exits, 2007

## 2.5.6 Economic Diversity

A measure of a region's robustness is its Herfindahl (economic diversity) Index. The Herfindahl Index is always measured with reference to a geographical area (**in this case Non-Metropolitan New South Wales**) and as such can only compare regions which are constituents of this geographical area. This means that it is only possible to compare Local Government Areas of Non-Metro NSW against each other to see how diverse they are, noting that the measure of diversity is relative to Non-Metro NSW. If the index value of a certain area is higher than another's, then that particular area has a higher level of diversity in its economy.

When comparing the local government areas within the Northern Rivers region using this index, we see that Clarence Valley is the most diverse Local Government Area. In fact, Clarence Valley has a higher index value than the Northern Rivers region in total, meaning the diversity of the industrial base within this area is helping to drive the diversity in the Northern Rivers region. Kyogle, with the smallest employment base is the least diverse out of all the local government areas in the Northern Rivers.

**Table 5.** Industrial Diversity Index, 2006

	Herfindahl (Diversity) Index
Clarence Valley	5.15
Northern Rivers Region	4.97
Ballina	4.40
Tweed Heads	3.80
Byron	3.47
Richmond Valley	3.20
Lismore	2.78
Kyogle	1.97

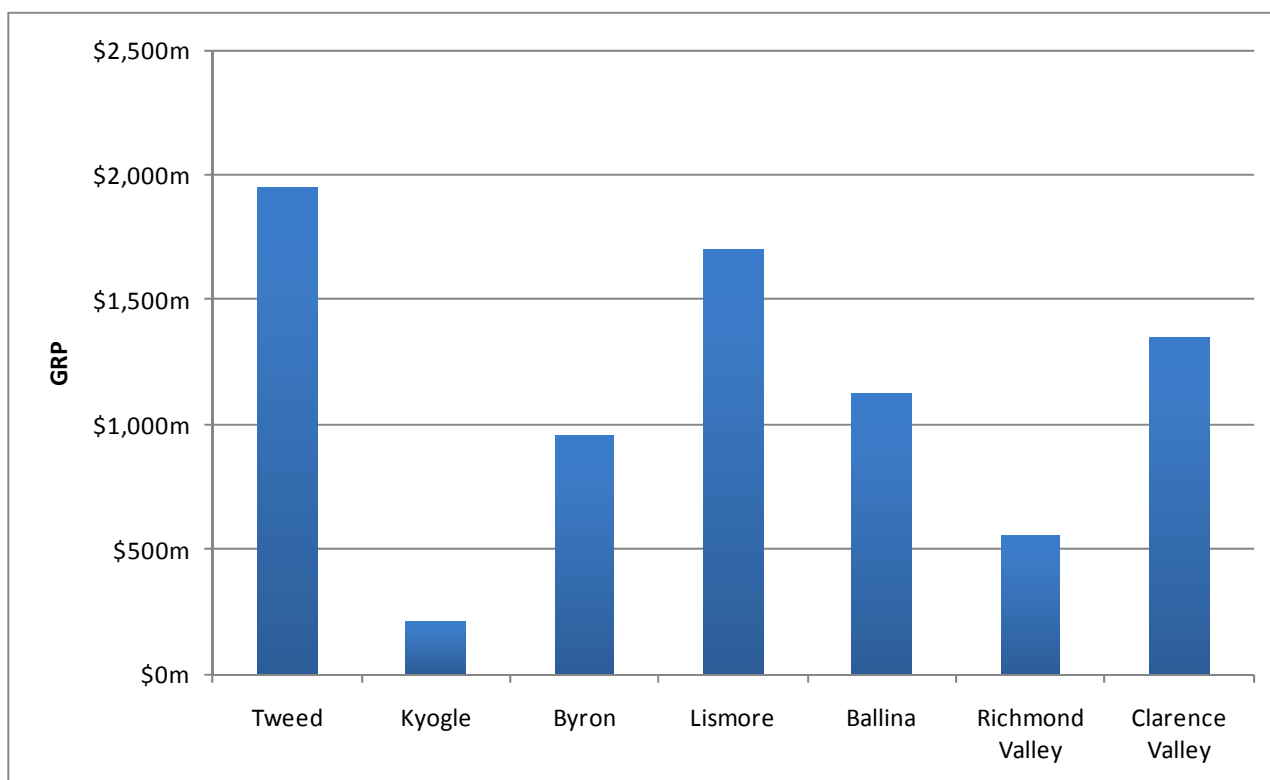
Source: ABS Journey to Work Data, 2006



## 2.5.7 Gross Regional Product

The Gross Regional Product (GRP) of the Northern Rivers region is estimated at **\$7.8 billion** for the 2008 financial year. Of the total GRP for Northern Rivers, the Tweed local government area has the largest share, with around one quarter (\$1.95 billion) of the region's GRP. Lismore generates the second biggest share of the Northern Rivers region's GRP, with 22% (\$1.7 billion). Kyogle contributes the least to the region's GRP, that being approximately \$200 million.

**Figure 20.** Estimated Gross Regional Product (2008 Dollars), Northern Rivers LGAs, 2008



Source: ABS State Accounts, ABS Labour Force Survey & ABS Journey to Work Data, 2006

## 2.5.8 Output by Industry Sector

Table 6 displays the breakdown of the Northern Rivers GRP by industry sector. The largest industry contribution to the region's GRP is generated in Health and Community Services (\$1.15 billion or 15% of total GRP). The next largest contributions come from Retail Trade (\$880 million or 11%) and Property and Business Services (\$750 million or 10%).

Interesting to note is the significant contribution made by the Education industry, with \$700 million of the region's GRP (or 9% of the total industry contribution), reflective of the relative strength of the education industry in the Northern Rivers region.

**Table 6.** Industry Contribution to GRP, Northern Rivers Region, 2008

Industry Sector	Northern Rivers GRP \$ 2008	Northern Rivers % GRP
Agriculture, Forestry and Fishing	\$281m	4%
Mining	\$0m	0%
Manufacturing	\$725m	9%
Electricity, Gas and Water Supply	\$79m	1%
Construction	\$555m	7%
Wholesale Trade	\$542m	7%
Retail Trade	\$879m	11%
Accommodation, Cafes and Restaurants	\$397m	5%
Transport and Storage	\$366m	5%
Communication Services	\$125m	2%
Finance and Insurance	\$445m	6%
Property and Business Services	\$750m	10%
Government Administration and Defence	\$482m	6%
Education	\$701m	9%
Health and Community Services	\$1,153m	15%
Cultural and Recreational Services	\$140m	2%
Personal and Other Services	\$223m	3%
<b>Total</b>	<b>\$7,843m</b>	

Source: ABS State Accounts, ABS Labour Force Survey & ABS Journey to Work Data, 2006

## 2.5.9 Industry Growth and Share

In order to present an understanding of the Northern Rivers region's industry sectors and how they are performing, we compare each sector's positioning by considering relative size, growth and employment share. In order to do this, Figure 21 below presents a 'growth-share matrix', highlighting how each of the Northern Rivers' industry sectors (as defined by the ABS's 1-digit ANZSIC 93 classifications) differs from the rest of non-metropolitan NSW and where in their economic lifecycle each industry is.

The industry growth share matrix is divided into quadrants, each quadrant defining the stage of lifecycle for the industry. Stages in the lifecycle are illustrated in the growth share matrix as follows:

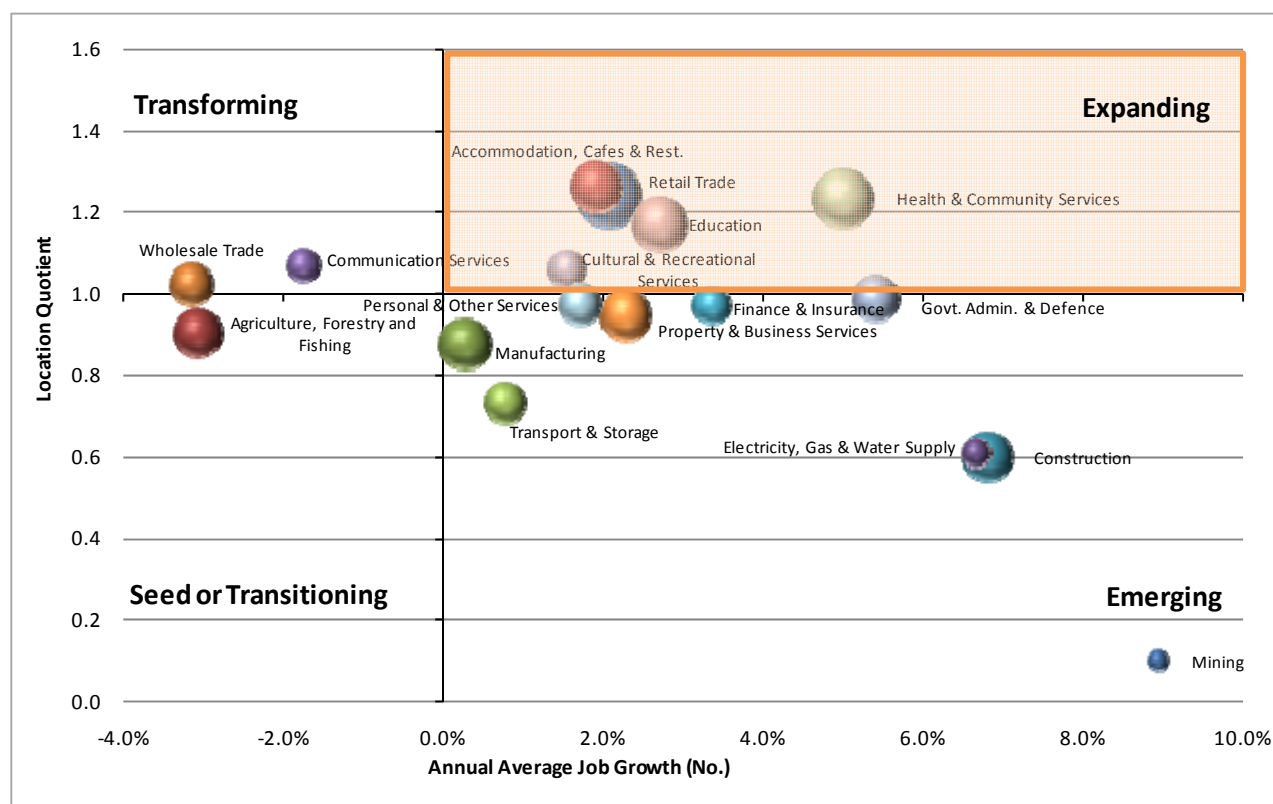
- **Expanding Stage:** If in the top right quadrant (high average annual growth/higher than non-metropolitan NSW average concentration – as defined by the industry's location quotient). This is excellent news, implying a strong, adaptive industry sector.
- **Emerging Stage:** If in the lower right quadrant (high average annual growth/below non-metropolitan NSW average concentration), this is also good news, implying an emerging, growing industry that may need some assistance to mature.
- **Transforming Stage:** If in the upper left quadrant (lower than average annual growth/above non-metropolitan NSW average concentration), this is not good news, implying the industry is at risk (overall) and needing to increase innovation and productivity to compete with other regions.
- **Seed or Transitioning Stage:** If in the lower left quadrant (lower than average annual growth/lower than non-metropolitan NSW average concentration), this could be bad news, implying that the industry is neither developed nor growing in the region. It could also mean that the 'seed' industry has some potential for growth.

As shown in the figure below, the dominant industry sectors of the Northern Rivers - those that are growing and which demonstrate a high level of specialisation in the Northern Rivers relative to the non-metropolitan NSW whole and which drive the region's economic prosperity - include the more traditional sectors of:

- Health & Community Services;
- Education;
- Accommodation, Cafes & Restaurants;
- Retail Trade; and
- Cultural and Recreational Services.

The region also has some emerging or potential new drivers of prosperity - those industries that are expanding - which include:

- Construction;
- Finance and Insurance; and
- Property & Business Services.

**Figure 21.** Growth Share Matrix, Northern Rivers Region, 2001 - 2006

Source: ABS Journey to Work Data, 2001 and 2006

The Agriculture, Forestry and Fishing sector represents what could be considered a 'transitioning' industry due to the lack of growth in employment. Despite this, the horticultural industries are an important contributor to the Northern Rivers region, and are relatively specialised in the area along with forestry and fishing (this is apparent in the subsequent location quotient analysis – see Section 3 of this report). It is the other agricultural industries which are not as well represented in the area, and it is important that this does not drive away support for this sector as it plays an important role in the region.

Whilst Property and Business Services and Finance and Insurance currently represent lower shares in industry employment in the Northern Rivers compared to non-Metropolitan NSW, these industries are nevertheless on a strong growth trajectory, growing by 12% and 18% respectively between 2001 and 2006. Continued employment growth in these industries and associated infrastructure investments could see Finance and Insurance and Property and Business services enter the top right quadrant as per the matrix illustrated above to become high growth and regionally significant sectors of the Northern Rivers economy. This should not discount the continuing importance of the Northern Rivers' traditional economic drivers. In other words, the region does not need to choose which type of industries to focus on or indeed 'pick winners' but instead employ policies and strategies that encourage a greater diversification of industry into 'knowledge-based' professional services while continuing to protect and encourage the region's traditional economic drivers.

## 2.6 The Employment Challenge

As a means of assisting planning for sustainable economic development, an analysis of the likely 'employment challenge' facing the Northern Rivers region has been prepared as an update to the challenge proposed in the June 2005 Regional Industry & Economic Plan. This analysis is based on the following key parameters:

- The Northern Rivers region's future population and the forecast rate at which it will grow.
- The region's labour force participation rate and how it will change as the economy of the Northern Rivers region matures.
- The unemployment rate – what is a reasonable target given the likely make-up of the region's population and the economy in the future?
- The level of employment self-sufficiency (i.e. jobs located in the Northern Rivers region as a proportion of residents employed).
- The split between jobs driven by population growth and jobs in the 'driver' sectors of the Northern Rivers regional economy.

The rationale for selecting the parameters used to estimate the 'employment challenge' is set out below.

### 2.6.1 Serving the Northern Rivers Region's Growing Population

It is well known that the Northern Rivers is one of Australia's fastest growing regions, and by all accounts, the high rates of population growth are set to continue. Population growth in the Northern Rivers region will be influenced by:

- Current population growth rates. With a population of 283,615, the Northern Rivers region has been growing at an average annual rate of 0.8% for the 5 years to 2006. Forecasts suggest that this growth is likely to continue though at a slightly higher rate than in the last few years. New residents, both old and young, are attracted to an array of lifestyle opportunities and an increasingly sophisticated and well connected regional economy. The majority of settlement and existing population is based along the coast.
- Land available for development, that is, the extent of the region's land resource and any additional rezonings that are underway. Population forecasts suggest that the region's population will reach 359,720 by the year 2027. It is assumed, for the purpose of this analysis, that enough land will be released to accommodate the anticipated population growth to 2027.
- Net migration. The region's natural amenity is a key attribute which serves to attract people from elsewhere over and above those that leave the region. The region's attractiveness is primarily related to climate/lifestyle (youth and retirees and semi-retirees, etc.), job opportunities (young singles, young couples and families) and market potential (businesses and industries). Entrepreneurs will come because of market potential, which will create job opportunities. This potential is firstly a function of population growth (within the region) then wider economic opportunities. Professional workers, who are also dubbed 'knowledge workers' and the 'creative class' have a preference for

'lifestyle' regions/locations and will also be attracted to the Northern Rivers. Thus there will be a propensity for entrepreneurs and knowledge workers to move to the region to seek a better lifestyle, employment and/or start-up their own businesses.<sup>2</sup>

- Insofar as out migration is concerned, the biggest drain on the region's population is likely to be from young singles leaving for higher education and for life broadening experiences. The establishment and growth of institutions such as the Southern Cross University will help retain some of the higher education seekers, especially as it grows and consolidates over time. Given that a large component of the region's attractiveness is intrinsic, the desire of people to move to the Northern Rivers region in the future will remain strong. As this movement continues, the entrepreneurs, especially those pursuing population related opportunities, will follow. Thus there is strong potential for continued net migration.

## 2.6.2 Population Forecasts

Population projections have been prepared by the Australian Bureau of Statistics (ABS) on behalf of the Australian Government Department of Health and Ageing. The latest projections are based on the 2007 Estimated Resident Population determined by the ABS, which are shown in the following table.

**Table 7.** Population Forecasts by LGA, Northern Rivers Region

LGA	2007	2027
Tweed	84,461	122,157
<i>Growth rate pa</i>		1.86%
Lismore	44,608	51,972
<i>Growth rate pa</i>		0.77%
Ballina	40,959	53,888
<i>Growth rate pa</i>		1.38%
Byron	30,931	35,116
<i>Growth rate pa</i>		0.64%
Kyogle	9,672	9,768
<i>Growth rate pa</i>		0.05%
Richmond	22,442	28,539
<i>Growth rate pa</i>		1.21%
Clarence Valley	50,542	58,280
<i>Growth rate pa</i>		0.71%
<b>Nth Rivers Region</b>	<b>283,615</b>	<b>359,720</b>
<b><i>Growth rate pa</i></b>		<b>1.20%</b>

Source: Department of Health and Ageing via the ABS Population Projections

<sup>2</sup> As well known authors such as Florida (2000, 2002) and Reich (1992) both point out, 'knowledge workers' place a premium on an area's lifestyle attributes including its recreation, leisure and entertainment, community and cultural infrastructure. Due to growth in worldwide demand for their services, knowledge workers enjoy an unprecedented level of control and choice in where they work and live.

The projections have robustness and are more than simple trend based projections. They provide a sound base on which to work in planning for the future. Thus, the Northern Rivers region is expected to have approximately 359,720 people by the year 2027.

### 2.6.3 Labour Force Participation

Currently, the Northern Rivers region has a relatively low labour force participation rate at only 52%. Comparisons with other similar 'lifestyle' regions show the Sunshine Coast with a participation rate at 57%, Greater Geelong at 58% and the NSW Central Coast at 55%. Insofar as capital cities (more mature and broader based economies) are concerned, labour force participation rates are generally between 65% and 66%.

Despite an ageing population, the Northern Rivers region is likely to continue to mature and broaden its economic base in the future and thus the labour force participation rate is likely to firm as 'working age' people continue to migrate to the area and as the region (consistent with national trends) witnesses a greater retention of older people in the workforce. For the purpose of this analysis, a labour force participation rate of 60% has been adopted as the basis of the preferred 2027 scenario.

### 2.6.4 Unemployment

Currently, the Northern Rivers region has an unemployment rate of 6.4% (source: Dept. Employment & Workplace Relations, December 2008). Comparisons with other similar 'lifestyle' regions show:

• Greater Geelong	3.9%
• Sunshine Coast	4.2%
• NSW Central Coast	5.2%
• Wollongong	6.1%

Insofar as capital cities (more mature and broader based regions) are concerned, unemployment rates are:

• Brisbane	3.3%
• Sydney	4.5%
• Melbourne	4.3%
• Adelaide	5.1%
• Perth	2.9%

It is the project team's belief that the Northern Rivers region should aspire to achieving a low rate of unemployment. Whilst the latest figures (December 2008) point to an unemployment rate of 6.4%, this is a historically low figure for the Northern Rivers region and is understood to have risen over the current year based on anecdotal evidence. Hence, this analysis has adopted 6.5% as reasonable target for unemployment into the future.

## 2.6.5 Self-sufficiency of Employment

Currently, the Northern Rivers region has a reasonably high employment self-sufficiency rate of 86%. Comparisons with other similar 'lifestyle' regions show:

- Sunshine Coast 81%
- NSW Central Coast 69%

Comparison with regions which have a much stronger manufacturing base shows:

- Wollongong 89%
- Greater Geelong 83%

It is SGS Economics and Planning's belief that the Northern Rivers region should aspire to at least retain the target for the region from the previous studies provided by SGS. Hence 88% has been adopted as the employment self-sufficiency target.

## 2.6.6 Population Driven vs. 'Driver' Sector Jobs

In any given area the population will drive the provision of the majority of jobs required by the workforce. In a growing region, about 68% of jobs come from the population driven sectors (e.g. education, retail, household services, personal services, etc.) and about 7% from the construction sector. The balance is in exporting sectors (25% of jobs). As the region matures and diversity increases, these proportions change with the construction sector dropping back to around 5% and the exporting sectors increasing to around 27%. The current situation in the Northern Rivers region (refer below), highlights the growing nature of the region.

**Table 8.** Population Driven vs. Export Sector Jobs (%), Northern Rivers Region and Comparable Areas, 2006

Area	Population Driven Jobs	Construction Driven Jobs	Population + Construction	Basic (Export) Sector Jobs
Tweed	71.0%	7.9%	78.9%	21.1%
Kyogle	55.2%	5.5%	60.7%	39.3%
Byron	63.2%	8.1%	71.4%	28.6%
Lismore	76.0%	4.1%	80.1%	19.9%
Ballina	68.6%	7.4%	76.0%	24.0%
Richmond Valley	61.2%	4.3%	65.5%	34.5%
Clarence Valley	69.2%	5.2%	74.4%	25.6%
<b>Nth Rivers</b>	69.3%	6.2%	75.6%	24.4%
SEQ	67.8%	6.8%	74.6%	25.4%
Queensland	63.4%	9.0%	72.4%	27.6%
New South Wales	65.8%	7.2%	73.0%	27.0%

Source: ABS Journey to Work Data, 2006 with interpretations by SGS Economics and Planning



Given the aim to develop / maintain a diverse and robust economy for the region over the next two decades the Northern Rivers economy is likely to develop into a more mature economy. Hence a split of 73% from population and construction combined and 27% from the basic or export sectors have been utilised in estimating the jobs challenge for the Northern Rivers region.

## 2.6.7 The Jobs Challenge

As explained above, the number of jobs required for the future increase in regional population will be broadly in two categories – jobs that are driven by population growth and jobs that will come from enterprise and export-oriented growth.

Based on the assumptions / parameters that have been applied, the jobs challenge for the Northern Rivers region over the next 20 years is significant.

Based on the region's projected population levels in 2027, as per the ABS's forecasts on behalf of the Department of Health, it is estimated that the region will require approximately 148,000 jobs to be provided by this time. To achieve labour force participation rate of 60% and limit the unemployment rate to 6.5%, whilst achieving the 88% self-sufficiency rate for the region in the previous study and maximising the ratio of population versus export driven employment, a total of **59,250 new jobs** will need to be provided.

Of these 59,250 new jobs, it is anticipated that approximately **43,250 jobs** will occur naturally as a direct result of population growth (e.g. natural employment growth in sectors such as retail, household services, personal services, etc).

The balance of new jobs required in the region, some **16,000 full time positions**, will need to come from growth in enterprises that are essentially export based and thus driven by markets external to the Northern Rivers region. Over 21 years (2006 – 2027), this represents on average the need for about 760 jobs each and every year.

In essence the facilitation of these 16,000 jobs (or 760 jobs per annum) represents the Northern Rivers employment challenge.

### 3 Economic Development Targets for 2031

In 2005 the RIEP set targets for 2031 for monitoring and evaluation purposes. A brief snapshot of progress is provided below.

- Northern Rivers unemployment rate equal to NSW average.

**POSITIVE PROGRESS TOWARDS TARGET**

In December 2005, the unemployment rate for the Northern Rivers was 8.9% and 6.5% for NSW. In March 2009, the region's unemployment rate had reduced to 7.0%, which was much closer to the State rate of 6.6%.

- Northern Rivers labour force participation rate equal to NSW rate.

**MINOR PROGRESS TOWARDS TARGET**

In 2005, the Northern Rivers' labour force participation rate was 50%, and the NSW rate was 63%. In 2009, the region's labour force participation has increased to 52%, compared to the NSW rate of 63.6%.

- Employment self containment rate maintained at 88% for the Northern Rivers.

**NEGATIVE PROGRESS AWAY FROM TARGET**

Employment self containment for the Northern Rivers has decreased from 88% in 2005 to 86% in 2009.

- 60% increase in the 15-24 year old cohort from 2005 for the Northern Rivers.

**POSITIVE PROGRESS TOWARDS TARGET**

There were 21,835 people in the 15-24 year old cohort in the 2001 census in the Northern Rivers, and this increased to 23,402 people in the 2006 census: an increase of 7.1%.

- Northern Rivers average (individual and household) income rates the same as NSW average income rates.

**POSITIVE PROGRESS TOWARDS TARGET**

Northern Rivers households continue to have significantly lower income levels than for the State. The 2001 Census identified 57% of the region's households with weekly incomes of under \$699, compared to 39% for NSW. In the 2006 census 56% of Northern Rivers' households are earning weekly incomes of less than \$799, compared to 41% for the State. However, 52% of NSW households earn incomes of over \$1,000 compared to 24% for the region. So whilst there has been an increase in weekly income levels, these are still much lower than state levels.

## 4 Northern Rivers – Local Government Areas Compared

### 4.1 Key Economic Indicators

A number of key economic indicators have been identified for the Northern Rivers region. These indicators relate specifically to the population, employment and the economy. These factors influence the future planning and operation of the economy and industry within the Northern Rivers region.

Table 9 below outlines the key indicators for each local government area within the Northern Rivers region. Significant differences exist in terms of population size and population change; however other indicators display similar trends for each area.

These indicators highlight the current demographic, employment and economic situation within the region.

**Table 9.** Key Indicators by Local Government Area, Northern Rivers, 2001 and 2006

Indicator	Tweed	Kyogle	Byron	Lismore	Ballina	Richmond Valley	Clarence Valley
<b>Population</b>							
Total Population 2006	79,321	9,256	28,767	42,211	38,461	21,313	48,146
Total Population aged between 15 and 64	64,707	7,237	23,180	33,584	31,248	16,703	38,597
Population Change 01-06	10.2%	-4.3%	-1.5%	-0.3%	2.3%	4.9%	1.9%
<b>Employment</b>							
Labour Force Participation Rate 2006	48.68%	52.11%	56.02%	58.50%	55.95%	51.12%	48.69%
Labour Force Participation Rate 2001	47.2%	51.5%	55.3%	56.1%	53.4%	50.3%	48.6%
Number of Employed Residents	31,497	3,771	12,986	19,646	17,484	8,538	18,794
%Employed Full Time	52.2%	52.1%	44.1%	52.9%	51.9%	54.8%	50.8%
%Employed Part Time	34.3%	32.0%	41.0%	32.5%	35.0%	29.9%	32.8%
Unemployment Rate 2006	7.1%	10.2%	8.8%	9.2%	7.3%	8.8%	9.9%
Unemployment Rate 2001	12.7%	13.5%	14.5%	12.8%	10.1%	12.5%	13.5%
<b>Economy</b>							
Median Weekly Household Income 2006	\$683	\$598	\$738	\$760	\$779	\$652	\$631
Median Weekly Rent June 2009	\$350	\$220	\$400	\$280	\$350	\$260	\$260
Median Sale Price May 2009	\$385,000	\$239,000	\$467,000	\$288,000	\$388,000	\$248,000	\$285,000
Number of Businesses	6,429	918	3,534	4,356	3,780	1,782	3,960
Number of Jobs	22,282	2,618	10,833	18,887	12,699	6,264	15,158
Ratio of Jobs to Population	28%	28%	38%	45%	33%	29%	31%
Diversity Index	3.80	1.97	3.47	2.78	4.40	3.20	5.15

Source: ABS Census of Population and Housing, 2001 and 2006

## 5 Northern Rivers Regional Benchmarking – A Comparative Profile of Lifestyle Regions

### 5.1 Lifestyle Regions Defined

A number of comparable lifestyle regions have been identified from around Australia with which to compare the performance, trends and prospects of the Northern Rivers region. Selected data sets have been determined to use in the comparative analysis. Comparable regions have been selected based on a number of selection criteria to ensure that those regions are generally comparable with the Northern Rivers. Generally, benchmark regions have been selected based on whether:

- the region is anchored by a large activity centre (or centres);
- the region has strong lifestyle attributes / is considered a 'lifestyle' region;
- the region is within commuting distance of a major urban centre or capital city and / or has good physical and functional links to the capital city / metro area;
- the region has a healthy rate of population growth;
- the region has a strong industry base; and
- the region is home to a University and related tertiary education and research organisations.

On the basis of these criteria, the Northern Rivers region has been compared with:

- Sunshine Coast (RC);
- the NSW Central Coast;
- Wollongong (C); and
- Greater Geelong (C).

Through the analysis, conclusions have been drawn as to how the Northern Rivers region compares to other similar lifestyle regions and where any apparent shortfalls or weaknesses for further consideration and potential action may exist. Strategic competitive advantages which warrant further attention have also been identified and highlighted for further consideration.

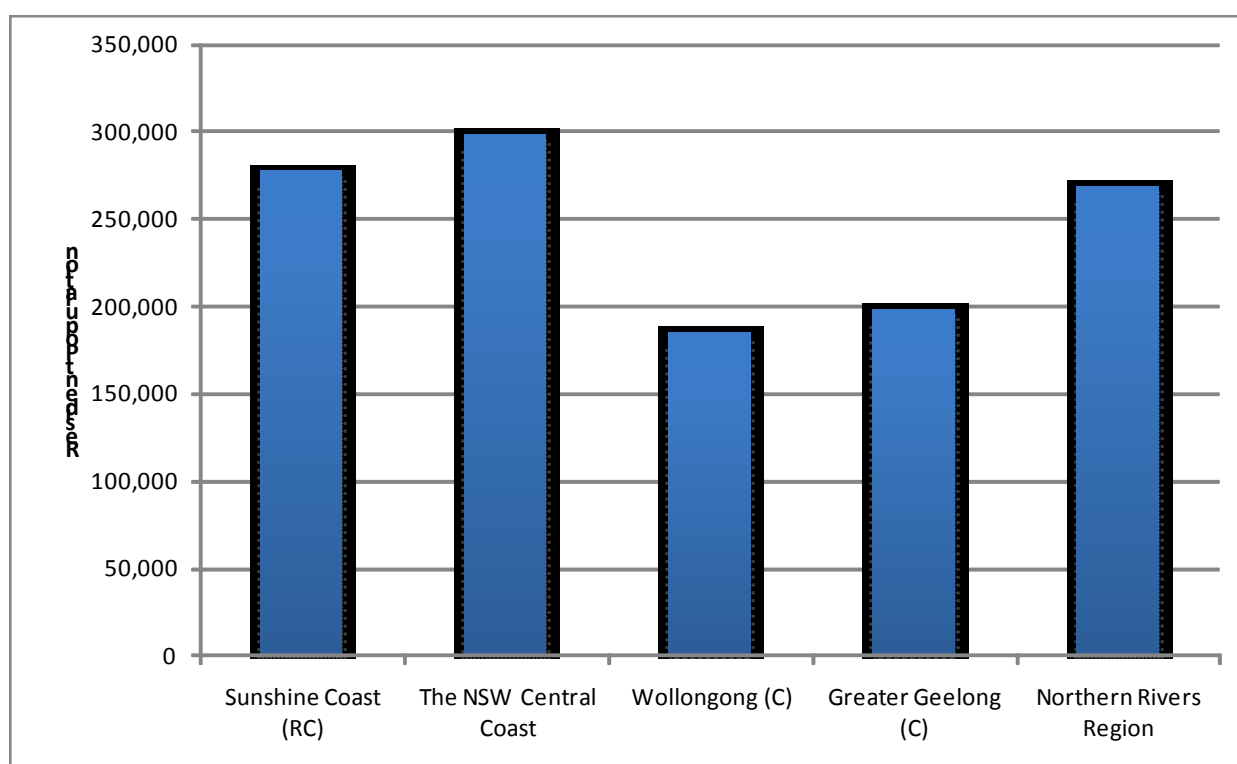
## 5.2 Key Indicators

### 5.2.1 Population

There are many similarities with respect to population and housing when comparing different lifestyle regions across Australia. These similarities, and significant differences, can be used to identify particular trends across these regions.

Both Wollongong and Greater Geelong have a significantly smaller population, both under 200,000 people, when compared to other lifestyle regions. The Northern Rivers is comparable to the Sunshine Coast region with respect to total population.

**Figure 22.** Total Population, Selected Lifestyle Regions, 2006



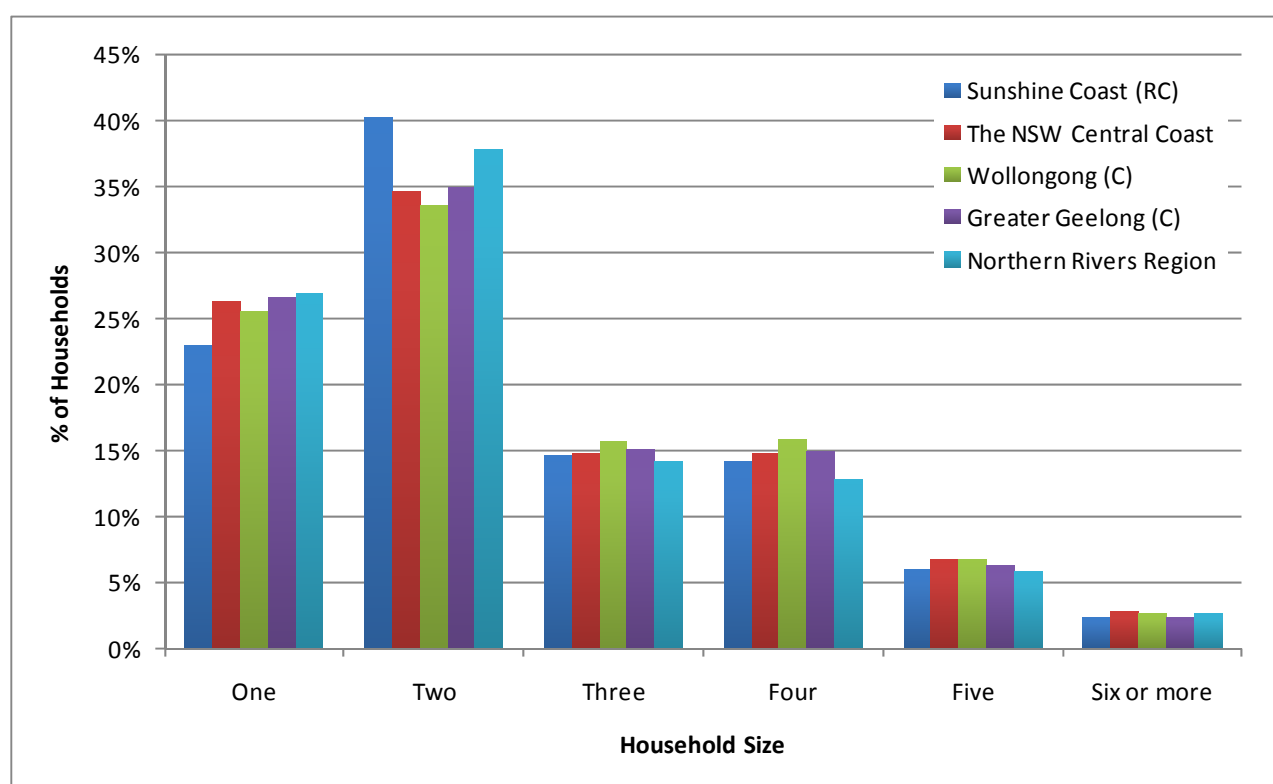
Source: ABS Census of Population and Housing, 2006

## 5.2.2 Household Size

A number of differences between household sizes have been identified for the different lifestyle regions. It is evident that both the Sunshine Coast and Northern Rivers region have a higher proportion of two person households compared to other regions. Two person households are the most common household size, with over 30% of all households in all regions being of two people.

One person households are the next most common household size recorded in all lifestyle regions considered. Compared to other lifestyle regions considered here, the Northern Rivers has the highest proportion of one person households. Comparatively speaking, the Northern Rivers also has the lowest proportion of four person households.

**Figure 23.** Household Size, Selected Lifestyle Regions, 2006



Source: ABS Census of Population and Housing, 2006

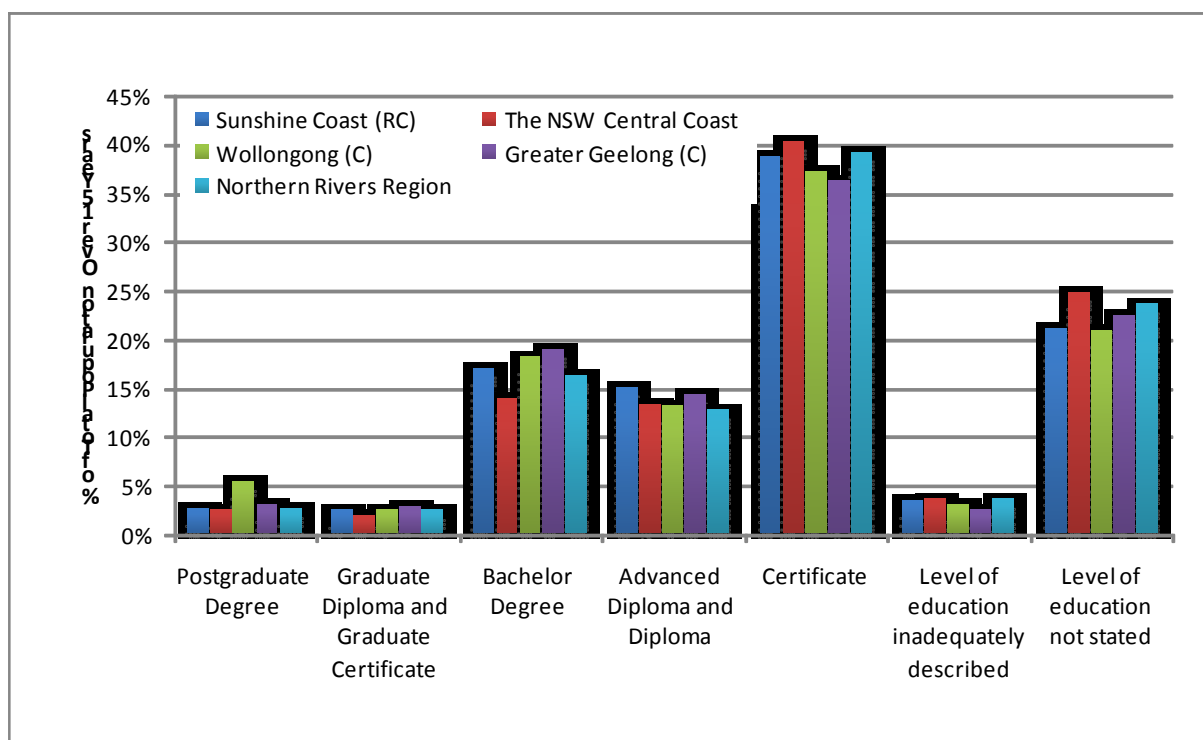
### 5.2.3 Non-School Qualifications

The most common non-school qualification held by residents of selected lifestyle regions is that being a Certificate qualification. The next most common qualifications held by residents of these areas are Bachelor Degrees and Diploma/Advanced Diplomas.

A significantly higher proportion of Wollongong residents hold Post Graduate Degrees when compared to other selected lifestyle regions. Of the regions compared, the Sunshine Coast and Greater Geelong have the highest proportions of residents qualified with a Bachelor Degree or a Diploma / Advanced Diploma.

As is the case for the NSW Central Coast, the Northern Rivers has a comparatively high proportion of residents with no stated qualification.

**Figure 24.** Non-School Qualifications, Selected Lifestyle Regions, 2006



Source: ABS Census of Population and Housing 2006



## 5.2.4 Labour Force Profile

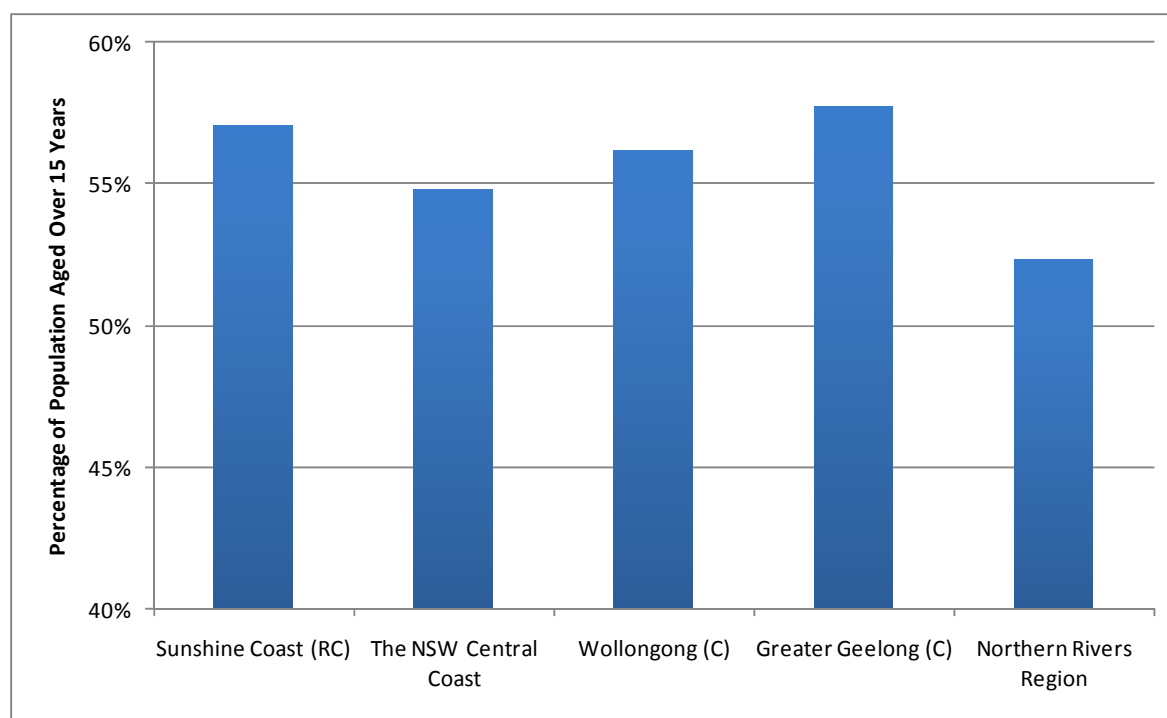
The identified lifestyle regions across Australia have varying labour force characteristics. Compared to the other lifestyle regions, the Northern Rivers has the lowest labour force participation rate (52%). Greater Geelong (58%) and the Sunshine Coast (57%) show the highest labour force participation rates of these lifestyle regions. Further, the Northern Rivers also has the lowest proportion of its labour force employed in a full time position (27%).

Unemployment is another key point of difference between the various lifestyle regions. Compared to the other lifestyle regions, the Northern Rivers region showed the highest unemployment rate in December 2008 of 6.4%. Of the regions considered, Greater Geelong had the lowest rate of unemployment (3.9%). Overall, unemployment has declined since September 2006 across all identified lifestyle regions. Unemployment is lowest in the Greater Geelong region, while it is highest in the Northern Rivers region, closely followed by Wollongong.

**Table 10.** Key Labour Market Indicators, Selected Lifestyle Regions

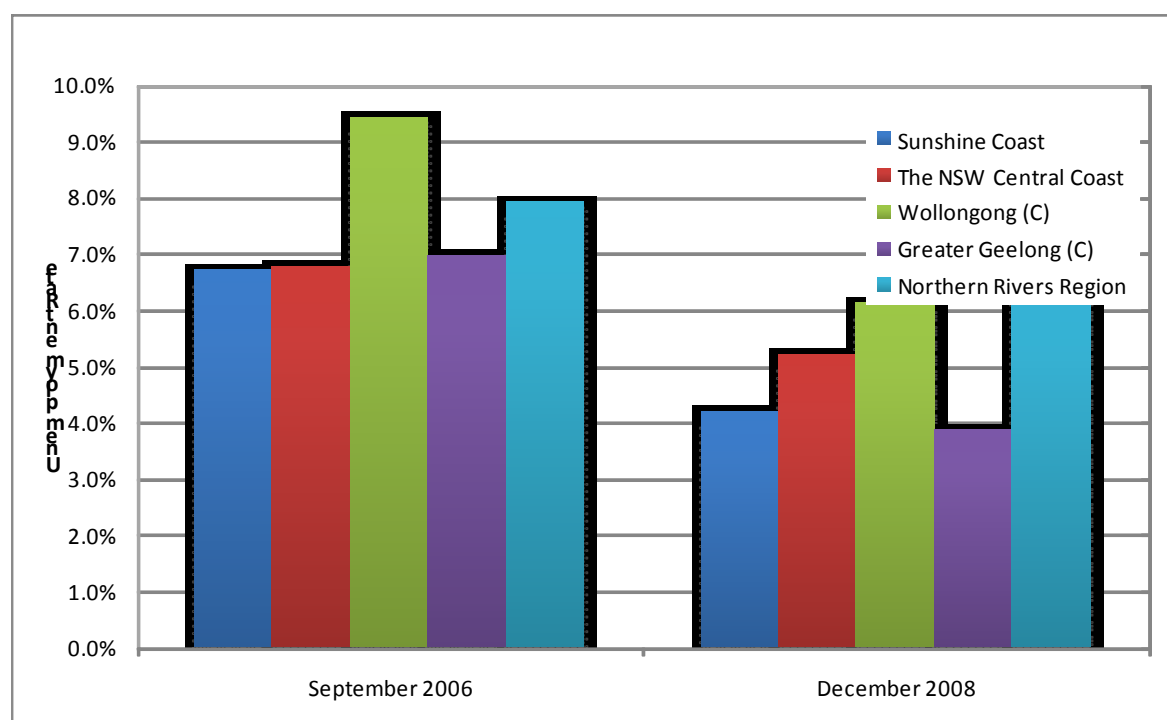
Indicator	Sunshine Coast (RC)	The NSW Central Coast	Wollongong (C)	Greater Geelong (C)	Northern Rivers Region
Total Population 2006	276,266	297,958	184,208	197,478	267,475
Annual Average Population Change 96-06	3.0%	1.2%	0.4%	0.8%	0.76%
Labour Force Participation Rate 2006	57%	55%	56%	58%	52%
Number of Employed Residents 2006	126,928	129,960	83,551	91,930	112,716
%Employed Full Time 2006	31%	31%	32%	33%	27%
%Employed Part Time 2006	19%	17%	16%	18%	18%
Unemployment Rate December 2008	4.2%	5.2%	6.1%	3.9%	6.4%

Source: ABS Census of Population and Housing, 2006 and DEEWR Small Area Labour Markets Data

**Figure 25.** Labour Force Participation Rate, Selected Lifestyle Regions, 2006\*

\*Note scale starts at 40% not 0%

Source: ABS Census of Population and Housing, 2006

**Figure 26.** Unemployment Rate, Lifestyle Regions, Sept06 and Dec2008

Source: DEEWR Small Area Labour Markets Data

## 5.2.5 Employment by Industry

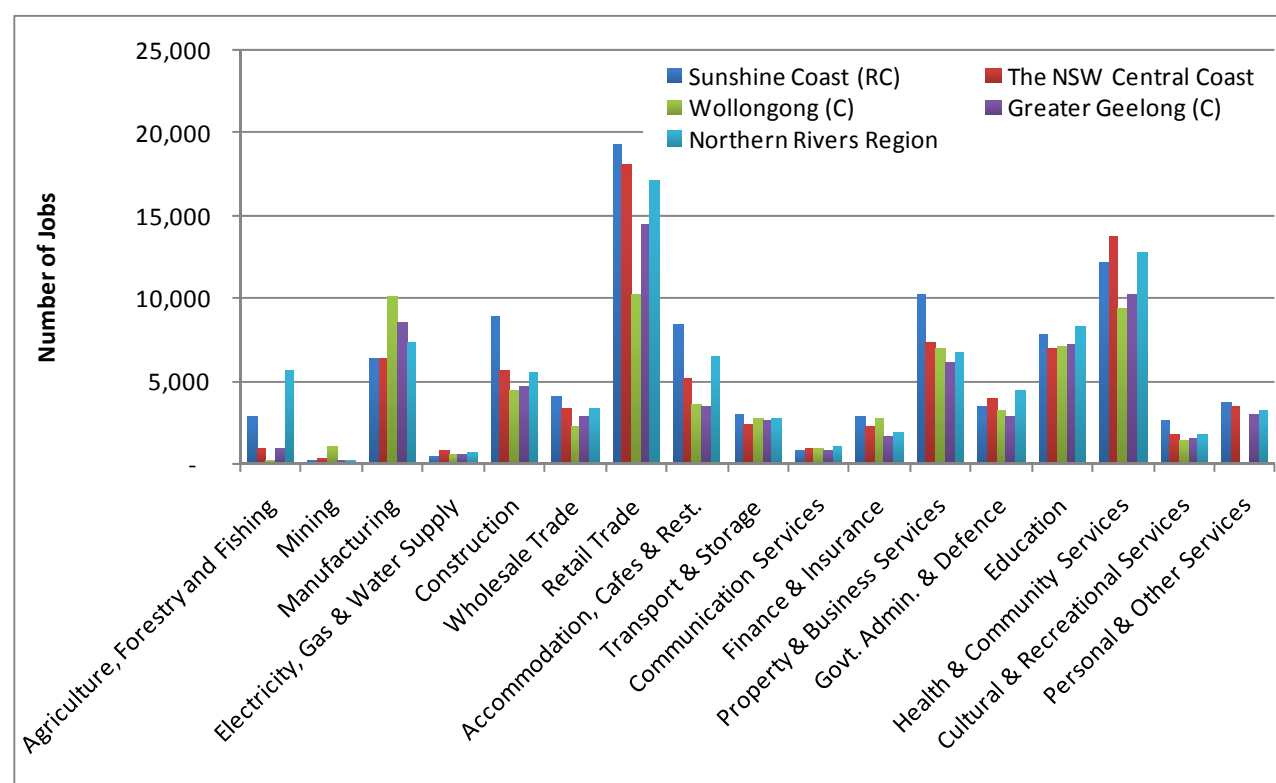
Of all identified lifestyle regions, the retail trade industry is the most dominant industry in terms of employment. The one anomaly to this is Wollongong which has a significantly lower number of jobs in the retail trade industry. Wollongong however does have a greater number of jobs in the manufacturing sector when compared to other lifestyle regions considered.

Another significant industry of employment in all lifestyle regions considered is the health and community services sector. In the Sunshine Coast, NSW Central Coast and the Northern Rivers region, there are a significant number of jobs in this industry.

Employment in the agriculture, forestry and fishing industry is higher in the Sunshine Coast and Northern Rivers regions when compared to other lifestyle regions.

Interestingly, compared to the other lifestyle regions, the Northern Rivers has a comparatively high number of jobs in the Education sector. Although a relatively small sector across all lifestyle regions considered, the Northern Rivers is also well-represented by the Cultural & Recreational Services sector.

**Figure 27.** Employment by Industry, Selected Lifestyle Regions, 2006



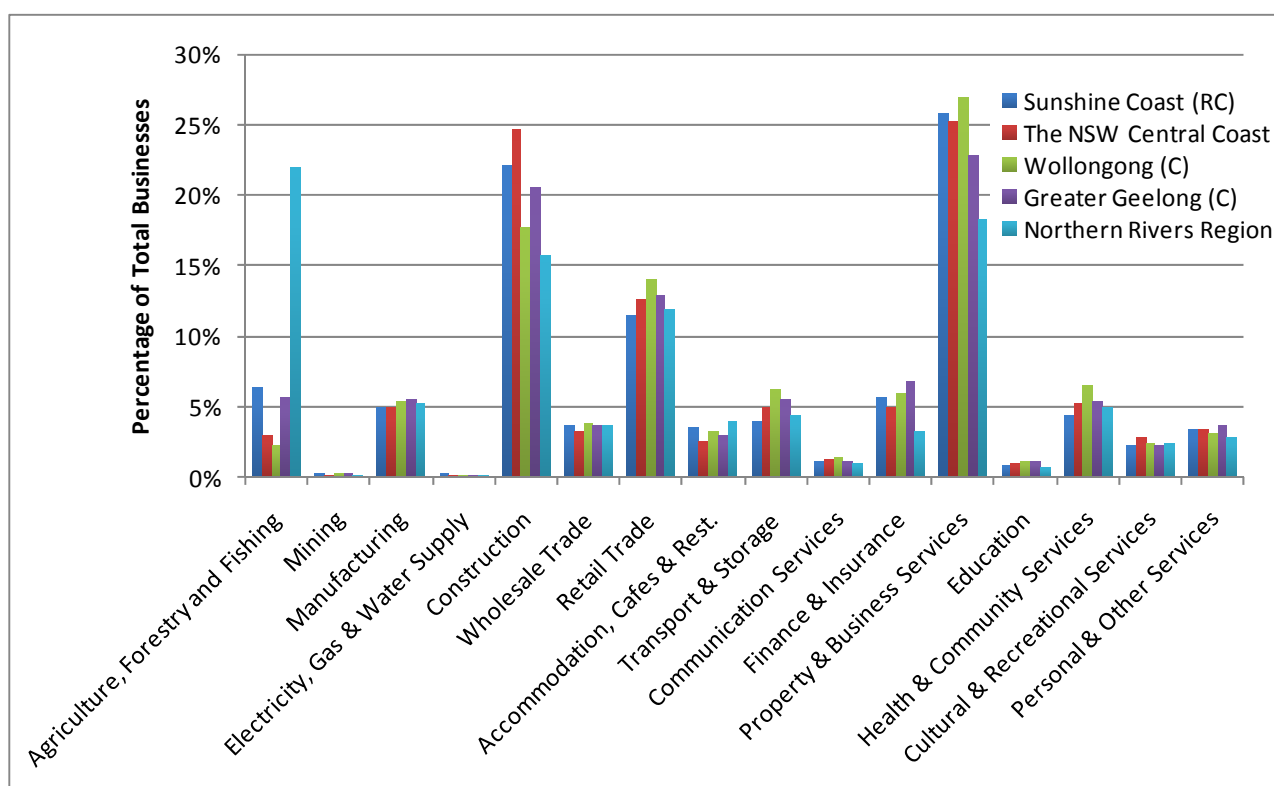
Source: ABS Counts of Australian Businesses, Entries and Exits

## 5.2.6 Number of Businesses by Industry

The Northern Rivers region has a comparatively large proportion of businesses in the agriculture, forestry and fishing industry. The retail trade sector is also well-represented, as it is in all lifestyle regions considered.

Comparatively speaking, the Northern Rivers region is also well represented by businesses in the Cultural and Recreational Services sector (reflecting the strength of the region's cultural and creative industries), the Accommodation, Cafes & Restaurants sector (reflecting the strength of tourism), Wholesale Trade and Manufacturing.

**Figure 28.** Number of Businesses by Industry, Selected Lifestyle Regions, 2006



Source: ABS Counts of Australian Businesses, Entries and Exits

## 5.3 Summary of Indicators, Comparative Lifestyle Regions

The following table summarises selected demographic and economic indicators for each lifestyle region.

**Table 11.** Key Demographic and Economic Indicators, Selected Lifestyle Regions, 2006

	Sunshine Coast (RC)	The NSW Central Coast	Wollongong (C)	Greater Geelong (C)	Northern Rivers Region
<b>Population</b>					
Estimated Resident Population 2006	276,266	297,958	184,208	197,478	267,475
Average Annual Population Change 1996-2006	3.0%	1.2%	0.4%	1.0%	0.8%
Projected Population at 2027	468,925	386,947	216,180	247,804	359,720
Projected Annual Average Population Change 2007-2027	2.2%	1.2%	0.5%	0.9%	1.2%
<b>Employment</b>					
Labour Force 2006	126,928	129,960	83,551	91,930	112,716
Labour Force Participation Rate 2006	57%	55%	56%	58%	52%
Unemployment Rate 2006	4.2%	5.2%	6.1%	3.9%	6.4%
<b>Economy</b>					
Median Weekly Household Income 2006	\$885	\$856	\$932	\$886	\$695
Total Number of Businesses	31,770	22,548	12,123	15,141	24,759
Total Number of Jobs	96,573	82,936	69,094	71,080	88,749
Ratio of jobs to population	35%	28%	38%	36%	33%

Source: ABS Census of Population and Housing, ABS Counts of Australian Businesses, Australian Government Department of Health and Ageing and DEEWR Small Area Labour Markets Data

## 6 Northern Rivers Regional Industry Analysis

### 6.1 The Region's Key Economic Sectors

The compilation and analysis of updated industry and economic data, the limited consultations with selected regional stakeholders and the review of selected policy and strategy documentation has re-affirmed a range of industries that are active in the Northern Rivers region. Based on the review of data and material by SGS Economics and Planning, the following industry sectors are identified as key industries in the Northern Rivers region:

- Horticulture
- Aquaculture
- Timber and Forestry
- Sugar
- Meat and Dairy
- Creative Industries
- Health & Education
- Building and Construction
- Tourism

To examine the status and potential in these industry sectors, this chapter of the data update documents a detailed analysis of employment data from the 2006 Census of Population and Housing, to identify / re-affirm relative strengths in the key industry sectors.

The tables and figures on the following pages have been generated using employment statistics from the 2006 ABS Census of Population & Housing. Given our working knowledge of the industries of the region we have identified industry sector categories for analysis (either at '3-digit' ANZSIC level or aggregates of these).<sup>3</sup> The number of jobs in each of the three sub-regions (Tweed, Richmond Valley and Clarence Valley) and the Northern Rivers region as a whole is shown for each of the industry categories. We have then generated 'location quotients' (LQs) which, as explained in Section 2 of this report, **compare the proportion of the jobs in these industry categories in the sub-regions of interest against the proportions of the jobs in the same industry categories in (for this analysis), non-metropolitan NSW**. Any LQ above 1 indicates that the sub-region or region has a relative strength in that industry category against non-metro NSW. In this way we can compare where the industry strengths in the Northern Rivers region lie, against the other non-metropolitan regions in NSW. Not all jobs or industries are represented, only those of particular interest. The industries have been grouped in the different figures to highlight strengths across similar industry types and the analysis in the text addresses itself to these groupings.

It should also be noted that the comparison provides a snapshot analysis rather than providing an overview of trends over time. However, where appropriate, the text does refer back to the analysis presented in the 2003 Working Paper for the RIEP in order to highlight any notable changes between 2001<sup>4</sup> and 2006.

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<sup>3</sup> Australian and New Zealand Standard Industrial Classification

<sup>4</sup> The 2003 Working Paper reported on the 2001 Census data.

## 6.2 Agriculture & Fishing

### 6.2.1 Primary Production

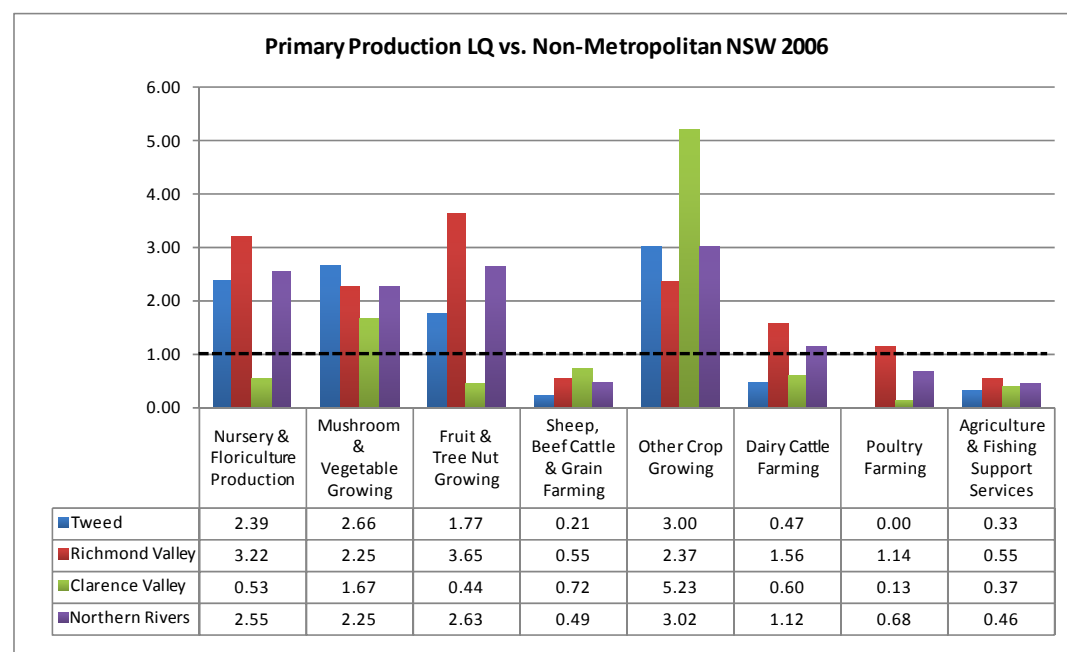
*Fruit and Tree Nut Growing* is a strength of the Northern Rivers Region, though less so in the Clarence Valley sub-region. This is also the case for *Nursery and Floriculture Production*, whilst *Mushroom and Vegetable Growing* is a strength in all sub-regions. *Other crop growing* (principally sugar cane but also includes soy beans, tea tree, etc.) is similarly strong compared to the rest of non-metro NSW. *Other crop growing* is particularly concentrated in the Richmond Valley sub-region. Apart from dairy cattle farming concentrated in the Richmond Valley (in the hinterland) the region shows no particular comparative strength in other (non-forestry) primary production areas.

**Table 12.** Primary Production Job Numbers, 2006

Primary Production		Tweed	Richmond	Clarence	Nth Rivers
011	Nursery & Floriculture Production	53	164	8	225
012	Mushroom & Vegetable Growing	75	146	32	253
013	Fruit & Tree Nut Growing	223	1,062	38	1,323
014	Sheep, Beef Cattle & Grain Farming	201	1,175	457	1,833
015	Other Crop Growing	136	247	161	544
016	Dairy Cattle Farming	30	230	26	286
017	Poultry Farming	0	86	3	89
052	Agriculture & Fishing Support Services	22	85	17	124
		<b>740</b>	<b>3,195</b>	<b>742</b>	<b>4,677</b>

Source: ABS Journey to Work Data, 2006

**Figure 29.** Primary Production LQ Analysis, 2006



Source: ABS Journey to Work Data, 2006

## 6.2.2 Fishing and Aquaculture

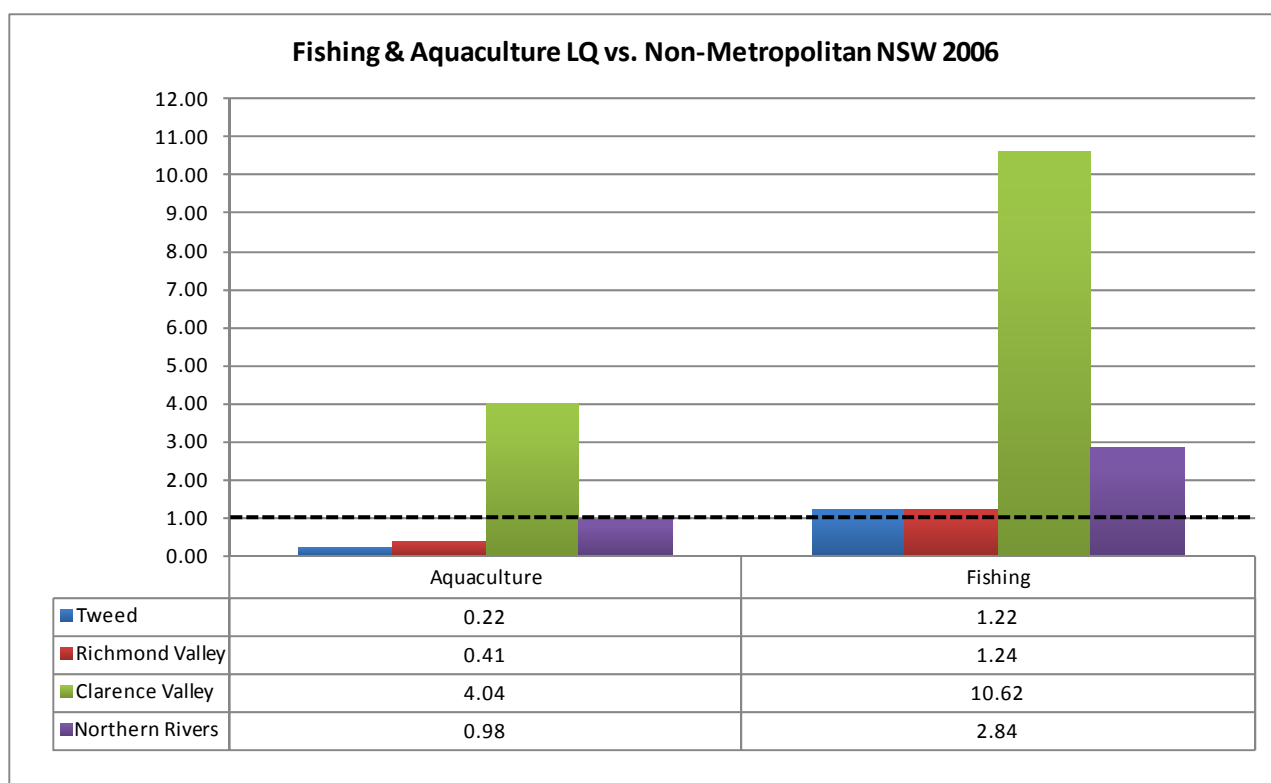
*Fishing* is a fundamental employer in the Clarence Valley, giving the region overall a comparative strength in this area (though the comparison is not with coastal NSW). The concentration of employment in this sector is a current strength, though potentially a weakness if resource depletion and other challenges threaten the industry. *Aquaculture* is also strong in the Clarence Valley, though not in the other sub-regions.

**Table 13.** Fishing & Aquaculture Job Numbers, 2006

Fishing & Aquaculture		Tweed	Richmond Valley	Clarence Valley	Northern Rivers
020	Aquaculture	3	13	38	54
041	Fishing	12	28	71	111
		<b>15</b>	<b>41</b>	<b>109</b>	<b>165</b>

Source: ABS Journey to Work Data, 2006

**Figure 30.** Fishing & Aquaculture LQ Analysis, 2006



Source: ABS Journey to Work Data, 2006



## 6.3 Timber and Forestry

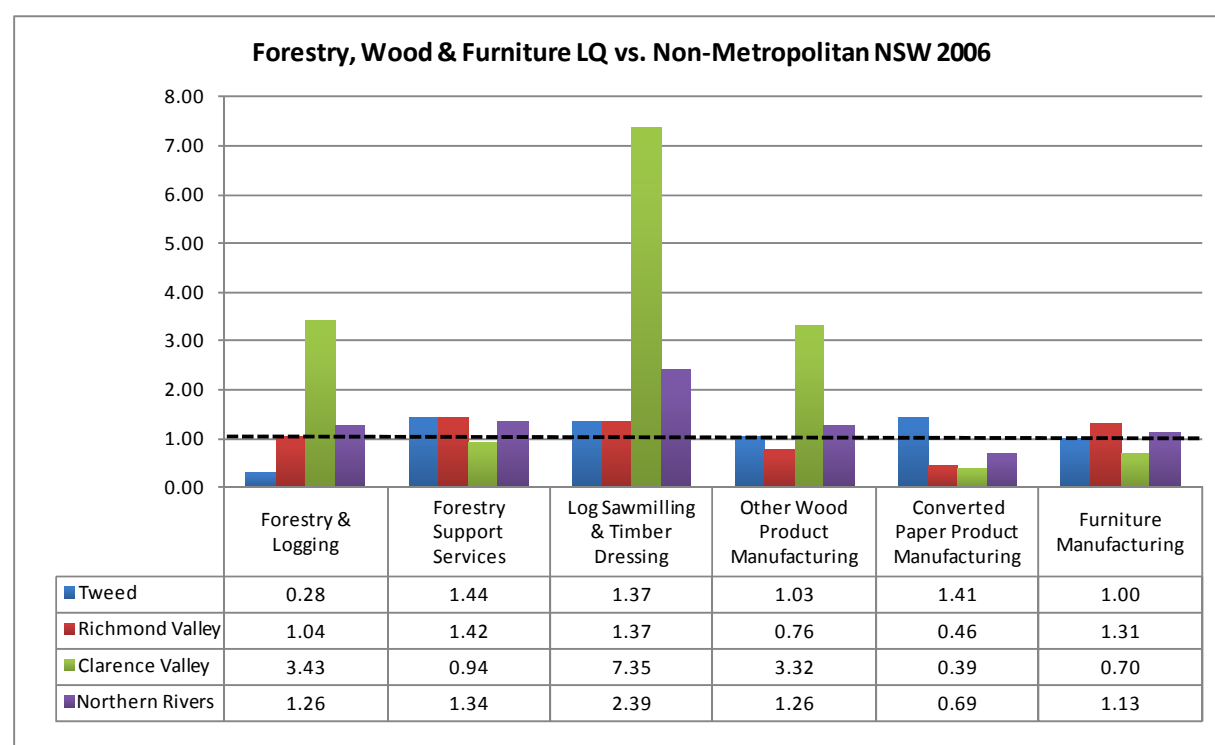
*Forestry and Logging* and *Log Sawmilling & Timber Dressing* are particularly strong in the Clarence Valley (giving the region as a whole a comparative strength in these sectors compared to the rest of non-metropolitan NSW). This raw material advantage is partly converted into downstream value added wealth given the relative strength in *Other Wood Product Manufacturing* though not particularly through *Furniture Manufacturing*. Interestingly, *Forestry Support Services* are comparatively stronger in the Tweed and Richmond Valley sub-regions.

**Table 14.** Forestry, Wood & Furniture Job Numbers, 2006

Forestry, Wood & Furniture		Tweed	Richmond Valley	Clarence Valley	Northern Rivers
030	Forestry & Logging	9	77	75	161
051	Forestry Support Services	18	41	8	67
141	Log Sawmilling & Timber Dressing	85	196	311	592
149	Other Wood Product Manufacturing	96	163	211	470
152	Converted Paper Product Manufacturing	16	12	3	31
251	Furniture Manufacturing	44	132	21	197
		<b>268</b>	<b>621</b>	<b>629</b>	<b>1,518</b>

Source: ABS Journey to Work Data, 2006

**Figure 31.** Forestry Wood & Furniture LQ Analysis, 2006



Source: ABS Journey to Work Data, 2006

## 6.4 Manufacturing

### 6.4.1 Food Manufacturing

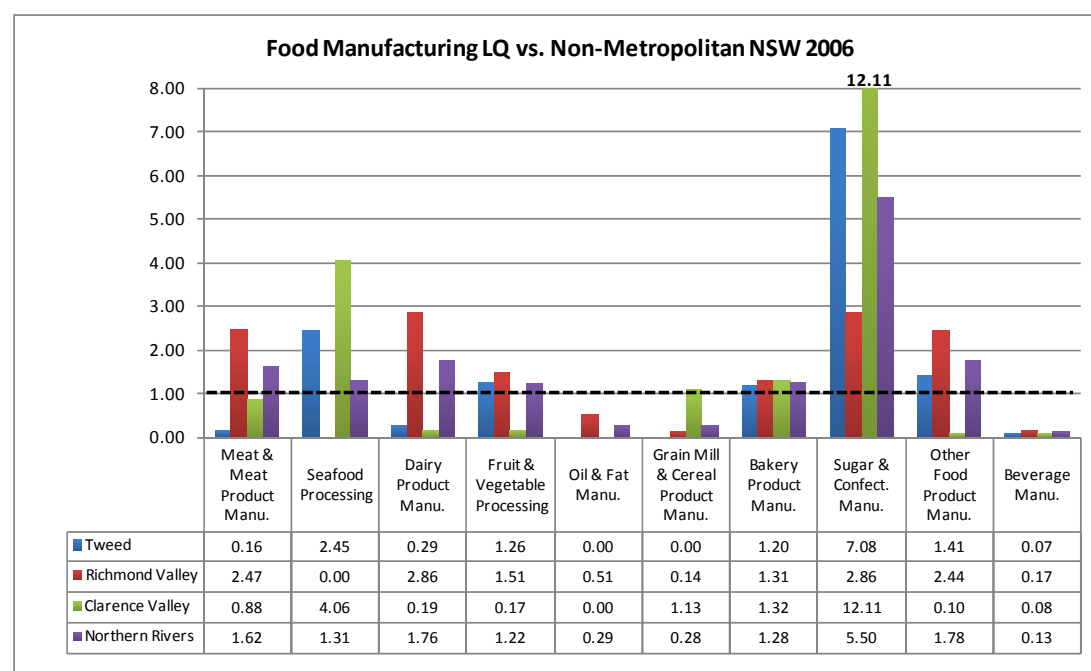
The Northern Rivers has a relative specialisation in the majority of *Food* related industries. Notably, *Oil & Fat Manufacturing* is relatively underrepresented in the Northern Rivers for 2006, having been an industry specialisation in the 2001 data. The region shows its comparative strength in the *Sugar and Confectionary Manufacturing* industry (which is primarily just sugar manufacturing).

**Table 15.** Food Manufacturing Job Numbers, 2006

Food Manufacturing		Tweed	Richmond Valley	Clarence Valley	Northern Rivers
111	Meat & Meat Product Manu.	26	932	98	1,056
112	Seafood Processing	8	0	9	17
113	Dairy Product Manu.	9	206	4	219
114	Fruit & Vegetable Processing	32	88	3	123
115	Oil & Fat Manu.	0	5	0	5
116	Grain Mill & Cereal Product Manu.	0	12	28	40
117	Bakery Product Manu.	101	254	76	431
118	Sugar & Confect. Manu.	116	108	135	359
119	Other Food Product Manu.	60	239	3	302
121	Beverage Manu.	5	28	4	37
		<b>357</b>	<b>1,872</b>	<b>360</b>	<b>2,589</b>

Source: ABS Journey to Work Data, 2006

**Figure 32.** Food Manufacturing LQ Analysis, 2006



Source: ABS Journey to Work Data, 2006

## 6.4.2 TCF, Glass, Ceramic & Other Manufacturing

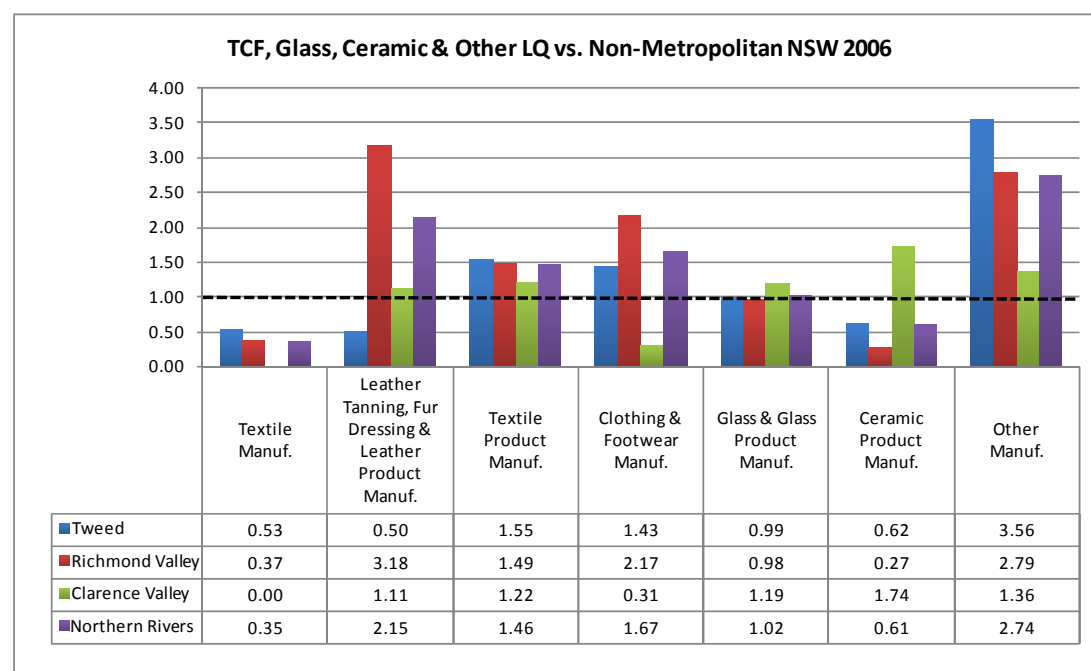
*Other Manufacturing* – representing miscellaneous and smaller, niche manufacturing (*other manufacturing* includes jewellery/ silverware manufacturing, toy/ sporting goods manufacturing and other miscellaneous manufacturing) - is a strength in the region as is *Leather Tanning...and Leather Product Manufacturing*. TCF (*Textile Product and Clothing and Footwear Manufacturing*) employment is also a relative strength for the Northern Rivers region compared to non-metro NSW. Interestingly, the relative strength in *Glass & Glass Product Manufacturing* apparent in the 2001 data, does not seem to be the case in 2006, although it is no weakness for the region either, sharing about the same proportion of industry employment as non-metro NSW.

**Table 16.** TCF, Glass, Ceramic & Other Manufacturing Job Numbers, 2006

TCF, Glass, Ceramic Product and Other Manufacturing		Tweed	Richmond Valley	Clarence Valley	Northern Rivers
131	Textile Manuf.	5	8	0	13
132	Leather Tanning, Fur Dressing & Leather Prod Manu.	4	58	6	68
133	Textile Product Manuf.	28	62	15	105
135	Clothing & Footwear Manuf.	41	143	6	190
201	Glass & Glass Product Manuf.	11	25	9	45
202	Ceramic Product Manuf.	10	10	19	39
259	Other Manuf.	77	139	20	236
		<b>176</b>	<b>445</b>	<b>75</b>	<b>696</b>

Source: ABS Journey to Work Data, 2006

**Figure 33.** TCF, Glass, Ceramic & Other Manufacturing LQ Analysis, 2006



Source: ABS Journey to Work Data, 2006

### 6.4.3 Scientific and Electronic Manufacturing

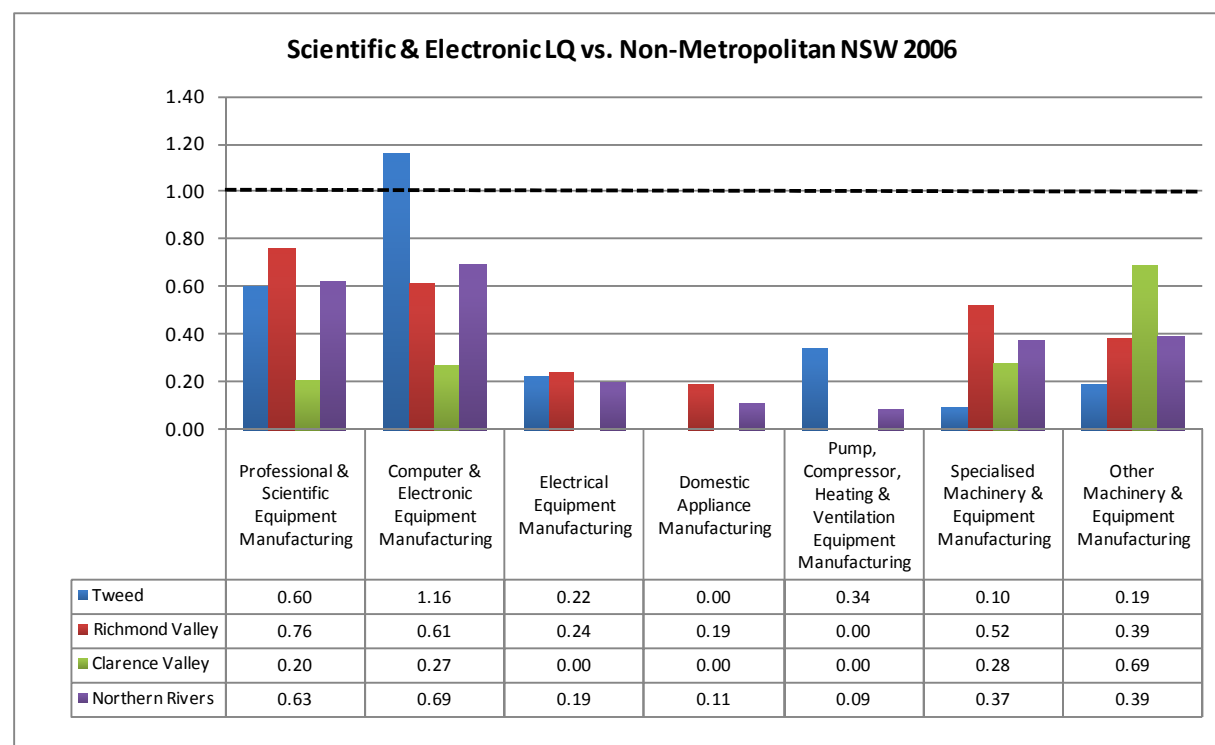
The region has a comparative weakness in all sub-industries of the *Scientific and Electronic Manufacturing* sector apart from *Computer and Electronic Equipment Manufacturing* in the Tweed region. This compares to the 2003 study (using 2001 data), where the region had a comparative strength in Photographic, Scientific and Electronic industries. Note that these are small sectors, under-represented in any case outside the metropolitan area.

**Table 17.** Scientific & Electronic Manufacturing Job Numbers, 2006

Scientific & Electronic Manufacturing		Tweed	Richmond Valley	Clarence Valley	Northern Rivers
241	Professional & Scientific Equipment Manufacturing	13	38	3	54
242	Computer & Electronic Equipment Manufacturing	19	23	3	45
243	Electrical Equipment Manufacturing	6	15	0	21
244	Domestic Appliance Manufacturing	0	9	0	9
245	Pump, Compressor, Heating & Ventilation Equipment Manufact.	3	0	0	3
246	Specialised Machinery & Equipment Manufacturing	6	75	12	93
249	Other Machinery & Equipment Manufacturing	4	19	10	33
		<b>51</b>	<b>179</b>	<b>28</b>	<b>258</b>

Source: ABS Journey to Work Data, 2006

**Figure 34.** Scientific & Electronic Manufacturing LQ Analysis, 2006



Source: ABS Journey to Work Data, 2006

## 6.5 Residential Development

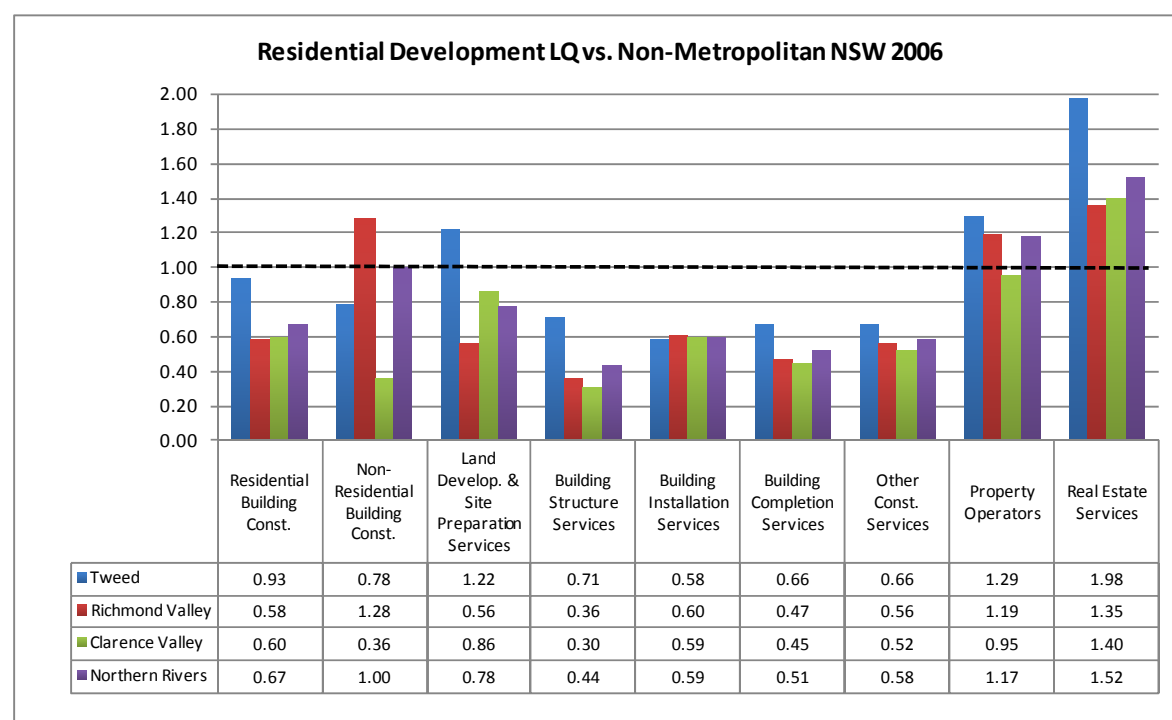
Despite significant rates of residential growth (particularly in the Tweed sub-region) employment in services to this sector is significantly under-represented in the Northern Rivers region compared to rates elsewhere in non-metro NSW. Property Operators and Real Estate Services are heavily represented in fast developing Tweed as one would expect but employment in all other construction service categories is modest. This is also a strength for the region generally speaking and is likely as a result of the region's strong tourism market.

**Table 18.** Residential Development Job Numbers, 2006

Residential Development		Tweed	Richmond Valley	Clarence Valley	Northern Rivers
301	Residential Building Const.	480	687	210	1,377
302	Non-Residential Building Const.	55	207	17	279
321	Land Develop. & Site Preparation Serv.	158	168	76	402
322	Building Structure Services	151	175	44	370
323	Building Installation Services	260	621	181	1,062
324	Building Completion Services	308	500	142	950
329	Other Const. Services	112	216	60	388
671	Property Operators	64	135	32	231
672	Real Estate Services	347	547	167	1,061
		<b>1,935</b>	<b>3,256</b>	<b>929</b>	<b>6,120</b>

Source: ABS Journey to Work Data, 2006

**Figure 35.** Residential Development LQ Analysis, 2006



Source: ABS Journey to Work Data, 2006

## 6.6 Creative Industries

### 6.6.1 Printing, Publishing, Audio & Visual Services

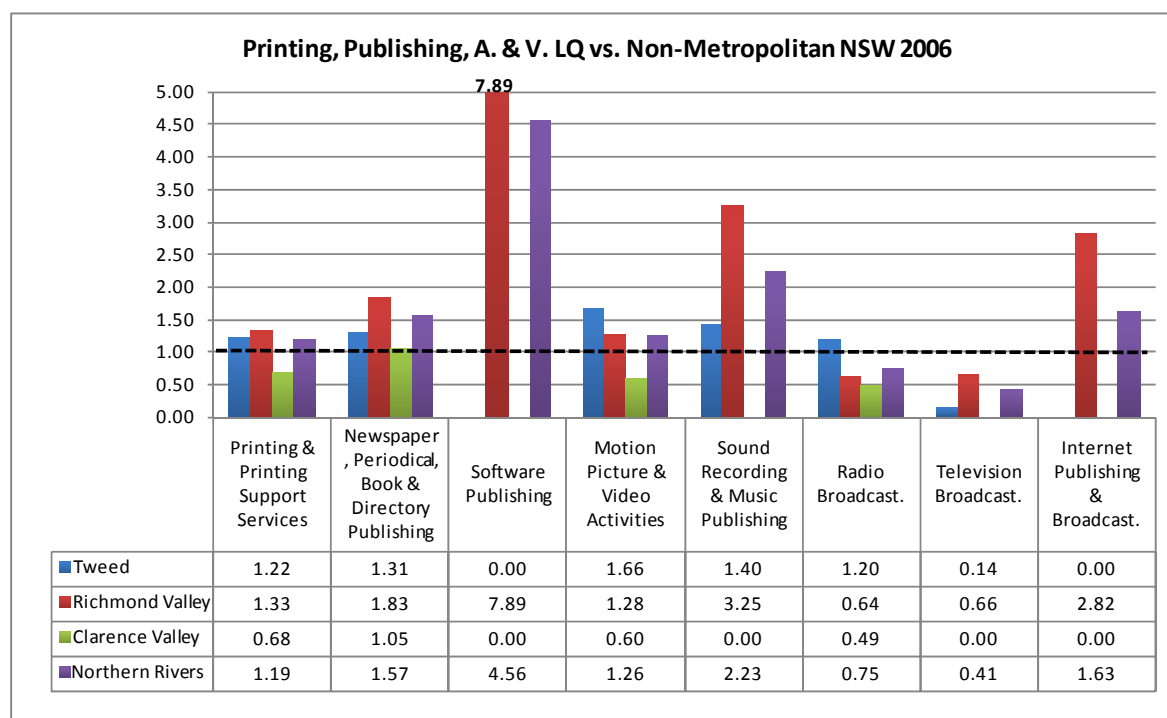
Some 'creative industry' support industries and activities have been grouped in this category. The Northern Rivers Region has a modest comparative strength in *Printing and Printing Support Services* and *Motion Picture & Video Activities*. The region has a significant strength in the 'publishing' industries, in particular, *Software Publishing* and *Sound Recording & Music Publishing*. Richmond Valley, home to the creative centres of Byron and Lismore, has a strength in all the areas of this sector barring *Radio* and *Television Broadcasting*.

**Table 19.** Printing, Publishing, Audio and Visual Job Numbers, 2006

Printing, Publishing, Audio & Visual Services		Tweed	Richmond Valley	Clarence Valley	Northern Rivers
161	Printing & Printing Support Services	45	113	17	175
541	Newspaper, Periodical, Book & Directory Publis.	97	311	53	461
542	Software Publishing	0	6	0	6
551	Motion Picture & Video Activities	49	87	12	148
552	Sound Recording & Music Publishing	3	16	0	19
561	Radio Broadcast.	18	22	5	45
562	Television Broadcast.	3	32	0	35
570	Internet Publishing & Broadcast.	0	4	0	4
		<b>215</b>	<b>591</b>	<b>87</b>	<b>893</b>

Source: ABS Journey to Work Data, 2006

Note that despite there being only 6 jobs in Software Publishing in the Northern Rivers, this is in fact an industry specialisation, and is evidence of the strength of the region in the creative industries. There were only 88 Software Publishing jobs in NSW in 2006, and 73 of these were located in the Sydney metropolitan region. As such, of the remaining 15 Software Publishing jobs, 6 (or 40%) were located in the Northern Rivers region.

**Figure 36.** Printing, Publishing, Audio and Visual LQ Analysis, 2006

Source: ABS Journey to Work Data, 2006

## 6.6.2 Other Arts & Cultural Services

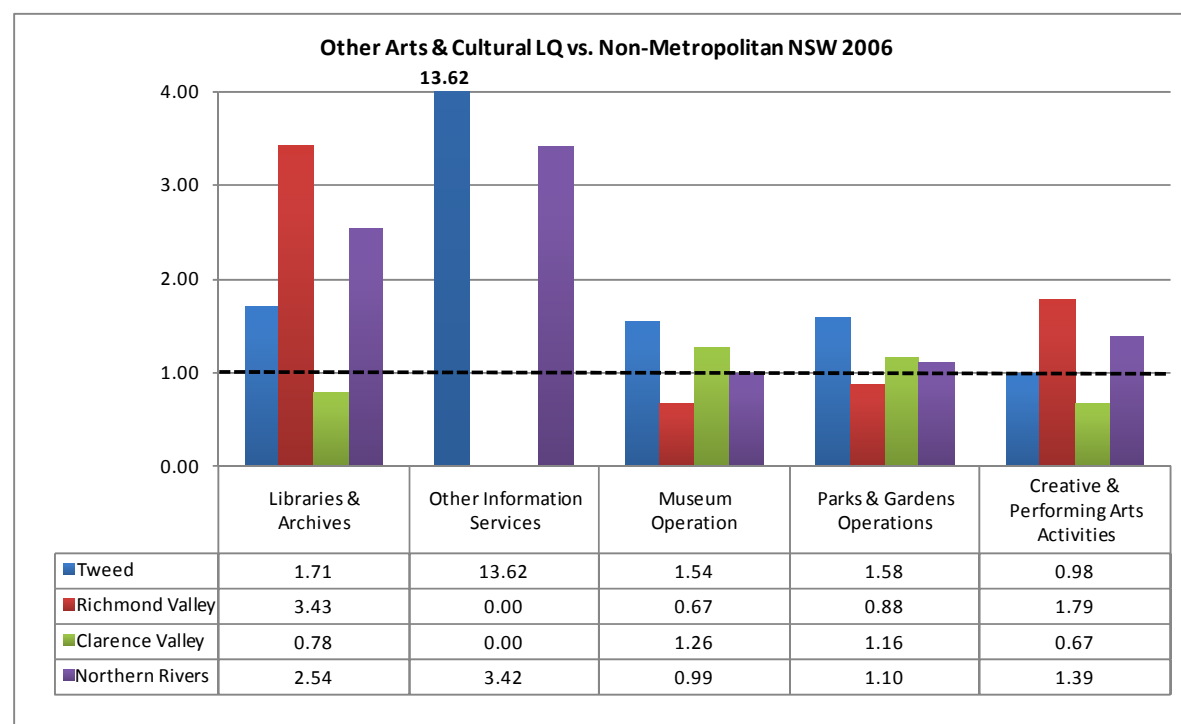
Given the Northern Rivers is a region with such a flourishing tourism sector, and depth in a number of creative industries, the region's comparative performance with regard to employment in broadly defined leisure, recreational and cultural services is strong. This strength has been developed in recent years given a somewhat more mixed and moderate specialisation seen in the 2001 data. The only industry to not be performing above average is *Museum Operation*, and even it is performing more close to average than in the previous 2001 data. There is also a high degree of volunteer activity and few paid employees working in the museum sector. The moderate performance in this latter category is notable for a tourism focussed region, and one with creative aspirations, however comparisons can be difficult with many museums staffed and run by volunteers.

**Table 20.** Other Arts & Cultural Job Numbers, 2006

Other Arts & Cultural		Tweed	Richmond Valley	Clarence Valley	Northern Rivers
601	Libraries & Archives	16	74	5	95
602	Other Information Services	3	0	0	3
891	Museum Operation	9	9	5	23
892	Parks & Gardens Operations	40	51	20	111
900	Creative & Performing Arts Activities	54	227	25	306
		<b>122</b>	<b>361</b>	<b>55</b>	<b>538</b>

Source: ABS Journey to Work Data, 2006

**Figure 37.** Other Arts & Cultural LQ Analysis, 2006



Source: ABS Journey to Work Data, 2006



## 6.7 Tourism

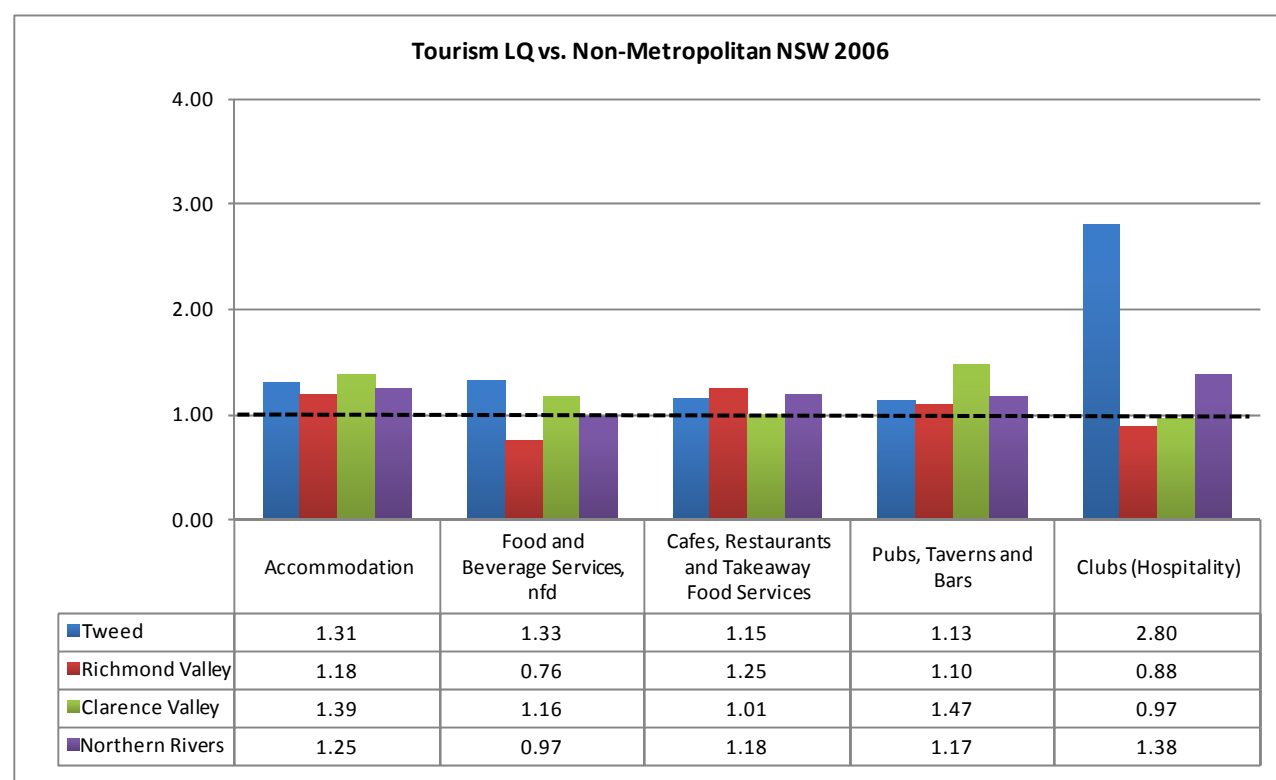
The "tourism" industry is difficult to define by the ANZSIC 2006 Industry classifications by which destination of employment data is provided. As such, this analysis is limited to the industry classifications within Accommodation, Cafés and Restaurants sector. The chart and table below show that all sub-sectors are performing above average with the exception of Food & Beverage Services and Clubs (Hospitality) in the Richmond Valley. Not surprisingly, given the presence of the Tweed Bowls Club, the Clubs (Hospitality) sub-sector demonstrates high performance in the Tweed relative to the non-metropolitan average.

**Table 21.** Accommodation, Cafés and Restaurants Job Numbers, 2006

Other Arts & Cultural		Tweed	Richmond Valley	Clarence Valley	Northern Rivers
440	Accommodation	496	1,036	359	1,891
450	Food and Beverage Services, nfd	32	42	19	93
451	Cafes, Restaurants & Takeaway Food Serv.	911	2,285	542	3,738
452	Pubs, Taverns and Bars	248	557	219	1,024
453	Clubs (Hospitality)	636	462	149	1,247
		<b>2,323</b>	<b>4,382</b>	<b>1,288</b>	<b>7,993</b>

Source: ABS Journey to Work Data, 2006

**Figure 38.** Accommodation, Cafés and Restaurants LQ Analysis, 2006



Source: ABS Journey to Work Data, 2006

## 6.8 Education

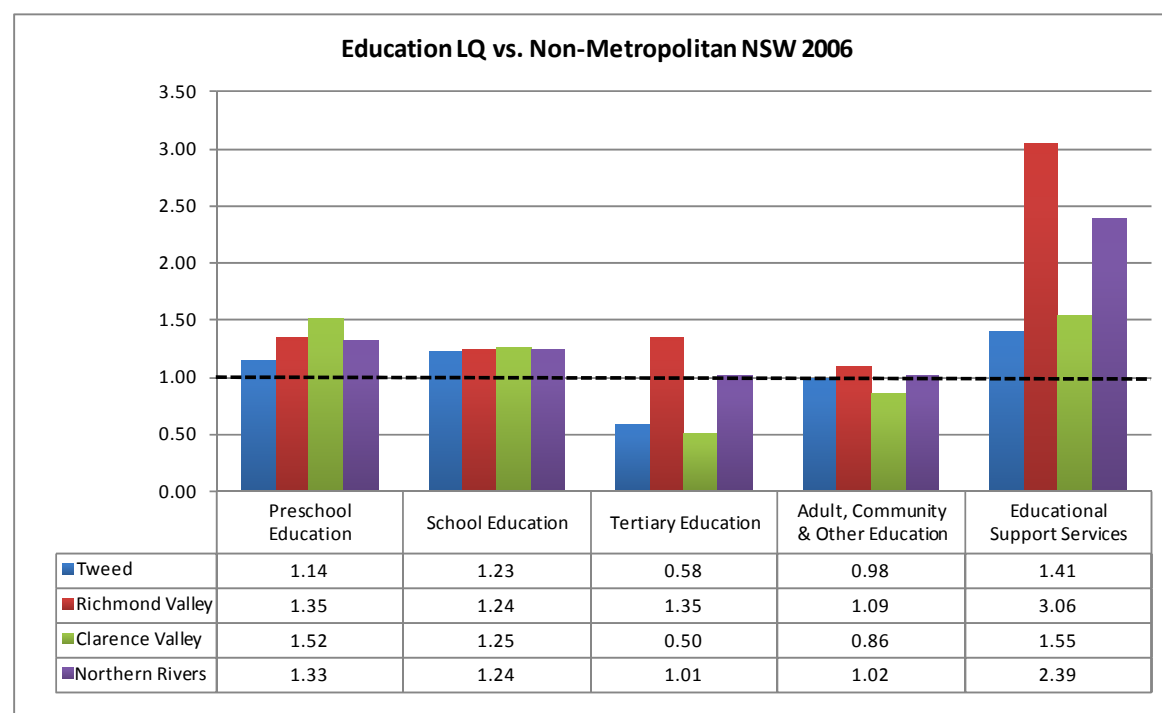
The region appears to be well serviced with *Preschool* and *School Education*, with a strong specialisation in all sub-regions and overall when compared to non-Metro NSW. The Southern Cross University campuses at Lismore and Tweed as well as the SAE Institute boost the region's share of employment in *Tertiary Education* to match the non-metro NSW average. There is a range of alternative and non-mainstream teaching in the area. People in these sectors may not refer to themselves as being in 'education', hence the 'average' share of employment in *Adult, Community & Other Education*. Interestingly, *Educational Support Services* has a very strong comparative representation over non-metro NSW. *Educational Support Services* entails the provision of non-instructional services that support educational processes or systems.

**Table 22.** Education Job Numbers, 2006

Education		Tweed	Richmond Valley	Clarence Valley	Northern Rivers
801	Preschool Education	96	262	87	445
802	School Education	1,381	3,214	958	5,553
810	Tertiary Education	216	1,148	126	1,490
821	Adult, Community & Other Education	168	431	101	700
822	Educational Support Services	4	20	3	27
		<b>1,865</b>	<b>5,075</b>	<b>1,275</b>	<b>8,215</b>

Source: ABS Journey to Work Data, 2006

**Figure 39.** Education LQ Analysis, 2006



Source: ABS Journey to Work Data, 2006

## 6.9 Health & Community Services

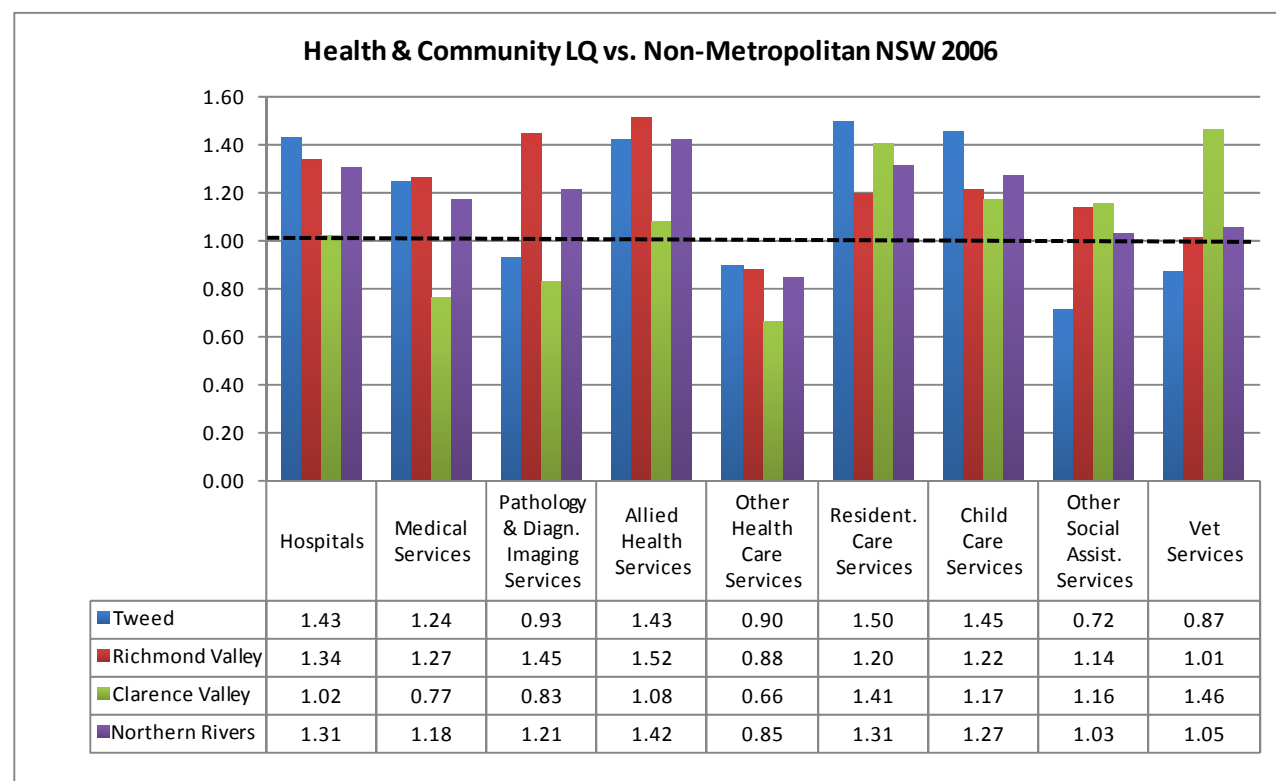
The region has above average employment in the categories of the *Health & Community* sector. An ageing and welfare dependent population (as exists in parts of the region) will often push up the employment share in these sectors.

**Table 23.** Health & Community Services Job Numbers, 2006

Health & Community Services		Tweed	Richmond Valley	Clarence Valley	Northern Rivers
840	Hospitals	1,071	2,307	520	3,898
851	Medical Services	272	637	114	1,023
852	Pathology & Diagnostic Imaging Services	66	236	40	342
853	Allied Health Services	307	752	158	1,217
859	Other Health Care Services	42	95	21	158
860	Residential Care Services	678	1,251	433	2,362
871	Child Care Services	269	519	148	936
879	Other Social Assistance Services	221	807	243	1,271
697	Vet Services	36	96	41	173
		<b>2,962</b>	<b>6,700</b>	<b>1,718</b>	<b>11,380</b>

Source: ABS Journey to Work Data, 2006

**Figure 40.** Health & Community LQ Analysis, 2006



Source: ABS Journey to Work Data, 2006

## 6.10 Business & Finance

### 6.10.1 Business Services

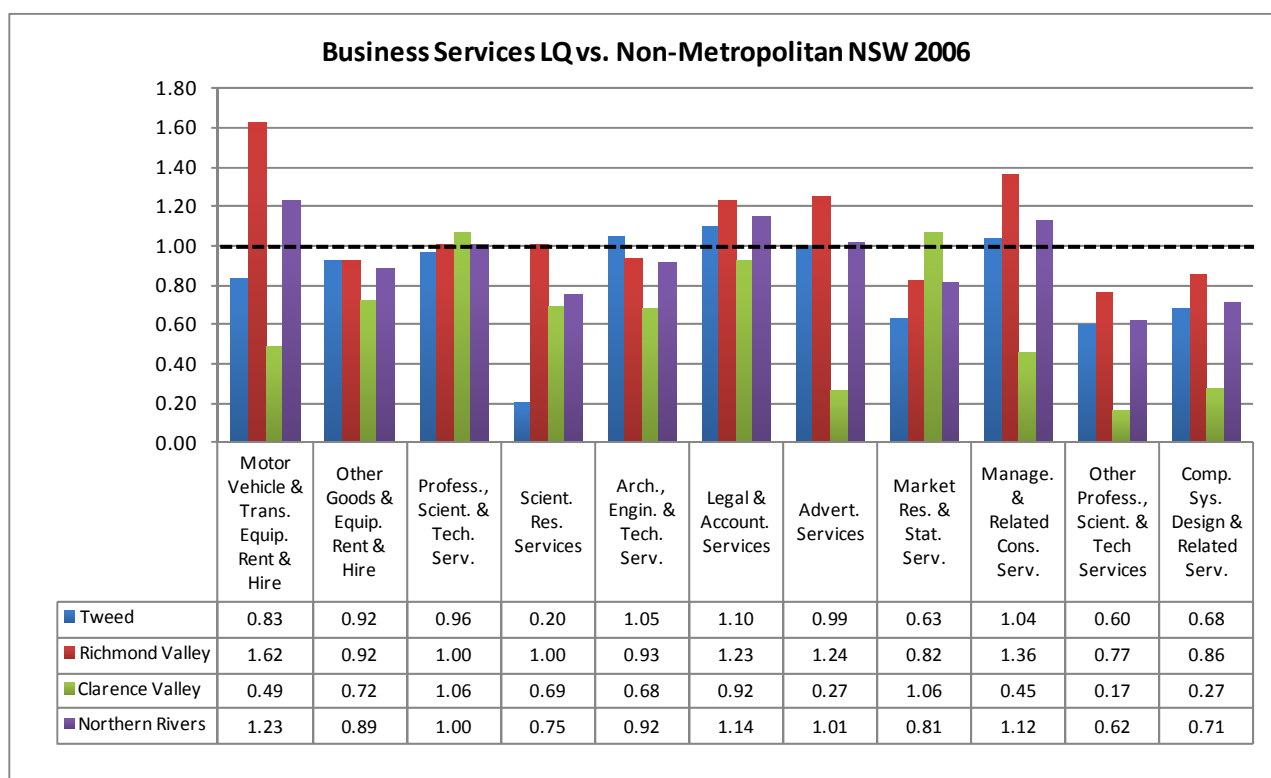
It would be expected that a non-metropolitan region would be under-represented against the state or capital city in the share of employment in business service categories. However, the under-representation of employment in the Northern Rivers in the business services category against non-metro NSW should be a concern for the region. It is many of these service areas that add value to products and can make them 'export-ready'. The ready availability of these services in Brisbane and SEQ must be a factor in this under-representation, but developing local capability should be an area of focus.

The lifestyle attributes of the area should be used as a selling point to attract workers in these business services fields. Whilst in the 2001 data, *Scientific Research* was a strength for the region, it is now underrepresented in the Northern Rivers region compared to non-Metro NSW, however, *Professional, Scientific & Technical Services* is performing right on average. Note that the region does show a relative specialisation in *Motor Vehicle & Transport Equipment Rental & Hiring, Legal & Accounting Services* and *Management & Related Construction Services*.

**Table 24.** Business Services Job Numbers, 2006

Business Services		Tweed	Richmond Valley	Clarence Valley	Northern Rivers
661	Motor Vehicle & Trans. Equip. Rent & Hire	10	45	4	59
663	Other Goods & Equip. Rent & Hire	75	173	40	288
690	Profess., Scient. & Tech. Serv.	20	48	15	83
691	Scient. Res. Services	6	69	14	89
692	Arch., Engin. & Tech. Serv.	242	495	107	844
693	Legal & Account. Services	366	945	209	1,520
694	Advert. Services	33	95	6	134
695	Market Res. & Stat. Serv.	32	97	37	166
696	Manage. & Related Cons. Serv.	84	253	25	362
699	Other Profess., Scient. & Tech Services	16	47	3	66
700	Comp. Sys. Design & Related Serv.	73	211	20	304
		<b>957</b>	<b>2,478</b>	<b>480</b>	<b>3,915</b>

Source: ABS Journey to Work Data, 2006

**Figure 41. Business Services LQ Analysis, 2006**

Source: ABS Journey to Work Data, 2006

## 6.10.2 Finance & Insurance

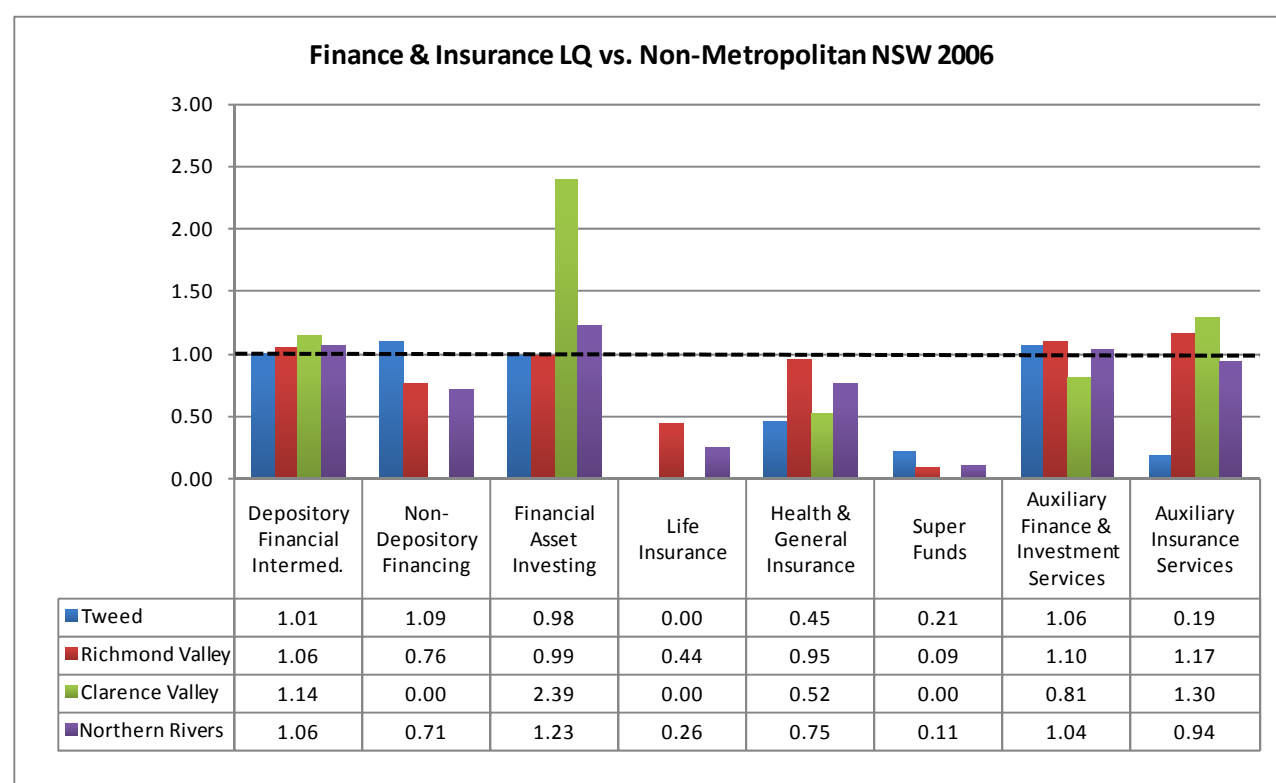
Employment in standard retail banking is included in the Depository Financial Intermediation category. The region's share in this sector is a relative strength compared to that in non-metro NSW, principally due to a rise in the specialisation of this industry in the Tweed region since 2001, which suggests that fewer residents living in Tweed Heads are doing their banking over the Queensland border in Coolangatta.

The region also shows a relative specialisation in *Financial Asset Investing* and *Auxiliary Finance and Investment Services*. Note that the growing categories of employment in the Finance and Insurance sector are heavily concentrated in the CBDs of the capital cities.

**Table 25.** Finance & Insurance Job Numbers, 2006

Finance & Insurance		Tweed	Richmond Valley	Clarence Valley	Northern Rivers
622	Depository Financial Intermediation	224	540	172	936
623	Non-Depository Financing	5	8	0	13
624	Financial Asset Investing	9	21	15	45
631	Life Insurance	0	3	0	3
632	Health & General Insurance	40	193	31	264
633	Superannuation Funds	3	3	0	6
641	Auxiliary Finance & Investment Services	83	198	43	324
642	Auxiliary Insurance Services	4	58	19	81
		<b>368</b>	<b>1,024</b>	<b>280</b>	<b>1,672</b>

Source: ABS Journey to Work Data, 2006

**Figure 42.** Finance & Insurance LQ Analysis, 2006

Source: ABS Journey to Work Data, 2006

## 7 Pre-Conditions for a Competitive Regional Economy

### 7.1 A Cluster-based Framework

As has been reported previously, profiling the socio-economic and detailed industry characteristics of the Northern Rivers region provides valuable information on regional strengths and attributes (and weaknesses) upon which to base a framework for initiatives to promote and facilitate the region's sustainable economic development. However, to fully understand the dynamics of the Northern Rivers economy, and to help to inform targeted directions for sustainable growth, it is necessary to consider the linkages and interactions between industries. Specifically, strategic planning for the sustainable economic development of the region's industries must acknowledge and reflect the strength and the depth of local value chains. This refers to the backward and forward linkages between producers in the Northern Rivers and their input suppliers, as well as their interrelationships with government agencies, research and learning institutions and other organisations such as peak industry bodies and leadership groups. Together with traditional items of 'physical' and 'community' infrastructure, these items provide the 'enabling infrastructure' or 'economic foundations' upon which the region's industries (and therefore, communities) can prosper.

The 2003 RIEP Working Paper provided an overview and analysis of industry attributes, and the strength and depth of the region's value chains via the documentation of an economic 'cluster'-based typology. The 2005 Northern Rivers RIEP advanced this work via the development of a 'regional' cluster framework. The RIEP purported that the industry sectors that will offer the greatest opportunity for sustainable growth in the Northern Rivers will comprise linked businesses and institutions, which directly or indirectly share a common purpose in gaining, holding and expanding the region's export income. They will have strong, competitive businesses, appropriate research and education facilities, access to appropriately skilled labour, sufficient (physical and community) infrastructure, quality governance and a conducive policy environment. These previous findings are considered to be still relevant.

By way of background, the industry cluster typology considers the strength and depth of the value chain by assessing each industry in terms of:

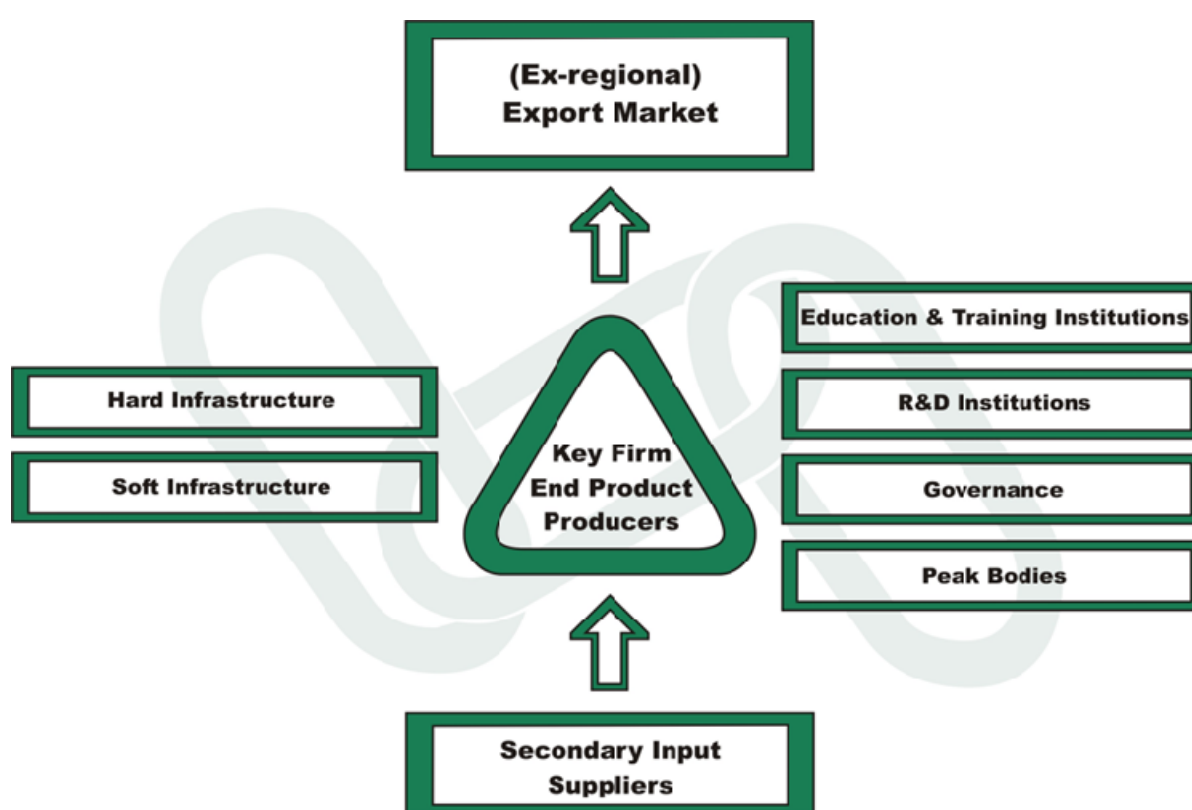
- **Key Firm / End Product Producers** – these are the region's primary suppliers to market, especially to markets outside the Northern Rivers region.
- **Secondary (Input) Suppliers to Market** – these are the agents, firms or institutions that give the industry sector its depth and sophistication. It includes the labour and more importantly 'knowledge' or 'talent', as well as the material inputs required by the primary suppliers to market. It includes the providers of advanced business services such as legal, accounting, finance and business management services, which serve the operation of the Northern Rivers Region's end product businesses.
- **Economic Input Foundations / Enabling Infrastructure** - this describes the array of infrastructure, both hard and soft, and the institutional and governance frameworks that define the operating environment for the industry's primary and secondary suppliers. Together, these elements can be described as the '*smart infrastructure*' - that is, those elements that support, provide or

represent skills, culture, good governance, industry networks, social cohesion and lifestyle attributes - that encourage innovation, creativity, the diffusion of ideas and economic prosperity. Enabling infrastructure includes:

- **'physical' (hard) infrastructure** (transport, power, water and telecommunications) and **'community' (soft) infrastructure** (recreation, leisure and entertainment facilities, natural environment, cultural attractions and community services and facilities);
- **education and training institutions**, to assist in the development of skilled labour and business acumen the region's skills flow match innovation;
- **R&D Institutions**, which help spark innovation in product development;
- **governance**, which refers to policies and programs at the higher planning level, to the quality of government and the regulations and infrastructure on the ground, which frame and support the region's business sector; and
- **peak bodies and representative associations** including planning, lobbying and industry leadership groups / peak industry bodies and unions, which help develop industry awareness and keep government policies aligned with competitive interests.

The following figure provides an illustration of the cluster-based typology for assessing the depth and sophistication of key industries in the Northern Rivers region.

**Figure 43.** The Regional Cluster Framework



Source: SGS Economics and Planning Pty Ltd



Building on the cluster notion outlined above, and as illustrated below, the pre-conditions for a competitive (and prosperous) economic environment in the Northern Rivers region include:

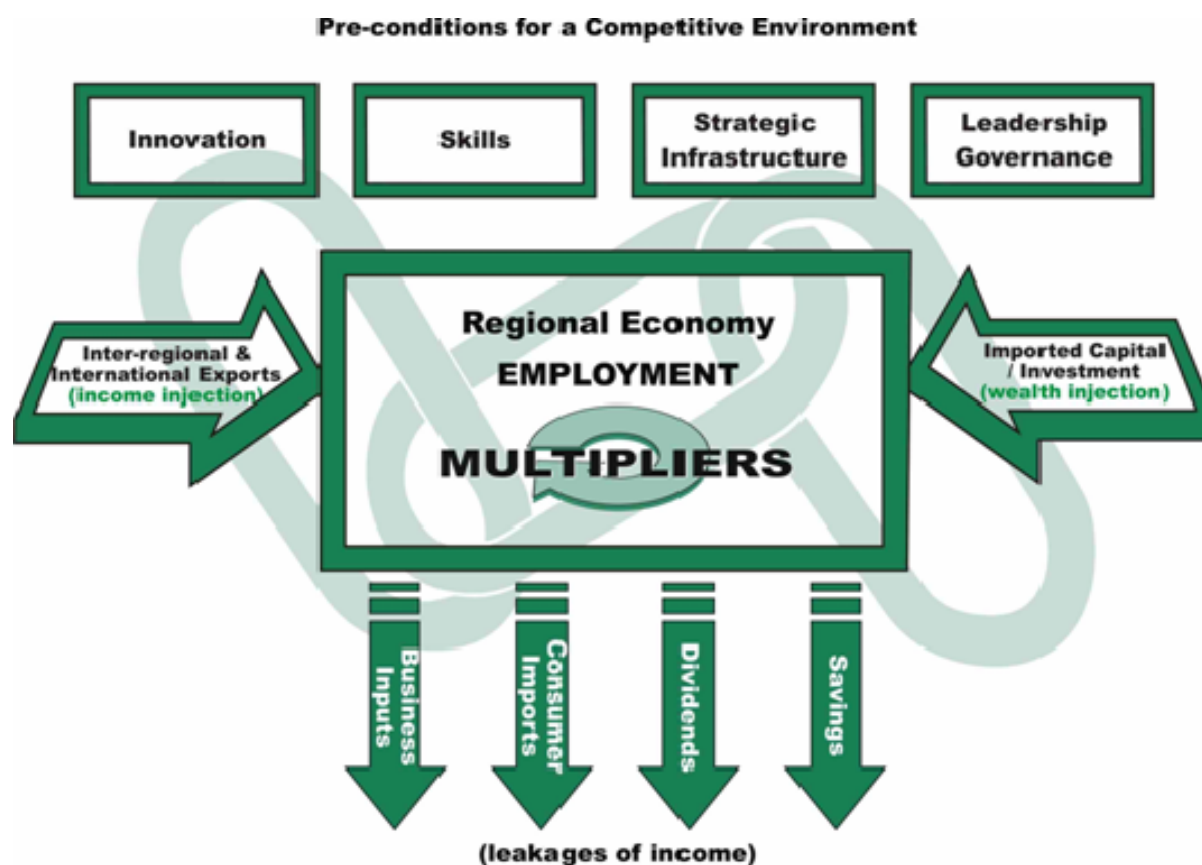
1. **Efficient and effective infrastructure.** This includes 'hard' infrastructure (roads, rail, seaports and airports, communications, power and water) and quality 'soft' infrastructure (recreation and leisure facilities, cultural services and facilities, community services and facilities). Together these elements should offer good physical and functional links that support social, cultural and economic interaction and exchange.
2. **A skilled and flexible workforce** (supported by responsive education and training programs) with access to meaningful employment and that can adapt to changing economic circumstances or new opportunities as they arise.
3. **A supportive governance structure** including a 'business ready' regulatory environment, low cost business structures, open lines of communication between business and government, and ready access to business support, information and advisory services.
4. **Strong links between business, government, research and learning institutions** to support innovation and the commercialisation of new ideas.
5. **An urban (or rural) quality** that engenders 'liveability'.

As a regional agent of change with strategic focus and direct links to Canberra, RDA – Northern Rivers will have an important role to play in facilitating plans and activities to encourage regional prosperity. And through RDA – Northern Rivers, there will be an opportunity for the seven local Councils, who are already pro-actively planning for and delivering on local economic development objectives, to jointly identify and coordinate responses to regional issues and link their local communities into State and national priorities.

In an increasingly globalised economy, economies of scale dictate that local Councils should coordinate their economic development efforts so that their communities can adjust, survive, compete and prosper. The fact is that rarely will a Local Government Area be large enough on its own to encompass all of the pre-conditions for a competitive economic environment. But they can (and do) collaborate to make regional prosperity an economic reality. And this is where RDA – Northern Rivers can play a critical role.

With the direct support of both the New South Wales and Federal governments, RDA – Northern Rivers will be well placed to display the leadership needed to progress regional economic development through its roles in issue identification, advocacy, strategic planning and coordination.

Figure 44. A Conceptual Model of Regional Prosperity



Source: SGS Economics and Planning Pty Ltd

Advancing actions to strengthen the above identified pre-conditions for a competitive environment are considered to represent a priority focus for the Northern Rivers RDA Committee. In this context, the following section of this report highlights sector specific issues and opportunities.

## 8 Industry Sector Updates – Issues and Opportunities

Through the data analysis presented in earlier in this report, limited consultation with key industry participants and stakeholders, and through the review of relevant policy and strategy material, this section provides:

- a recap of previously identified industry sector priorities drawn from the 2006 REIP update;
- an overview of actions advanced between 2006 and 2009. This is not a comprehensive review and is only based on the results of the limited consultation; and
- an overview of current considerations, issues and opportunities relevant to the sector.

The information is provided to present the Northern Rivers RDA Committee with an overview of the key issues and opportunities relevant to the region's key economic sectors that could be considered in its planning agenda to facilitate regional industry and economic development consistent with the contextual framework outlined in Chapter 6 of this report.

### 8.1 Horticulture

#### 8.1.1 Northern Rivers RIEP, 2006 -Development Priorities

##### **PRIORITY 1: Industry Leadership, Planning and Co-ordination**

*Fostering industry leadership and strategic action planning by:*

- *the formation of a regional Horticulture Council – based on the existing Department of Primary Industries (DPI) chaired forum with representatives from growers, processors, food, tourism, etc. Not just a grower-based body. Scope of the Council:*
  - *branding, positioning and marketing to niche markets;*
  - *quality standards, accreditation and codes of practice;*
  - *propose research and development (R&D) priorities to research agencies;*
  - *shared vision and strategic planning;*
  - *integrated approach to sustainable natural resource management (NRM) – codes of practice;*
  - *industry forum – information and resource sharing;*
  - *promote and oversee farmers markets and other regional producer-consumer links;*
  - *represent industry interests; and*
  - *improved industry training effort.*
- *the development of a single regional brand – quality/performance-based and subject to accreditation (e.g. King Island model); and*
- *formation of a small working party to review these proposals and consider how they would be driven.*

##### **PRIORITY 2: Industry and Business Development Support**

*Emphasis on incentives, intermediate assistance and the development of industry cluster through the recommendations noted below:*

- *Shared workspaces/warehousing – next level up from business incubators – food grade manufacturing space and pick-and-pack regional warehousing facilities.*
- *Incentives for stewardship and employment outcomes.*
- *Encourage cluster groups – value chain learning, knowledge sharing, documentation and audit of common denominators across sector (e.g.: soils, innovation, etc), identify R&D opportunities, enhancing leverage capacity.*
- *Skill development led by cross-sector priorities – identifying common needs for training efficiency (e.g.: soil management, food safety, marketing, finance, etc).*
- *Providing support to develop beyond the business start up stage.*
- *Establish regional Food Group Network – rename and refocus from Regional Cuisine – database, joint marketing, trade fairs and food shows, knowledge management, etc.*
- *Farm trails and warehouse trails.*
- *Links to Aboriginal enterprise and culture – regional identity and better access to marketing and business advisory services.*
- *Community education, marketing for recruitment.*
- *Export related:*
  - *Address cost competitiveness and scale – e.g.: benchmarking, cost of inputs, cost of resources including land, freight efficiency, and energy efficiency.*
  - *Strategies for market development and consumer awareness – clean green image of NR horticulture.*
  - *Labour access, skills and continuity*
- *Local/national markets:*
  - *Brand positioning*
  - *QA, shelf life, transport*
  - *Strategic planning*

### **PRIORITY 3: Planning, Infrastructure and Legislation**

*Ensuring a stable and supportive business planning environment for:*

- *security of resources – access to water and agricultural land – water harvesting and storage rights - identify R&D investment;*
- *planning and legislative frameworks – address land use conflicts, infrastructure planning, rural settlement strategies;*
- *improved infrastructure – local road network and freight handling facilities, rail, access to interstate/international transport hubs, broadband access; and*
- *horticultural land affordability.*

### **PRIORITY 4: Integrated Approach to Sustainable Natural Resources Management**

*Protecting the long-term viability of our natural resources by addressing:*

- *security of resources – water and land – right to farm;*
- *incentives for stewardship and employment outcomes – not just the responsibility of landowners – wide range of benefits in terms of amenity and environmental outcomes;*
- *regional industry co-operation and leadership to ensure best environmental practice; and*
- *peak oil and climate change implications.*

### 8.1.2 Key Initiatives 2006 - 2009

- Regional Food Tour (2006)
- Northern Rivers Parliament House Food and Wine Showcase (2007)
- Kyogle Country Affair (2007)
- Living and Working in Rural Areas – A handbook for managing land use conflict issues on the NSW North Coast (2007)
- Feeding our Future Seminar (2008)
- Solving the Distribution Dilemma Seminar (2008)
- Clarence Valley Gate to Plate (2008 – ongoing)
- Bushfoods Sensations Project – mentoring and business development of Indigenous businesses involved in Australian Native Cuisine (2008 – 2009)
- Food Futures Forum (2008)
- Sustainable Living Expo, including 100 mile food challenge (2008)
- Northern Rivers Food project – funding secured to develop a regional industry body, business plan in development (2009 – 2010)
- Northern Rivers Food Links - \$2M grant to the region's councils to establish food security and relocalisation strategies (2009 – 2011)

### 8.1.3 Current Considerations

As demonstrated in previous studies and in Section 5 of this report, the Northern Rivers region produces a range of horticultural products, which are at varying levels of maturity in terms of industry size and market penetration. The industry continues to diversify away from the traditional mainstays of bananas and vegetables to the macadamia industry, which is now the 'anchor' for the region's horticultural sector and to other high value crops including coffee, herbs and olives. Fruit and tree nut growing, which is concentrated in the Richmond Valley is the region's largest horticultural activity.

With respect to the pre-conditions for a competitive environment, key issues that have been identified for the horticultural industry in the Northern Rivers region include the following:

- **Road and Rail Transport Infrastructure** – The Northern Rivers region's horticultural producers continue to be well served by state-of-the-art refrigerated or controlled temperature trucking companies. However, a critical issue which has been raised and that is considered to impact upon a number of industries, not just horticulture, is the quality of intra and inter-regional freight transportation links and the cross-border freight loading differences (refer Meat and Dairy Sector overview). Other prominent issues identified included the need for higher quality and well-maintained road links, not just from the region to ex-regional markets (which has improved in recent years with the highway upgrade) but within the region itself and in particular to the freight hub at Casino. The

cost of freight transport to access international markets (e.g. the Port of Brisbane) was identified as an on-going inhibitor to growth and increased efforts are considered required to increase the amount of containerised freight moved by rail.

- **Public Transport** – Representatives of the horticulture sector also noted that the lack of public transport services is a key impediment to horticultural producers securing and retaining its workforce. In this regard, expansion of the region's internal public transport service (which is currently focused on the school bus network and which ceases during school holidays) was sighted as an immediate priority for action. (Note: The lack of an adequate public transport service for workers was sighted as an issue also by other industry sectors). Securing funding for the development of an Integrated Regional Transport Plan is considered a tangible priority.
- **Biochar Research and Development** - NSW DPI is running the world's largest demonstration of biochar, with over 150 field plots under management. Much of this research is centred within the Northern Rivers Region with field trials having been established at the Wollongbar Primary Industries Institute on mixed cropping and pasture as well as at a commercial sugarcane property and a newly established macadamia orchard. One particular project is testing the benefits of a range of biochars (poultry litter, green waste, paper mill waste, cattle feedlot wastes) on soil properties, agronomic performance emissions of greenhouse gases (carbon dioxide [CO<sub>2</sub>], nitrous oxide [N<sub>2</sub>O] and methane [CH<sub>4</sub>]) from soil and leaching of nutrients. Biochars refer to the carbon-rich materials (charcoal) produced from the slow pyrolysis (heating in the absence of oxygen) of biomass. Recently, there has been much interest in biochars as soil amendments to improve and maintain soil fertility and to increase soil carbon sequestration. The capacity to sequester carbon in the soil is of particular relevance to the solution of climate change. Importantly Biochar may be an immediate solution to reducing the global impact of farming (and in reducing the impact from all agricultural waste). The burning and natural decomposition of trees and agricultural matter contributes a large amount of CO<sub>2</sub> released to the atmosphere. Biochar can store this carbon in the ground, potentially making a significant reduction in atmospheric Greenhouse gas (GHG) levels; at the same time its presence in the earth can improve water quality, increase soil fertility, raise agricultural productivity and reduce pressure on old growth forests. The continued investment in Biochar research within the region should be actively encouraged. It is noted that a specific project opportunity exists in relation to the utilisation of regional waste transfer facilities managed by local government. A project proposal supported by I & I NSW but ultimately not advanced by Ballina Shire Council is considered to have application for other centres in the region and should be explored further.
- **Other Industry R&D and Innovation** – The Alstonville Tropical Horticulture Centre has a long history in advancing research in sub-tropical horticulture (Macadamias, Bananas, Avocados, Passionfruit, Low Chill Stone Fruit, Custard Apples and more recently Blueberries). In November 2008 the State Government announced, as part of its November mini budget, that the centre was one of eight earmarked for closure. It is understood that as part of the proposal, it is the Government's intention to relocate the research to the Elizabeth Macarthur Agricultural Institute near Sydney. There is significant state, regional and local private and horticultural industry sector opposition to the planned closure. It is understood that a business case is being developed which is examining long term funding opportunities to support the centres continued operation. The matter is complex. It is understood that an increased level of commitment to ongoing research across the horticultural sector (including its willingness to pay for such research) will strengthen the case for the centre's retention. Having noted this, regardless of the outcome regarding the Alstonville research centre, industry leaders acknowledge that continued investment in horticulture research (be it at Alstonville or sourced elsewhere including by the private sector) is required to advance the economic growth of the industry

in the region. Communicating this message, particularly among the less advanced / emerging horticultural sectors is considered a priority action.

- **Industry Value Adding and Supply Chain Development** – It is considered by sector participants that there is potential for increased value adding with better cross-industry collaboration and representation. For example, it is considered that the region's comparative strengths in horticultural production could be more strongly aligned and integrated with local food retailers. This may be facilitated by investigations into alternative business models promoting 'localism' based on comparative and competitive strengths. It was also identified that additional efforts could also be focused on advancing initiatives geared towards achieving efficiencies in the supply chain such shared packaging lines, local distribution systems and warehouse and storage facilities. It was noted that many producers and processors currently transport goods to Brisbane to store, due to a lack of lease-able warehouse space within the region.

An audit of under-utilised accredited facilities, such as commercial kitchens was also identified as a possible initiative to advance supply chain / value adding within the smaller and emerging horticulture sub-sectors. The potential to share such under-utilised established facilities is considered a more cost effective solution than advancing previously identified options of investing in the development of a new shared commercial kitchen.

Many of the issues identified above are being implemented via the Northern Rivers Food or Northern Rivers Food Links projects.

- **Urbanisation, specifically, urban encroachment** - As previously reported (in 2003), land use planning is important in protecting the horticultural industry (and other agricultural sectors) from residential encroachment. This has been formally recognised in the Northern Rivers Catchment Action Plan that has specifically identified land use planning as integral to effective natural resource management in recognition of the potential for conflict that can arise in the community between competing and differing land uses and the impact this has on both primary production and amenity values. In recognition of the significance of the issue, NSW Department of Primary Industries in association with the Central for Coastal Agricultural Landscapes and the Northern Rivers Catchment Management Authority has prepared a comprehensive manual for managing land use conflict issues in the Region (Living and Working in Rural Areas – A handbook for managing land use conflict issues on the NSW North Coast, Dec 2007). The preparation of the manual involved a collaborative partnership with regional stakeholders, including landowners, local government, rural industry representatives, environment organisations and state agencies. Key stakeholders consider that the production, consultation and implementation of actions identified in the manual that has occurred since its release has increased regional understanding of rural land use conflict and interface issues as well as increased the collective capacity to reduce land use conflict through practical actions and improved decision making.

It is also noted that the NSW Department of Planning have also produced Natural Resource Map for the Region which specifically identifies 'State Significant Farmland', 'Regionally Significant Farmland', 'Environmental Assets and Rural Land and National Parks' as well as 'Existing Urban Footprint' for settlements and 'Proposed Future Employment Lands'.

The above initiatives have elevated the understanding of the importance of the urban encroachment issue, and are considered to be a useful step in effective land use planning thereby reducing environmental costs, reducing conflict between rural land use and development, as well as promoting an understanding of the need to protect key agricultural lands, natural resources and cultural landscapes. On-going efforts to maintain awareness and commitment to the retention and protection of agricultural land from urban encroachment are considered a priority action by the sector. It is also noted that the sector highly values the efforts of local and regional landcare groups in the restoration and protection of the region's land assets. Continued pro active support for the action and initiatives of these groups is required.

- **Branding, Export Market Development and Investment Attraction** - the Northern Rivers region's climate and landscape and proximity to export markets make the local industry highly conducive to growth. It is considered that these comparative advantages are key attributes that should form a foundation for the region's long-term economic development. Efforts to continue to develop and promote a sustainable Northern Rivers economy must include horticulture as a pillar. The region's horticultural strengths could form a key element of regional branding efforts to attract business (exports) and investment to the region. Branding should be backed by the region's genuine attributes, knowledge and information (e.g. recognition and promotion of the benefits of regional food sources, plant genetics, etc.). The region could also build on regional success stories such as the Byron Bay Cookie Company, Brookfarm, Nicholson Fine Foods, Wildbite and others. A number of other marketing and promotion opportunities were identified in the Northern Rivers Food Forum Background paper that remain relevant including:
  - Marketing products: Food and Trade Shows/events
  - Directory of products
  - Website to showcase products
  - Awareness campaigns
  - Build the profile of the region's produce: local food culture
  - Regional food hampers
  - Link with tourism: the region as a food destination, food trails
  - Joint branding (quality issues to be managed)

The recently formed Northern Rivers Food Group (which has secured funding for a network co-ordinator) is considered an excellent vehicle to advance these initiatives.

- **Water** - The Northern Rivers region has a comparatively reliable water supply for horticultural and agricultural production. Participants in the Northern Rivers horticulture sector (and other regional agricultural producers and processors) indicate that there has been increased interest from growers and processors based in southern NSW and Victoria in the Northern Rivers Region regarding possible relocation. The water and environmental challenges being faced within the Murray Darling Basin may ultimately provide a lever for business expansion, investment and diversification into non traditional crops. Recent examples of such new investment and diversification include rice growing at Casino. A possible inhibitor to increased investment is the price of land. It is considered that opportunities should be further explored with a focus on identifying complementary and sustainable crop and produce lines. The preparation of a Regional Water Strategy (considering both urban and rural needs) is also advocated. Rous Water is commencing a strategy for the local government areas of Lismore, Ballina, Byron and Richmond Valley.



- **Other Identified Opportunities / Initiatives** – The Northern Rivers Food Forum Background Paper (NRRDB, July 2008) identified a number of opportunities to facilitate the growth of the industry. Initiatives that are still considered relevant that have scope for further investigation by the Northern Rivers Food Group include:

Joint Co-operation

- o Combined negotiating power (e.g. insurance, packaging, transport/storage, promotion/advertising, joint distribution agreements and management)
- o Events (food tours and displays, food code compliant stalls for hire)
- o Bulk purchasing (ingredients/packaging)

Business Growth and Professional Development

- o Identify skills, training and business development needs of sector and staff (business skills, enterprise planning, and taking product to market). It is noted that the Regional TAFE and Southern Cross University (via its Business Leaders Group) are key players in this regard and continuing consultation between the industry and education providers is required to ensure training program development and delivery maintains relevance.
- o Create skills and training opportunities (e.g. seminars on marketing, sales, negotiation)
- o Mentoring for businesses in transition or in growth phase
- o National Regional Gourmet Food Convention for regional producers, value adders and users

Information Sharing: Access Expertise in...

- o OH&S policies
- o HACCP procedures
- o Organic certification documents and procedures
- o Sample distribution agreements
- o International and food labeling requirements
- o Business plan template
- o Links to useful websites and resources
- o Marketing ideas/contracts
- o Food processing
- o Information technology
- o Sales and marketing
- o Financial skills – costing, budgeting, margins and markups, capital raising
- o Leadership and management
- o Supply chain management
- o Project management - product development etc
- o Human resources management

## 8.2 Timber and Forestry

### 8.2.1 Northern Rivers RIEP, 2006 -Development Priorities

#### **PRIORITY 1: Forestry Community Education Campaign**

*Develop a broadly-based regional forest industry community education campaign, based on industry networking, to raise awareness of the economic and environmental benefits of the industry to the region and to proactively advocate for the continuing development of the industry. This campaign needs to be based on an assessment of current and future requirements for forest products and the industry's capability to meet these needs in a sustainable manner.*

#### **PRIORITY 2: Value Adding of Thinnings and Residues**

*Document a business and environmental case for increasing access to timber waste (e.g. plantation thinnings, residues of native forest waste, etc.) in order to develop products from this source.*

#### **PRIORITY 3: Networking Up and Down the Value Chain**

*Encourage networking between growers, forest product value adders, and related businesses in the region.*

#### **PRIORITY 4: Single Regulatory Interface and Guidelines**

*Streamline the regulatory environment of the industry by:*

- *Creating a single regulatory interface (one-stop-shop) between forest owners and regulatory agencies and departments.*
- *Developing clear, consistent and stable development guidelines and assessment criteria.*

#### **PRIORITY 5: Land Use Carbon Audit**

*Undertake a regional land use carbon audit.*

*The 2006 Industry Workshop recommendations also noted that:*

- *national timber industry associations have identified the need for an education campaign – legislative change is required for national industry promotion;*
- *there is capacity to work regionally to build a better case; and*
- *this priority needs to be fed up to the national industry associations by workshop participants.*

### 8.2.2 Key Initiatives 2006 - 2009

- Documentation and research for a business case for increasing access to timber waste and development of product from this source including:
  - Research on opportunities to utilise timber wastes and residues and documented in Utilisation Potential and Market Opportunities for Plantation Hardwood Thinnings from Qld and Northern NSW (2006)

- Identification of Timber Plantation Industry Opportunities in the Kyogle Local Government Area (2007)
- Assessment of the availability and potential development of forest residues – documented in Commercial Development of Native Forest, Plantation and Processing Residues in Northern NSW (2008)
- Residues Investment Brief – Forest Residues Opportunities the Northern Rivers Region (2008)
- Clarence Timber Investment Prospectus (2008)
- Kyogle Timber Industry Working Party (2009)

### 8.2.3 Current Considerations

The Northern Rivers region has a diverse timber industry geared to the utilisation of both native hardwoods and plantation grown hardwood and softwood species. The region has the required soils, temperature, rainfall and land availability for successful plantation development of a number of timber species. Although a declining sector of employment (over the five years to 2006), Agriculture, Forestry & Fishing remains one of the region's most significant sectors. Timber and Forestry accounts for a large share of this and the region has a particular strength in log sawmilling and timber dressing, concentrated in the Clarence Valley. The region's timber industry and plantation forestry (such as spotted gums) continues to expand. Its future is bright due to the abundance of raw material and good access to export markets.

Limited consultation with industry representatives indicates that in recent times there has been a decline in the forestry industry due to the declaration of many National Parks, however, the forestry industry has increased somewhat since the undertaking of the original RIEP. Additional research undertaken in the region that was led by the NRRDB during 2008 has confirmed that the industry yields important export income for the region and continues to be major employer. Forest residues opportunities identified include (but are not limited to): Timber Products - production of fence posts, laminates, round wood; Wood Chip Exports; Power Generation; Furniture Manufacturing; and Biofuels.

With respect to the pre-conditions for a competitive environment, key issues that have been identified for the timber and forestry industry in the Northern Rivers region include the following:

- **Finance and Industry Support** - Investment decisions in forestry and related value adding sectors is heavily influenced by the global economy and access to research and investment capital. Securing finance for new investment and maintaining industry support represent a current and ongoing challenge for the industry. The State Government has and continues to support the development of individual business cases for investment in the region that exhibit significant economic and employment potential. Having noted this some research and business development initiatives have recently been scaled back in the region. In this context, the securing of private sector (and government) investment in industry research and value added processing initiatives remain a priority for the industry. It is considered that the Northern Rivers Private Forestry Development Committee that is being independently incorporated under a new name has an ongoing advocacy role for the industry and an important promotion and liaison function.

- **Managed Investment Schemes** – The collapse of two of the largest managed investment schemes run by Timbercorp and Great Southern will have negative short-medium term investment impact on the industry. The fall out from these failed ventures are relevant to the issues identified above (Refer Finance and Industry Support).
- **Forest Residue Utilisation** – Much work has been done in the region in identifying opportunities for the utilisation of the large volumes of thinnings and residue materials. It is estimated that the regional thinning resource by 2020 will expand to approximately 1.4 million tonnes. Sites for the establishment of wood processing facilities have been identified in Casino, Clarence Valley and Murwillumbah, these locations being assessed as having significant competitive advantages and attributes suitable for viable long term value added operations. In addition to these processing facilities opportunities, as identified in the Horticultural Industry update (Refer Section 7.1.3) it is noted that the NSW DPI, through the Wollongbar Primary Industries Institute is undertaking significant research into biochar which include field trials which are testing the benefits of paper mill and timber waste on soil properties, agronomic performance emissions of greenhouse gases (CO<sub>2</sub>, N<sub>2</sub>O and CH<sub>4</sub>) from soil and the leaching of nutrients. Continued promotion of these value added investment opportunities is considered to have merit for their economic, environmental and employment potential benefits. It is also highlighted that the Wollongbar Primary Industries Institute is undertaking on-going research into biofuels which is of direct relevance to the forestry industry.
- **Transport** – The road transportation network is very important to the timber industry and the Northern Rivers region has a well developed network of regional and local roads linking the industry to national and international markets. As previously identified in other studies, at a local level, the location of logging activities in rural areas can create a special need for increased road maintenance and bridge replacement programs to sustain haulage practices. Protection of the haulage routes for this purpose is important as frequency, noise and disruption associated with logging truck movements can lead to localised conflicts. This issue remains and particular concern has been raised during the course of preparing this report with respect to the quality of local roads to accommodate forestry vehicles / logging trucks.

## 8.3 Sugar

### 8.3.1 Northern Rivers RIEP, 2006 -Development Priorities

#### **PRIORITY 1: Protecting Agricultural Land**

*Protecting quality cane lands from inappropriate development by:*

- *continuing to lobby government at all levels to ensure good quality cane land is retained. This protection needs to be entrenched in legislation;*
- *supporting on-going research and development (R&D) in relation to vertical expansion opportunities to ensure that cane land is kept in production. Funds to be sought from all levels of government;*
- *undertaking a community awareness programme about the value of the industry to the regional economy; and*

- *encouraging a more proactive educational and planning role by Local Government to ensure that new landowners adjacent to cane lands are aware of the industry's requirements and that only appropriate development is approved in such areas.*

## **PRIORITY 2: Workforce and Grower Skills Development**

*Ensuring a forward looking and efficient industry by building grower and workforce skill sets by:*

- *forming alliances with training organisations to develop workforce skills training programs. There is potential for TAFE or any other RTO to customise training for industry needs. The Sugar Industry Training Package was developed in Queensland and so is not specific to the NSW conditions;*
- *strengthening the industry's voice through the Industry Skills Council;*
- *priority areas for grower skill development:*
  - *farm management and production;*
  - *information technology;*
  - *business management skills;*
  - *off farm investment; and*
  - *leasing and property management.*

## **PRIORITY 3: Diversification at Industry and Enterprise Levels**

*Enhancing industry and farm viability thorough product and process diversification by:*

*Industry*

- *first priority: renewable energy options – also means payment for waste;*
- *engage with other sectors (e.g.: forestry, horticulture, etc) to develop synergies with other fuels derived from the waste of existing production systems, and access the biomass;*
- *introduce soya beans as a break or inter-row crop;*
- *review the potential of other biomass uses and value-adding (e.g.: fermentation);*
- *educational tourism based on sustainability and renewable energy;*
- *R&D opportunities related to ethanol, fermentation and plastics;*
- *materials handling software commercialisation; and*
- *Reduce dependence on volatile world commodity markets.*

*Enterprise*

- *training in business management and planning – visits/exchanges abroad;*
- *access to investment advice;*
- *potential use of soya beans and other crops in NSW Farming System under development; and*
- *develop mechanisms for aggregated off-farm investment.*

## **PRIORITY 4: Maximising Energy Efficiency Through the Value Chain**

*Consistent reduction of energy use and cost at all stages of production by:*

- *development of low energy intensive farming systems – minimal or no cultivation, minimal distances, etc – computerised control systems and software development;*
- *increase thermal efficiency of fuel by implementing improved drying techniques;*
- *use of transport and harvest logistics to reduce energy use and utilise capital equipment off-season; scheduling harvesters and trucks more efficiently to minimise downtime and distance;*
- *lower mill energy use by driving down steam use and increasing the thermal efficiency of fuels by reducing fuel moisture;*
- *cane plant energy efficiency could be increased by further R&D to develop new cane types (i.e.: vertical expansion versus horizontal expansion); and*

- *innovation in information technology systems.*

#### **PRIORITY 5: Attracting Young People to the Industry**

*Build the industry's image as innovative and future-oriented to attract and retain new participants by:*

- *expanding training in technological change and innovation;*
- *addressing financial barriers to entering the industry – e.g.: low interest government loans for first farm;*
- *encouraging share farming to get young people started – e.g.: Condong called for expressions of interest in share farming;*
- *building a strong, viable, innovative industry that will attract new entrants;*
- *exploring options for new entrant traineeships and apprenticeship schemes; and*
- *encouraging succession planning by farmers.*

#### **PRIORITY 6: Building Community Awareness and Support**

*Enhance community understanding of the value of the industry to the region by:*

- *engaging a PR person to promote industry awareness amongst regional businesses, service clubs and schools/TAFE, etc., and to sell sugar locally;*
- *launching regional awareness campaign using billboards and other media to promote awareness of "Sunshine Sugar Country" and the range of products derived from sugar;*
- *utilising opportunities to show off the sustainable sugar industry through educational tourism and farm visits; and*
- *continuing involvement with government agencies and the media.*

### **8.3.2 Key Initiatives 2006 - 2009**

- Farmland protection scheme – identification, mapping and protection of state and regionally significant farmland, included in the Far North Coast Regional Strategy (2005-2006)
- Cogeneration electricity plants commissioned and associated mill upgrades at Condong and Broadwater (2008).

### **8.3.3 Current Considerations**

As shown in Section 5 of this report, sugar cane, which accounts for the largest share of 'other crop growing' is concentrated in the Clarence Valley and is a regional specialisation when compared to the rest of non-metropolitan NSW. *NSW Sugar* produces about 5% of the national sugar market and has a joint venture with Manildra Hardwood Sugars selling sugar under the 'Sunshine Sugar' brand. *NSW Sugar* has about 600 members and more than 430 staff across its three mill sites and refinery. Key issues that have been identified relating to the sugar industry in the Northern Rivers region include the following:

- **Sugar Market** – There has been a significant increase in world sugar prices and they recently have reached near record levels. It is expected that prices will be volatile in the coming years. Having noted this, the local industry leaders anticipate that the rise in world prices will flow into the domestic market and therefore result in increased returns for local growers. It is noted that the local industry sells all of its sugar through the local refinery to the domestic market and it will therefore be important that domestic prices reflect global market activity. At present the current higher prices are

reflected in the futures market (2010 and 2011) which NSW Sugar highlights as encouraging news for growers.

- **Cogeneration Plants** - *NSW Sugar Milling Co-operative* and *Delta Electricity* formed a joint venture to construct and run two 30MW co-generation energy plants. The construction contracts for the plants, at Condong and Broadwater were let in May 2005. Work on site started in December 2005 and commercial operation of the plants began in November 2008. It is noted that each mill has been upgraded as part of the cogeneration project. Investment in the plants has been estimated to be in excess of \$200 million. The new facilities are fuelled by sugar cane material (and ultimately other residues) and operate as power stations within the mills.

All electricity generated at the cogeneration plants is sold to Delta Electricity. The project aims to facilitate the staged move to green cane harvesting and it is anticipated that this will eventually lead to the elimination of pre and post harvesting cane burning which will in turn improve air quality, the amenity of local communities and will result in significant ongoing positive environmental outcomes. The bagasse, cane trash and wood waste fuels are categorised as eligible fuels under the Renewable Electricity Act. Other eligible fuels, such as camphor laurel, are being investigated. Discussions with NSW Sugar highlight that the renewable energy generated at Condong and Broadwater has the capacity to provide another income stream for growers with the benefits likely to flow through to them in the next 2-3 years. The output expected is approximately 420 GWh per annum which is the equivalent of power for 60,000 homes – enough power to provide 50% of Tweed valley needs and 25% of the Richmond Valley needs.

NSW Sugar acknowledges that they are currently facing many operational challenges with regard to their energy production facilities and processes. They highlight that the technology and process is a '*world first*' and that they are going through a very steep learning curve. They note that they are currently undertaking a series of trials with the assistance of the Sugar Research Institute aimed at identifying all of the impacts of whole crop harvesting, infield transport, transport to the factory and factory impacts on crushing rates and recovery. The trials have been based around assessing whole crop, against burnt extracted and burnt non-extracted cane, which has meant that growers are once again burning their cane. While this has raised confusion in the community, NSW Sugar highlight that the targeted outcome of the project is to ensure that all fibre is delivered to the factory with a consequence that there will be no further cane fires, however this may not be possible in the short term. NSW Sugar also highlight that the current trials are also aimed at identifying cost impacts in the field. They acknowledge that it is very important that all sectors are appropriately compensated to ensure the future viability of the project. The growing, harvesting, the cooperative's operations and the joint venture partners interests all need to be considered to ensure the ongoing success of the cogeneration project.

- **Renewable Energy Target Legislation** – A key issue associated with the industry's cogeneration project is the current uncertainty of the government's Renewable Energy Target (RET) legislation which has resulted in the dramatic decline in value of Renewable Electricity Credits. The industry is currently strongly advocating the decoupling of the RET Bill from the Carbon Pollution Reduction Scheme. Such action is being advocated in order to support communities and renewable energy investors. Passing of the RET legislation is considered a priority for the industry.

- **Strategic Plan Review** - The CEO of NSW Sugar highlighted in the discussion held as part of the core research undertaken in compiling industry sector update that NSW Sugar commenced a comprehensive *Strategic Review* of the industry and its operations in March 2009. The review process is involving its grower members. It is understood that the review process includes the updating of its August 2005 Strategic Plan. The review has not yet been finalised and findings are not yet in the public domain. NSW Sugar indicated that until the Review is completed it is not in a position to advocate for or seek specific assistance from government and / or the RDA nor can it identify specific priority initiatives to advance the growth of the sector within the region.

## 8.4 Aquaculture

### 8.4.1 Northern Rivers RIEP, 2006 -Development Priorities

#### **PRIORITY 1: Aquaculture Industry Advisory Panel**

*The formation of an Aquaculture Industry Advisory Panel (AIAP) consisting of representatives of the key industry partners.*

*The AIAP's initial focus be on:*

- *Aquaculture Industry Development Officer (Priority 2)*
- *The Case for Aquaculture in the Region (Priority 3)*
- *Review of the NCSA Strategy (Priority 4)*
- *Review of Industry Regulatory Framework (Priority 5).*

#### **PRIORITY 2: Aquaculture Industry Development Officer**

*Accessing funding for the appointment of a regional Aquaculture Industry Development Officer (AIDO), reporting to AIAP. The role of the AIDO to include:*

- *Improving communication and networking within the industry*
- *Identifying and facilitating supply chain solutions*
- *Promoting collaborative marketing*
- *Consumer/community education in the region*
- *Liaison with Local, State and Federal Government agencies and with relevant rural industry peak bodies*

#### **PRIORITY 3: The Case for Aquaculture in the Region**

*Developing a report on the case for aquaculture in the region, covering:*

- *Economic analysis of aquaculture in the region and mechanisms for facilitating capital investment into the industry*
- *The socio-economic impact that growth of the industry would have on local communities*
- *Benefits of aquaculture to the region*
- *Pre-conditions for the successful development of the industry*
- *Criteria for the location of industry facilities*
- *Investment data needed to facilitate entry into the industry*
- *The content of this report to be usable in representations to governments and as a basis for consumer/community education.*



**PRIORITY 4: Review of the North Coast Sustainable Aquaculture Strategy**

*Review the impact of the North Coast Sustainable Aquaculture Strategy on the development of the industry in the region and the monitoring of further proposed aquaculture strategies to ensure that the issues arising from the North Coast Strategy are not duplicated elsewhere.*

**PRIORITY 5: Review of the Aquaculture Industry Regulatory Framework**

*Review of compliance inequities and inconsistencies arising from the industry's regulatory framework and the generally unstable nature of the regulatory environment.*

**Other Priority Issues to be Addressed by the AIAP/AIDO**

- *Access to capital and impediments to investment in the industry.*
- *Industry marketing strategy based on the region's strengths*
- *Access to specialised technical advisory support for the industry.*
- *Access to and quality of water resources for the industry.*
- *Industry skill development needs (TAFE).*

*The 2006 Industry Workshop recommendations also noted that:*

- *Key success criteria for the proposed liaison development position would be the growth of the industry in the region – NSW DPI Aquaculture staff supportive of industry proactive view and getting DPI staff to advocate to other government agencies. Developing a case for aquaculture involves building new relationships amongst stakeholders. I & I NSW also has a key role.*
- *Difficulty accessing investment funds – industry considered high risk (not clear what investing in – e.g. oyster investment, but later regulation prevents harvesting). The issue is having the information and/or the stability of regulation; and issues of neighbours' complaints.*
- *Consumer awareness/education – needs to be greater understanding of regulatory inequities in the international environment. Local product is disadvantaged against imports that are not subject to the same compliance overheads/standards.*

## 8.4.2 Key Initiatives 2006 - 2009

- Bay Lobster project approved (June 2005 & August 2006)
- Aquaculture Meeting Briefing paper (2007)
- Consultation regarding local peak body representation for industry – challenges associated with critical mass (2007)

## 8.4.3 Current Considerations

The focus of the aquaculture industry in the Northern Rivers Region is native fish farming (approximately 55% of businesses). Other business segments include Yabby production (approximately 25% of businesses), prawns (10%) and marine fish. Approximately 55 persons are employed in the aquaculture sector. In the 5 year period 2001 – 2006 employment declined by approximately 20 persons. While the industry is represented through out the entire region, its focus is within the Clarence Valley.

Key issues that have been identified for the aquaculture industry in the Northern Rivers region include the following:

- **Competition from Imports** – Consultation with industry participants indicate that the flood of cheap / inexpensive prawn imports is the key threat to the viability of the prawn based aquaculture businesses in the region. The industry's ability to produce competitively priced produce and capture market share is compromised by prawn importation. This is compounded by consumer awareness and purchasing patterns that do not always recognise the cost differential reflects the different regulation and management regimes.
- **Decline in Aquaculture Research and Technical Support** – Consultation with industry participants indicate that Grafton Aquaculture Centre is withdrawing from industry research and technical support to the industry. Its focus is being channelled into wild fisheries conservation. The withdrawal of support and research into commercial aquaculture enterprise development is identified by industry participants as a significant constraint to the growth of the sector within the region. It was also noted that marine fish farming represents a significant opportunity for the Northern Rivers region, however there has been little research support for this segment of the industry. The National Marine Science Centre (NMSC), which is a joint venture of Southern Cross University and the University of New England is located adjacent to the region in Coffs Harbour has some research interests into commercial aquaculture. However, the primary research is into marine habitats and commercial fisheries. The University's Centre for Coastal Management also has an aquaculture laboratory that can be accessed through consultancy programs.
- **Industry Regulation and Approvals** – As identified in 2005, industry participants consider the lengthy and convoluted approvals process for new aquaculture business development is a major impediment to new investment in the region. It is considered by the industry that despite efforts to improve communication with government in relation to this issue, tangible improvements to the approvals process have not materialised.
- **Difficulty in Securing Equity Investment** – Industry participants identified that new equity investment into aquaculture business development was a priority to expand the industry. The securing of new investment has proven very difficult for the industry. According to industry participants additional government support in the promotion of the industry would assist in the attraction of new investment.
- **Identified Needs and Opportunities** – An aquaculture working paper was produced by the NRRDB in 2007 which was then subject of industry consultation. The paper contained a list of needs and opportunities, many of which are still considered valid by industry representatives. They include:
  - *Capacity to build upon activities in the Australian Aquaculture Industry Action Plan at a regional level;*
  - *Niche market development, particularly for high value product through a consortium/cluster approach;*
  - *Increasing production through:*
    - *Improved quality and group marketing*

- *Development of new markets and new products (e.g. farmed marine fish industry in urban ponds)*
- *Improving returns, risk profile and profitability of existing operations*
- o *Positive information on the benefits and business case for aquaculture in the region and for the role of aquaculture in the supply of seafood;*
- o *Production and promotion of success stories to encourage and attract investment;*
- o *Supply chain solutions that:*
  - *minimise risks by sharing information, costs or technology*
  - *facilitate economies of scale*
  - *improve access to markets, or develop joint branding strategies*
  - *pooling resources, equipment or processes*
  - *add value for all participating businesses*
- o *Value-adding and processing of raw product (both farmed and wild catch) to table ready and other high value products through the identification of key markets, production processes and distribution ;*
- o *Regional aquaculture industry network and support (examples include Gippsland, Gilgandra and Karuah);*
- o *Support and training to local government to assist with the development assessment process;*
- o *Identification of potential investment sites – extend estuary site identification to land base sites;*
- o *Developing business skills and capacity of operators; and*
- o *Potential links with tourism / agri-based tourism*
- o *Coordinate and facilitate communication through securing of an industry development officer*
- o *Strengthen technical education*
- o *Work with DPI to make NSW attractive to investors*

## 8.5 Meat and Dairy

### 8.5.1 Northern Rivers RIEP, 2006 -Development Priorities

#### **PRIORITY 1: Infrastructure, Planning and Regulation**

*Development of co-ordinated infrastructure, land-use and economic planning, and regulatory frameworks to support the economic viability and longer-term sustainability of the meat and dairy industries in the Northern Rivers Region.*

*The following recommendations were specified:*

#### *Regional Transport Review*

- *A regional transport, logistics and road infrastructure review be undertaken to explore existing and future constraints on the viability of the industry and its longer-term economic and environmental sustainability.*

Local Environment Planning Review

- The local councils in the region be asked to incorporate in their LEP reviews the impacts of adjacent residential developments on the meat and dairy industries in the light of the contribution of these industries to the regional economy.

Meat & Dairy Industry Issues Papers

- A series of professionally produced Meat & Dairy Industry Issues Papers be prepared. These papers would include recommendations on how these issues might be dealt with.

Land Sub-division Review

- The local councils in the region be asked to review the impact of current land sub-division regulations and practices on agricultural lands and develop more creative and flexible sub-division regulations.

Water Efficiency

- Support for improved water efficiency practices on meat and dairy farms be extended.

SEQ-NENSW Development Commission

- Build a broad coalition of agricultural and business stakeholders in the region to lobby for the formation by the Federal and State Governments of a South East Queensland-North Eastern NSW Development Commission to address economic inefficiencies arising from regulatory and planning inconsistencies across the NSW-Queensland border and to consider the economic, social and environmental impacts on agriculture of population growth in these adjoining regions.

**PRIORITY 2: Industry Information**

Base industry development strategies and support on the real contribution of each industry to the regional economy:

- There is an urgent need to develop an accurate picture of the real contributions, both direct and indirect, of the meat and dairy industries to the regional economy. This must be based on credible economic, social and environmental data and is an essential precondition for effective industry planning. Industry development support by governments should be linked to the economic and employment contribution of each industry to the region.
- In order to achieve this goal the NRRDB be asked to develop criteria for describing the regional economy, the agricultural sector within that economy and then each industry.

In relation to priority 2, the 2006 Industry Workshop also noted that:

- Several participants stressed that before any further industry planning there is a need to accurately define the contribution of different industries to the regional economy, using a triple bottom line approach.
- Issues raised for consideration included the reliability of the data that went into RIEP in first place, as well as Tweed Economic Development Corporation (TEDC) economic model; the boundaries of data gathering; modelled data; ABS versus accurate industry statistics; comparisons between industry sectors and between regions across NSW. It was stressed that ultimately the only source of accurate data on the value of these industries are the industry bodies themselves.
- Investment into the development of emerging industries is similar to the investment made in R & D. This does involve risk and concerns were raised about returns on investment.
- It was noted that gathering this data should not stop implementation of the RIEP. Improving data sets needs to happen in parallel with industry development initiatives on an on-going basis.

**PRIORITY 3: Education, Training and Workforce Development**

*Ensure the availability of an appropriately skilled agricultural workforce:*

**Identification of Industry Skill Requirements**

- *There is a need to address, within the next three years, the implications for workforce availability of the region's ageing population. Inward migration of retirees from other parts of the country is exacerbating demographic imbalance in the region. A series of roundtable discussions between local government, Department of State and Regional Development, the Department of Planning, education and training providers and industry partners should be convened to explore this issue and its implications for regional industries.*

**Education and Training**

- *Strategies are needed to bring the education and training system into better alignment with the needs of industry within the region. This could include the convening of periodic forums between agricultural industries, education and training providers and planners in order to share information on the emerging needs of industry.*

**PRIORITY 4: Research and Development and Marketing**

*Identify and build on the industry's existing strengths and provide more effective support for business innovation and product development through:*

**R&D Funding**

- *An agricultural industries group be formed to evaluate the opportunities to access government R&D funding and to lobby the government for arrangements more appropriate to the structure and needs of the industry. An outcome of this evaluation might be the formation of an agricultural R&D company or other mechanism to facilitate access to R&D assistance.*

**Regional Marketing Strategy**

- *Initiate collaboration between all agricultural sector bodies in the region to develop a regional marketing strategy to promote the clean and green image of the sector and its contribution to the attractiveness of the regional environment.*

*In relation to R&D funding, DPI noted at the 2006 Industry Workshop that:*

- *There are a number of funding sources and agricultural funding companies already in existence. In addition, for instance, the CMA may be prepared to fund certain programs. The proposal for a research company did not appear to be well understood and/or supported by most workshop participants.*

## 8.5.2 Key Initiatives 2006 - 2009

- Wollongbar Primary Industry Institute continues to undertake leading edge research into sustainable agricultural practices and has as one focus dairy industry adaptation in response to climate change issues.

## 8.5.3 Current Considerations

According to ABS data, sheep, beef cattle and grain farming is the largest sub-sector of employment within the Northern Rivers region's agriculture and fishing industry.

The meat industry is one of the largest employers in the Northern Rivers region due to the activity generated along the supply chain (growing, transport, refrigeration, processing, production, etc). Participants in the region's meat industry highlight that the sector has been advantaged by recent investment into refrigeration and warehousing capacity and training support which has helped to address these previously identified inhibitors / constraints to growth.

In addition to meat industry strength of the region, the region hosts one of the State's largest dairy processors – Norco Co-operative Limited (based in Lismore). Norco is a diversified agricultural co-operative that produces milk, cheese and ice cream under its own label and on a contract basis for some of Australia's leading brands. Norco also manufactures high quality stockfeed, bird seed and pet food, and owns and operates 25 rural stores in New South Wales and Queensland. During 2007/08 Norco Foods completed its first full year with an integrated operation between the milk processing facilities at Labrador and Raleigh and the ice cream factory in Lismore, a consolidation which they consider has had a significant positive impact on operational efficiency. They also note that the centralisation of functions such as sales, product development and procurement have been of great benefit, as has increased sharing of knowledge, skills and processes between the three locations.

In relation to the future outlook for the region's dairy industry NORCO highlights global factors such as rising incomes, population growth and pressures on the limited availability of agricultural land are sustaining higher world food prices. They note that while traditionally as dairy prices rise, buyers of ingredients consider integrating lower-priced vegetable based substitutes into their products, the combined effect of production shortages and demand for biofuels, has made this alternative less attractive. As a result, NORCO considers the demand for dairy sector output will remain strong in the foreseeable future, which will assist in the growth and profitability of the sector (for both its own business and its approximate 160 milk producer members).

Key issues that have been identified for the meat and dairy industry in the Northern Rivers region include the following:

- **Regulations** - A lack of certainty over regulatory concerns and finance support had previously deterred infrastructure investment and research and development necessary to promote industry growth. It is noted that the Australian Government's Carbon Pollution Reduction Scheme will have an impact on the farming sector, and in particular to the dairy and meat sectors which are large fossil fuel users due to their heavy reliance on road freight.
- **Energy** – The security of electricity supply is a critical issue for dairy industry farmers and processors. Consultations with the meat and dairy industries highlights concerns regarding electricity supply infrastructure, and both sectors are interested in exploring alternative energy sources. In the Richmond Valley, investigations into opportunities for methane gas production are currently underway.
- **Transport Infrastructure** - Weight limits on roads are a key issue and the limits vary between states (NSW lower than QLD) so transport is not being carried out to its full capacity (and is therefore not efficient). Some roads have been increased to "B-Double" capacity, but weight limits have not been increased. This is considered to be a major constraint on the further growth and development of the meat and dairy industries.

- **Labour, Skills and Training** – According to participants in the meat production sector, it has been struggling to acquire a reliable supply of labour for the past 2 years. The dairy sector do not report similar concerns, however Norco note that they have invested heavily in training and staff retention strategies as their ability to attract and retain good professional and trades people is critical to the ongoing competitiveness of their business. They highlighted that they favour direct selection and the recruitment of casual employees in the majority of their food operations instead of using labour hire firms. They claim that this is helping them to manage costs and create new employment opportunities. Norco has also supported a variety of study options for employees, ranging from initial certificate level to university degrees. As identified in previous sector updates, lack of an efficient year round public transport system for use by staff was identified as an issue for Norco.
- **Governance and Industry Engagement** – Consultations indicated that there is opportunity to improve engagement with the meat and dairy industry sectors in regional development in the Northern Rivers. One approach advocated to increase engagement with these sectors was the convening of topic specific forums for planning on ‘common’ issues affecting business growth within the region (e.g. road transport infrastructure and maintenance; public transport for workers; security of electricity supply; renewable energy opportunities; freight and storage facilities). The meat and dairy sector representatives consulted indicated that advertising and convening such forums on a region wide basis (involving representatives from other sectors such as sugar and timber) has the opportunity to garner broad industry participation due to the economic importance of addressing such matters.
- **Urban Encroachment** – As is the case for horticulture (Refer Text in Section 7.1.3), meat and dairy industry sector participants consider on-going efforts to maintain awareness and commitment to the retention and protection of agricultural land from urban encroachment remains a priority action.
- **On Farm Support (Milk Producers)** – Norco reported in its 2008 Annual report, that its milk intake was 133 Million Litres (from both its members and contracted supply). Consultation with Norco revealed that last year’s take rose to 145 Million Litres and that the majority of this supply was sourced from its members. They note that their *Milk Supply team’s* work in supporting and advising its suppliers has a long-term focus to ensure this remains the case in the future. They note that change in domestic and international marketplaces and escalating on-farm challenges reinforced the importance of Norco’s strategy of working closely with our suppliers to build resilience for the future. In relation to working closely with their members and suppliers NORCO note that in 2007/08 they made over 500 farm visits to work on various initiatives, with the result of measurable improvements in milk quality, herd and pasture management and milk production per farm. Regular field days and tours for suppliers were held, including a visit by a large group to five farms in south-east Queensland to view different feed pad and supplementary feeding system designs.
- **Climate Change** – Consultation with Norco revealed that they, like many rural based businesses are preparing for substantial change due to emerging environmental challenges. In order to build their resilience, they note that they are committing significant resources to better understand, evaluate and manage the many impacts of climate change on its business and on our stakeholders.

Norco highlight that climate change and the likely related legislative aspects create both opportunities and potential challenges and note that the financial and flow-on impacts throughout the supply chain need to be clearly articulated to governments. They acknowledge that they need to be receptive to new research, technology advancement and different ways of working.

Consultation with Norco highlighted support for the development of region wide grass roots initiatives to assist agricultural producers grapple with the complex issue of 'reducing their carbon footprint' and other climate change issues. In this regard it is noted that the *Northern Rivers Climate Change Collaboration* has provided some strategic leadership in the region on this issue, however they lack resources to deliver on-ground outcomes. A potential solution could be the investment in a model project in the Northern Rivers to facilitate action on climate change at a regional level – via the development of toolkits, skill development and promotion of best practice.

## 8.6 Creative Industries

### 8.6.1 Northern Rivers RIEP, 2006 -Development Priorities

#### **PRIORITY 1: Creative Industries Development Consortium**

*Establish an on-going mechanism for the creative industries to facilitate the development of a sector-wide strategic planning framework, co-ordination, information sharing and advocacy on behalf of the creative industries.*

#### **PRIORITY 2: Business Development Support**

*Develop a sector-wide strategy to strengthen the business development capability of the creative industries in the region, providing support at both the level of industry associations and practitioner networks and to individual creative businesses and professionals.*

*This strategy should, amongst other things, address:*

- *business model development;*
- *business planning and advisory support and peer support networks;*
- *market research and development;*
- *business skill development;*
- *industry branding and collaborative marketing;*
- *access to professional business services;*
- *financing mechanisms and strategies;*
- *marketing strategies; and*
- *managed workspaces and clusters.*

#### **PRIORITY 3: Industry Knowledge Management Strategy**

*Research, design and implement an industry-wide knowledge management strategy embracing:*

- *shared knowledge base – accessible and up-to-date source of information on the nature of the creative industries in the region and their actual and potential contribution to the regional economy;*
- *information sharing networks across sub-sectors and business types;*
- *access to expert resources and skills;*
- *education and training;*
- *materials and techniques know-how;*
- *links between the arts and technology sectors;*
- *encouragement of quality and innovation;*
- *market intelligence; and*
- *research methodologies and tools.*



## 8.6.2 Key Initiatives 2006 - 2009

- Formation of Northern Rivers Creative Industries Consortium to collaborate on industry development (2006 - ongoing)
- North Coast Entertainment Industry Association Business Plan – a music industry development project (2006)
- Visual Arts Network (VAN) formed facilitating access to national and international markets for visual arts and crafts producers, and developing programs to support the development of quality and marketable art work (commenced 2004, with Business Plan completed 2005). Survey of artists participating in VAN revealed that 57% increased sales of their work and 36 % of artists are exporting.
- Imagining the Future 2006: Screen and Creative Industries in the Northern Rivers Region – Development Trends and Prospects for the Next Decade (2006)
- Clarence Creative – Development of creative industry practitioners in the Clarence Valley, through networking, mentoring, business development advice and resource sharing formed (2007)
- Regional museums development project to support volunteer run museums in the region (2007-ongoing)
- Northern Rivers Arts and Creative Industries Strategy and Mapping Report (2008)
- Consortium proposal for complementary services delivery of the Creative Industries Innovation Centre (2008). Whilst the proposal was unsuccessful it identified market linkages and fostered greater collaboration between the region's creative industry sub-sectors.
- Indigenous Arts Business Development program, including publication of Indigenous Arts Book and cards; supporting clusters of Indigenous artists, assisting access to markets (2008 – ongoing). Indigenous Arts Development Officer employed 2008.
- Arts Indigenous Business Centre established (2009). Triennial funding secured, Indigenous Arts Business Manager engaged 2009
- Databases on skills maintained by Arts Northern Rivers, Northern Rivers Writers Centre and Screenworks (ongoing)
- Production of 2 series of the East of Everything television drama series produced locally in the region for ABC (2007 and 2008). Employed 659 local people, engaged 270 local businesses, and injected \$4.3 million direct spend in the region
- Splendid - a national cross-artform laboratory and mentorship project based in Lismore, established through partnership with Splendour in the Grass festival, Lismore Regional Gallery, Australia Council for the Arts, Norpa and Arts NR, to mentor young artists through development and commissioning of art for Splendour festival in 2010, 2011 and 2012 (commenced 2009)
- "Engine" performing arts residency and development initiative launched by Norpa 2009
- "dirtgirlworld" created and produced in the region - a 52 x11min episode preschool animation series with a budget of over \$10 million, commissioned by CBC, ABC and BBC. Coming to ABC in Australia December 2009 (2006 – ongoing)

- Establishment of Creative Industries Education Roundtable, mapping training and career pathways in creative industries, and production facilities available to industry (2009)

### 8.6.3 Current Considerations

Creative industries comprise businesses whose products' origins lie in individual creativity, skill and talent. They have the potential to generate sustained wealth and job creation through the generation, utilisation and commercialisation of intellectual property. While creative industries are often micro businesses or small to medium sized enterprises that focus on local markets, they can develop into clusters, helping to drive economic growth and development by exporting their intellectual property outside their own regions, either nationally or internationally.

Recent studies show that the Northern Rivers' creative industries sector had the highest creative industry employment growth in NSW (5.1%) - more than double the growth rate of Sydney (2.5%) during the period 1996 – 2006. The region also has the highest "density" of creative workers per capita in the state outside Sydney (NSW Creative Industry: Economic Fundamentals, February 2009). It is also noted that the region has the highest concentration of visual artists outside the capital cities, and the largest cluster of screen industry workers outside Sydney and Melbourne. The key sector strengths within the region include:

- **visual arts and design**, including export oriented businesses such as Zaishu furniture design and Riley Burnett jewellery, and internationally renowned visual artists such as Angus MacDonald and Noel Hart;
- **writing and publishing**, including internationally celebrated writers such as Di Morrissey, Marele Day and Rob Drewe;
- **screen and digital content production**, including the animated children's series DirtGirlWorld, which has international finance & broadcast partners; drama series East of Everything, screened on ABC TV; and the feature film Lou starring John Hurt with national and international distributor attached; with most crew, services and equipment available in the region. During the period January 2007 to June 2009 there were 54 productions or companies recorded with a regional spend of \$9.58 million and employing 1,802 people (these figures are conservative and only reflect data that has been reported by productions to Screenworks during this period).
- **music and performing arts** businesses such as Grinspoon, and Vitamin Records, local comedians Mandy Nolan and Arj Barker and NORPA Generator – a new theatre Creative Development Program;
- **internationally renowned cultural festivals** (East Coast Blues and Roots Festival which attracts 17 500 people per day for a five day event, with tickets sales to 25 countries, Splendour in the Grass, Byron Bay Writers Festival, which in 2009 sold 50 000 tickets which makes it on par with the Melbourne Writers Festival and almost twice the size of the Brisbane Writers Festival audience) and
- a robust **arts education** sector.

In 2008 Arts Northern Rivers, working with the Northern Rivers Creative Industries Consortium, managed the development of the first comprehensive regional Arts and Creative Industries strategy in NSW - the Northern Rivers Arts and Creative Industries Strategy (NRACIS).

Launched on 29 April 2009 by NSW Minister Assisting the Premier for the Arts, Virginia Judge, the NRACIS was a major independent strategy funded by Arts NSW, I & I NSW, NSW DP&C and the 7 local

governments of the region. The NRACIS provides a framework for stakeholders to work together to realise the potential of the creative industries in the region, for the economic benefits and job creation.

A total of 14 action areas are being advanced by the region including:

- 1. Explore the establishment of a regional arts and creative industries marketing consortium**
  - o *Collaborative industry briefing paper being drafted Oct 09*
- 2. Establish Northern Rivers 'Creative Broker' positions for industry sub-sectors, and to facilitate linkage to markets**
  - o *Submission to Jobs Fund May 2009 (outcome TBC)*
  - o *Submission currently in preparation to NSW govt*
- 3. Develop a pool and database of industry mentors (experienced and inducted)**
- 4. Establish a multi-stakeholder creative industries education and training roundtable**
  - o *Second Ci Education and Training Round Table held at Wollongbar TAFE, 26 August – mapping production facilities and infrastructure which could be used by Industry*
- 5. Support the development of creative industries incubators and affordable workspace**
  - o *Agreed priority for all council - Lesley Buckley/TSC and Jude McBean/CVC on working party*
  - o *CVC conducting feasibility on adapting unused works building as arts studios*
  - o *ANR has leased building in Magellan St Lismore for Indigenous artists spaces*
  - o *Lobbying Arts NSW for support for Creative Enterprise hub in Lismore using empty shop fronts in CBD, as part of Lismore Alive strategy*
- 6. Confirm infrastructure development priorities**
  - o *CVC + RVC infrastructure reviews and needs analysis*
  - o *Forum for local government staff to discuss priority actions in Creative Industry Strategy held on 17 November 08 Priority for all councils (Arts NR to take role of sharing information to inform LG planning)*
- 7. Progress development of the Indigenous Arts Business Centre**
  - o *Launch of 3 rivers aboriginal art space 19 June.*
  - o *Funding secured from DEEWR for Indigenous Arts Business Manager position*
  - o *Triennial Funding secured from DEWHA for Indigenous Arts Development Officer and for 3 rivers aboriginal art space/ Indigenous arts business centre.*
- 8. Confirm creative industry sector representation arrangements and any appropriate integration with Arts Northern Rivers**
  - o
- 9. Explore the establishment of a regional business sector 'pairing scheme' to stimulate sponsorship and other business partnerships**
- 10 Develop an arts portal to enhance the arts and creative industries' web presence**

- *Funding application submitted to Arts NSW/I & I NSW.*

**11. Review and progress recommended actions from the Regional Strategy for the future sustainability of the Museums of the Northern Rivers**

- *Arts NSW funding secured for 2009*
- *Looking at options to sustain work in 2010, through sub regional hubs supporting a Museum Advisor, and ongoing Arts NSW funding*

**12. Establish commitment to public art and integrated artwork in all publicly funded construction programs and encourage adoption of integrated artwork within commercial developments**

- *Forum for local government staff on 17 November 08 confirm this as priority action*
- *Lesley Buckley TSC, Ruth Tsitimbinis KC, Karina Vickstom Ballina SC on working party*
- *Support for Byron Shire Council regarding development Public Art working group and with CVC regarding Public Art in Clarence River Way Project.*
- *Arts NR convening Public Art Policy workshop for staff from all councils, to take place on 2 November 09.*

**Additional Priorities identified by Local Government Partners**

**13. Festivals and Events - Develop 'how-to' guidelines for festival managers – facilitate transfer of learning between festivals**

- *Forum for local government staff on 17 November 08 confirm this as priority actions in Creative Industry Strategy*
- *Festival and Events Network forum held on 18 November 08 in Bangalow.*
- *Liaison with Byron Shire Council regarding development of Events Policy*
- *2009 Festivals and Events Network Forum scheduled for November 09.*

**14. ART TRAILS - Encourage high quality public art and informative, accessible art-trails throughout the region. Commission a feasibility study and, if appropriate, development plan for regional art-trails**

- *Forum for local government staff on 17 November 08 confirm this as priority actions in Creative Industry Strategy*
- *Meeting with possible partners including NPWS and CVC to scope projects, and funding submission lodged to Australia Council for art and environment project.*
- *Caldera Art Trail – assisted with successful funding applications for art and environment trail in Tweed, Kyogle and crossing Qld border.*

As identified by Arts Northern Rivers the top priorities for regional assistance to grow the creative industries sector at this time include:

- Creative Broker positions to facilitate linkage to markets, particularly in the sectors of design/fashion, music and digital media/games;
- Development of a creative industries web portal and collaborative marketing;
- Development of creative industries incubators and affordable workspaces in the region.

Consultation with Arts Northern Rivers also revealed that the NSW government is currently developing a NSW Creative Industries Strategy and that Arts Northern Rivers is seeking representation in the development process, and recognition and support for the Northern Rivers creative industries cluster in the strategy, in the form of investment in these priority actions.

It is also highlighted that the Northern Rivers Arts and Creative Industries Strategy – Mapping Report 2009 – 2012 (For Arts Northern Rivers, by Creative Thinking Positive Solutions) identified the following issues that “are considered priorities to address in a Strategy for the future”.

### ***Infrastructure***

#### *Museum and galleries*

- *the inequitable funding of galleries across the region*
- *one professionally-operated museum (in development). Consequently, a high degree of dependence on volunteer-run museums, with a lack of consistent capacity-building support for the volunteer museums currently*

#### *Making facilities*

- *lack of accessible studios giving access to space and equipment for less established practitioners (although SCU and TAFE make space and equipment available when possible)*
- *lack of incubator facilities to encourage start-ups and business acceleration for creative businesses. However, one is planned for Lismore and CLIC Business Village operates in Mullumbimby, without a creative industries specialization Networks and industry associations*
- *financial insecurity of the industry associations and networks on which many industry development initiatives depend (see also ‘Professional Development’ below)*
- *the absence of any professional staffing for NCEIA*
- *under-developed industry clusters*

#### *Planning*

- *lack of local or regional facilities/infrastructure development strategies, creating a potential for duplication and possibly lost funding opportunities from external sources*
- *remaining gaps in arts, cultural and creative industries policy articulation at a local level*
- *gaps in knowledge of some creative industries sub-sectors: e.g. software/games, design/architecture, advertising*
- *a need for continued gathering of industry data to track progress and enhance market knowledge – an opportunity may exist in SCU's expressed desire to ‘warehouse’ data in the future*

#### *Other*

- *need to improve provision of high-speed broadband*
- *need to address gaps in performing arts infrastructure, including further upgrading or adapting of existing facilities*
- *unrealised cultural precincts (planned but not implemented)*
- *lack of conference and training facilities*
- *the need to resolve appropriate location for festivals – a problem that has been especially contentious in Byron*

- *need for improved public transport to enhance access to events, exhibitions, education and training activities*

## **Professional development**

### Resources

- *the precarious foundations upon which industry support organisations, networking and professional development opportunities are based: almost entirely on short-term project funding with no guarantee of continuing support. For example, Arts Northern Rivers' projects such as the Indigenous Arts Development project and the Museums project have been established on time limited project funding. The Visual Arts Network, a successful Arts Northern Rivers project, has now ended due to lack of continuing funds. Similarly, Northern Rivers Screenworks and the Northern Rivers Writers Centre rely upon annual funding from State Government. The Northern Rivers Writers Centre also faces uncertainty as a result of the recent Arts NSW Cultural Grants Review*
- *opportunities exist to harness the goodwill and expertise of established practitioners and businesses*
- *there is a need to determine what represents best use of limited professional development resources*
- *inability or unwillingness of some practitioners to pay for professional development support and services, partly a result of the low income base amongst Ci sectors*

### Coordination

- *need for coherent linkages between industry associations, tertiary sector providers and government agencies*
- *possibly, unrealised opportunities to partner neighbouring regions in professional development interventions. For example, with Griffith University or other institutions on the Gold Coast; or QUT Creative Enterprise Australia in Brisbane – although such interstate connections may face bureaucratic barriers*

## **Production**

### Product development

- *need for more detailed analysis of production needs*
- *opportunities for product linkages between culture, heritage and tourism – and specifically between Indigenous culture and tourism*
- *opportunities for building a regional brand, especially through enhancement and reinforcement of the range of local strengths and attractions*

### Investment

- *in common with other SME-dominated industries, lack of knowledge of and/or access to a range of financing and investment sources*
- *Northern Rivers Screenworks, the Arts Northern Rivers Visual Arts Network and the Northern Rivers Writers Centre have schemes to identify individuals and businesses with potential. However, there is no wider systemic capacity to pick the production 'winners' for investment or other support on the path to commercialisation or sustainability*
- *there is an opportunity to encourage private investment in the Creative Industries*

**Marketing and market development**

- *current weakness of regional branding beyond Byron, need to emphasise and build upon other strengths also (see 'Product Development' above)*
- *untested capability for local governments to cooperate on joint Ci activity and promotion*
- *marketing activities parallel to those of the VAN project could apply to other Ci sectors*
- *absence of cooperative marketing structures (like Canberra Arts Marketing, or commercial industries peak marketing and advocacy bodies)*
- *low capacity of sole traders and SMEs to sustain marketing activity*

## 8.7 Education and Training

### 8.7.1 Northern Rivers RIEP, 2006 -Development Priorities

**PRIORITY 1: Strengthening Educational Leadership and Collaboration**

*Establish a regional education forum representative of all education providers and key business and community sectors. This forum is to facilitate:*

- *an audit of educational resources, programs and capability in the region;*
- *the creation of a regional learning gateway providing information and access to learning opportunities and resources;*
- *the development of strategies to build on existing educational capability in order to enhance learning opportunities and pathways within the region through collaboration; and*
- *the development of Northern Education Training Promotions and Advisory Committee (NETPAC) and access to additional resources to support it.*

**PRIORITY 2: Broadening Access to Information and Communications Technology**

- *Advocate for improved broadband and other essential ITC infrastructure in the region.*
- *Develop regional IT access and skills development strategy.*
- *Strengthen learning support for community and workplace IT projects, particularly in economically, culturally or geographically isolated populations.*

**PRIORITY 3: Extending Vocational Education and Training in Schools**

*Strengthen TVET and extend provision to year 10 students*

### 8.7.2 Key Initiatives 2006 - 2009

- Northern Rivers School and Industry Leaders Forum held by CONNECT (2006)
- Regional Education Forums held by Southern Cross University (2006 – 2007)
- Clarence Valley Industry Education Forum (2006) and CareerLink programs with key industry sectors (2007 – ongoing)
- State Training Services review industry training needs on purchasing framework for the Strategic Skills Program (2008 – ongoing)

- Mapping of career pathways in aged services sector (2008)
- Recognition of prior learning program in aged services sector – Skills Express (2008)
- Professional development and training program for management and leadership targeted specifically at aged services sector – IDEAS (2009 – 2010)

### 8.7.3 Current Considerations

Education is strongly represented in the region, particularly in the Richmond Valley with the presence of Southern Cross University in Lismore. The Northern Rivers economy is particularly dependent on knowledge-based and skilled industries where education and skill development is crucial. Major economic drivers such as media, film and television and agriculture are examples of where local employers are dependent on a highly skilled employment base. With respect to the pre-conditions for a competitive environment, key issues that have been identified for the education sectors in the Northern Rivers region include the following:

- **Matching Education and Training with Industry Priorities** - education and training needs to be aligned with the unique needs of local industry and collaboration with major education and training precincts would greatly improve industry outcomes. While the area is well served by a number of education and training options, greater emphasis now need to be placed on developing partnerships with industry bodies and training providers.
- **Regional Engagement** – Southern Cross University has a Regional Engagement Office. Linkages with schools and universities are essential. There is a need for integration between education and economic development to ensure regional capacity building. Smarter engagement strategies and linkages could be explored with education institutions to promote a holistic, strategic approach to regional engagement. However, it is important to note that promoting regional economic development is not the primary role of educational institutions. Their primary roles are to undertake important research, educate students and produce new knowledge. Consequently, any efforts to leverage universities to build a knowledge-based economy must recognise and respect this.
- **Export Market Promotion and Development** - International students are a key aspect of export income for the region and this opportunity should continue to be developed strategically.
- **Pre-apprenticeship programs** - Declining apprenticeship commencements, collapse in the youth job market and cyclical trade shortages are issues affecting regional productivity. This is coupled with significant anecdotal evidence that small regional trade employers would take on more apprentices if school leavers had previously acquired essential generic workplace competencies and entry level trade skills. A possible initiative to advance in the region would be the development of pre-apprenticeship programs to keep young people engaged and avoid future regional skill shortages.
- **Productivity Places Program (PPP) needs to better support those providers that deliver training in high cost apprenticeship areas.** In the context that there is increasing reliance on short-term, competitive VET funding mechanisms, the region could advocate for the PPP guidelines to



be more flexible to allow for a range of pre-apprenticeship training and employment models that would meet regional industry skill needs and generate local opportunities for unemployed youth.

- **Industry identification of training and skills development needs** – training resources and funding into the region needs to be informed by industry training and skill development requirements. The PPP program requires businesses to be more proactive in the identification and access of resources to support skills development.
- **Green Skills** - climate change and environmental issues are having a greater impact of workplaces, government, business and consumer responses. The NSW government has skill development strategies that are being established to build a workforce that has the skills and knowledge to support the transition to a low carbon and more sustainable economy. The Northern Rivers needs to be aware of these programs and RDA could support local businesses to access and participate in these.

## 8.8 Health, Aged Care and Community Services

*The health, aged care and community services sectors were not analysed in the original consultant draft of the 2003 Northern Rivers Regional Industry and Economic Plan as they were not considered to be 'prime export earners' for the region. However, as identified subsequent updates of the REIP report it is acknowledged that these sectors are critical elements of the regional economy and community, and in light of RDA – Northern Rivers' strategic focus on community and economic development, they are considered important sectors warranting more detailed investigation and analysis as part of the region's broader industry and economic development agenda.*

*Based on the information review, data analysis and limited consultation undertaken to inform this report, it is considered appropriate that RDA – Northern Rivers in conjunction with other relevant stakeholders explore the concept of establishing a working party to analyse in detail the current and emerging needs and priorities for the health, aged care and community services sectors in the Northern Rivers.*

*To help inform future planning, the following presents, in summary, those development priorities as articulated in the RIEP 2006 Progress Report which are considered relevant, and the issues and priorities identified through the limited consultation undertaken as part of this RIEP Data Update.*

### 8.8.1 Northern Rivers RIEP, 2006 -Development Priorities (Note - Aged Care Services Specific)

#### **PRIORITY 1: Multi-Stakeholder Strategy for “The Future of Ageing”**

*Developing a comprehensive future-oriented regional strategy and implementation plan. Key proposals included:*

- First Steps - Convene industry forums to stimulate interest/excitement/engagement; Call for Expressions of Interest to form a small taskforce to work on funding for a Project Officer for initial 12 months to be auspiced by either NRSDC or NRRDB or jointly (and including other relevant agencies such as DADHC, NSW Department of Health, Department of Ageing, SCU); Identify on-going funding sources.
- Affordability of Care for the Frail Aged
- Indigenous Aged Care Proposals for Consideration

#### **PRIORITY 2: Wellness & Lifestyle: Ageing Well in the Northern Rivers**

*The promotion of wellness as a seniors lifestyle choice and associated business and employment opportunities. Advocacy for and promotion of the industry as offering attractive, skilled, respected and rewarding career opportunities. Aged care workforce development was considered a priority.*

#### **PRIORITY 3: An Integrated Approach to Local Government Policy and Development Control**

*Aligning Local Government policies, land use planning and development controls to achieve better outcomes for affordable and appropriate housing options and community infrastructure. Identifying and marketing investment development potential for model integrated aged care developments and the training of Local Government Planners and Economic Development Officers in getting investors to invest in the whole spectrum of services, not just high return areas.*

#### **PRIORITY 4: An Integrated Approach to Service Planning and Delivery**

*Promoting collaboration and strategic partnerships between service providers.*

*Priorities noted included:*

- Consider the benefits of a new model of service delivery.
- Strategies to respond to the different needs and values of diverse social groups.
- Better use of existing transport resources by needs-based co-ordination instead of issue-based. (Need for more research on transport needs and co-ordination of existing schemes).

### 8.8.2 Key Initiatives 2006 - 2009

- IDEAS, a workforce development project for aged services sector (2006 – 2010);
- Shared labour pool pilot, collaboration to share aged services casual labour resources (2007 – ongoing);
- Aged services IT purchasing collective (2008);
- Recognition of prior learning pilot for aged services (Skills Express project) (2008);

- Aged services career pathway maps (2008);
- Management and leadership professional development and leadership program for aged services (2009 – 2010);
- IDEAS website – an industry hub for sharing best practice research and workforce development ideas and opportunities (2009)
- Aboriginal Employment Strategy for the Northern Rivers Community Services Sector (2009 – 2010)

### 8.8.3 Current Considerations

- **Aged Care Round Table** – Consultation revealed that the region's peak bodies for aged care delivery (ASC<sup>5</sup> and ACSA<sup>6</sup>) informally communicate and discuss issues of common interest. It was noted that while the industry is competitive there is a desire to work together to heighten awareness of the importance and significance of the industry. It was suggested that RDA could initially play a facilitating role by bringing industry participants together (say twice a year) to formally discuss industry challenges (and opportunities for growth). Ongoing support for the IDEAS project was also identified as a priority. It was suggested that the project could be an effective vehicle to collate and disseminate information on the industry via the development and maintenance of a website.
- **Health Care Infrastructure Capacity** – A key consideration for the region's health sector is its capacity (or lack thereof) to provide for periods of peak demand, in particular, the peak tourist season. Festivals/events can grow the population exponentially for a weekend or so which increases demand for services, infrastructure, etc. This could be given further consideration in regional planning for social and community infrastructure.
- **Rural Health Services do not meet Contemporary Needs or Resources are in flux and need Redesign** – There is a lack of understanding of changes occurring in health service delivery, particularly at key hospitals and centres and the implications of these changes for meeting regional needs. There is significant community concern that services are being downgraded at many of the District Hospitals in the region. However, these changes need to be considered in light of the impact of policy reform and the Garling Report on Rural Health Services that are leading to new ways of delivering community care and wellbeing at home. Health services are being reconfigured and old hospitals are often unsuitable or unsafe in many areas. The health service needs to transform the delivery of health services into a model that is more appropriate for the 21st century, but there needs to be greater community awareness and support of these changes and how they can meet people's health needs. In planning for health care delivery in the Northern Rivers region, further consideration needs to be given to:
  - A change in the thinking from 'hospital beds being taken away' to 'new services that create different jobs for local communities'.

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<sup>5</sup> ACS is the Aged and Community Services of NSW & ACT

<sup>6</sup> ACSA is the Aged and Community Services Australia – the national body of more than 1400 churches, not-for-profit charitable organizations and community providers of aged and community services

- Investment in local resources and capacity to find creative ways to deliver and build local services that are not regional or acute hospital dependent, but complement the large acute care models/services.
- **Impacts of an Ageing Population on Health Care Needs** – The Northern Rivers region's ageing population is significantly higher than the State average (18% compared to 13%). Challenges include:
  - The need to capitalise on the region's older population and their capacity to accelerate skills and achievements;
  - The need to ensure appropriate services are available to meet changing / evolving health care / 'wellness' and community services needs. Considerations include, for example, an increase in occurrence in dementia in the community.

As the Northern Rivers region's population continues to age, this places increased demand on community health services and on hospital services as well as for specialist services like physios, occupational therapists and the like. In order to alleviate pressure on the hospital system, there may be an opportunity / need to increase the capacity of community health services in the region. New models of service delivery need to be explored.

- **Capacity of Respite Care Services to meet Current Needs** – There is high proportion of the region's population who require carers, including the elderly, people with disabilities, dementia and mental health issues. Consequently, the carers of elderly, people with disabilities, people with dementia and grandparents raising grandchildren as primary carers require adequate respite care as an essential service. Respite needs to be cater for needs in the home, day centres and for longer term periods.
- **Explore New Business Opportunities** – The increased demand for aged care and related services and facilities presents potential new business and industry opportunities that could be investigated in greater detail, for example:
  - Exercise/fitness, musculoskeletal strength training.
  - Increased demand for physios, occupational therapists, etc.
- **Mental Health Issues** – Consultation suggests that the older age group specifically resists the concept of mental health issues, despite adjustment disorders being common (i.e. "mid life crisis" or post retirement depression). On the supply-side, it has been suggested that the region's mental health carers are ageing, placing increased pressure on this sector. There is a need to adjust to changing economic status and a current lack of social supports. Part of the solution may lie in strategies to enhance social belonging and increased interaction with the wider community (see next point). In addition, this means that hospitals need skills and specifically trained staff to support patients with dementia during hospitalisation. This issue can be compounded by a lack of dementia specific beds in aged care facilities.
- **Engaging the Ageing Population in the Region's Community and Economic Development** – Previous work by the NRRDB highlighted opportunities to promote wellness and lifestyle as a seniors' lifestyle choice and associated business and employment opportunities in the Northern Rivers region. The focus would be on 'healthy ageing for all', promoting wellness and community inclusion. This can have potentially significant economic development benefits as well as positive community

development outcomes (both of which go hand in hand). Further work needs to be undertaken to explore and identify viable economic development opportunities for the ageing population, many of who have a diversity of skills and experience to offer industry and the community. This could include, for example:

- Government investment in inter-generational activity, and creative endeavour programs – healthier ageing and healthy lifestyle programs.
- Develop and implement a mentor training program on 'How to Mentor', and then host 'Find a Mentor' with database of skills, etc.
- Assist the ageing population to maximise their retirement income;
- Develop a model to take the IDEAS project to the next step to look at job creation and training across all new areas for this sector.

• **Promoting the Wellness and Lifestyle Industry as an Attractive and Rewarding Career Option** - The emergence of the wellness and lifestyle industry may also offer opportunities for people who may be attracted to career opportunities in this emerging industry. This may require leadership from RDA – Northern Rivers and its industry partners in promoting the industry as offering attractive, skilled, respected and rewarding employment opportunities. This needs to go hand in hand with the identification and ultimate delivery of new forms of health care. For example:

- Co-ordinated regional strategies to attract and retain a health services workforce, through:
  - Marketing
  - Career advisory days/work experience
  - Clinical placements
  - Increased internship/graduate positions - all health areas (physio, occupational therapy, etc.), including within the private sector and possibly based upon an apprenticeship/traineeship model – design and provide government incentives.
- Targeted attraction and training of community nurses to help reduce the number of hospital admissions (possibility of travelling nurses).
- Possible niche markets – “nanny day care” – 9 to 5 care – not necessarily health care but just a “watchful eye”.

Consultation noted that any promotion or marketing efforts should be focused on individuals currently residing in the region rather than seeking to import workers from capital cities / urban areas as previous attempts to import workers in the health and allied industries has been problematic.

• **Greater Support for Community Based Organisations** - Community based organisations are largely governed by volunteers and an ageing volunteer base. This could be unsustainable over the long-term, particularly as demands on aged care infrastructure and services increase. One potential solution is to develop a program to support the redevelopment of the governance of the community based sector in order to ensure its long-term sustainability and viability in the region. To help enhance the capacity of the region's volunteer sector include, RDA – Northern Rivers and its industry partners could look to facilitate volunteer programs – recruitment of younger volunteers:

- Possibly through industry partnerships – sponsorships
- “Adopt-a-Volunteer” – for meals on wheels, early childhood home care etc

It is noted that the region has at least 2 funded volunteer management programs (NORTEC Ltd and Lismore Neighbourhood Centre. These organisations are well established and have credentialing

processes in place however they have limited funds for marketing and promotion initiatives (two areas where regional assistance would be welcomed). It is considered important to work closely with these operators in advancing volunteer initiatives.

- **Indigenous Economic and Community Development** – Greater focus needs to be placed on the Aboriginal and Torres Strait Islander population, including:
  - Need for equity in employment and increased traineeships. While these are well supported promotion is needed. It may be possible to use school based programs with a focus on retention.
  - Facilitate a dedicated educational space with sustainable tools and programs.

It was noted during consultation undertaken that the majority of indigenous employment programs require permanent / full time placement of workers. This inhibits the uptake of indigenous workers to positions in the health and aged care sectors as the majority of positions in these sectors are part time or casual. It is therefore considered that the RDA could play an advocacy role to promote / facilitate greater flexibility in indigenous employment programs conditions specific to the health and aged care sectors.

- **The Ageing Population has Particular Health Care Needs** – Consultation indicates that the region's population, including its older population, is generally healthy but with a high incidence of chronic disease (i.e. high blood pressure, weight gain). There is also a high incidence of musculoskeletal injuries amongst the older population. The region's indigenous population also suffers from a higher rate of chronic health problems (many of which are lifestyle related and could be preventable through greater education). This places increased demand on community health services and hospital services. In response, there is a need to increase the capacity of community health services and funding for education initiatives.
- **Support Community Engagement of Health Care Workers** – The attraction of appropriately skilled labour is only the first step. In order to retain younger people now starting to move to the region (in support services), there is a need to ensure that young cohorts are provided for (with social and community services) as well. There is a need to ensure that these workers are supported through social engagement and the harnessing of community spirit. Appropriate studies and audits may be required to ensure this happens. For example, there may be a need for more community meeting spaces to encourage interaction and to ensure that growth is sustainable.

## 8.9 Building and Construction

### 8.9.1 Northern Rivers RIEP, 2006 -Development Priorities

#### **PRIORITY 1: Building on the Region's Clever Products and Speciality Skills**

*Undertake an assessment of the potential of region's pre-fabricated housing industry involving:*

- *identification of the industry's speciality skills and production capabilities in order to identify cluster development opportunities;*
- *impediments to accessing development site; , and*
- *linkages to finance to develop local supply solutions.*

**PRIORITY 2: Ensuring the Availability of a Skilled Workforce**

*Develop a strategy with education providers and industry bodies to expand VET and Traineeship provision in the region and to support multi-skilling.*

*Undertake a programme of awareness-raising in schools on the employment opportunities of the industry to encourage more entrants.*

**PRIORITY 3: Protecting Distinctive Village and Locality Character**

*Encourage recognition of the unique character of the region's urban settlements by:*

- *identifying the character of villages and town centres and fostering appropriate urban planning, sympathetic design and maintenance;*
- *measures to protect heritage buildings and country halls including through the review of Local Environmental Plans (LEPs) to achieve this outcome;*
- *discouraging in-fill between villages and towns;*
- *encourage sustainable, environmentally friendly building design and construction techniques and work practices; and*
- *encourage more innovative urban planning and building design to offer greater variety of housing types to serve diverse needs.*

**PRIORITY 4: Review Bushfire Regulations**

*Undertake a review of the bushfire regulations in order to achieve outcomes appropriate to the climatic conditions of the region.*

**PRIORITY 5: Support for Critical Projects**

- *Commit to the regular updating of industrial lands database.*
- *Expand and promote the Urban Design Awards as an educational process and positioning activity.*

## 8.9.2 Key Initiatives 2006 - 2009

- Northern Rivers Urban Design Awards program (2005 – 2008)
- North Coast Urban Design Guidelines (2009)

## 8.9.3 Current Considerations

Consultation in this sector has been minimal, and like the health, aged care and community services sector it is considered appropriate that RDA – Northern Rivers in conjunction with other relevant stakeholders explore the concept of establishing a working party to analyse in detail the current and emerging needs and priorities for the building and construction sector in the Northern Rivers. With respect to the pre-conditions for a competitive environment, key issues that have been identified for the building and construction industry in the Northern Rivers region include the following:

- **Local Supply Chains** – the region's building and construction businesses have been buoyed by the recent residential population growth but most of the local excess demand for industry services has been soaked up by Queensland firms entering the local market. Local employment has seen subdued

growth because of the market penetration from outside the region. Nevertheless, consultation with industry representatives suggests that better synergies can be developed with stronger links to local timber and forestry business.

## 8.10 Tourism

### 8.10.1 Northern Rivers RIEP, 2006 -Development Priorities

#### **PRIORITY 1: Strengthen Strategic Planning and Co-ordination**

*Top priority must be given to the development of a broadly-based and appropriately resourced regional tourism organisation capable of providing the industry with a renewed focus on agreed strategic priorities and directions. Review the Tourism Action Plan.*

#### **PRIORITY 2: Strengthen Regional Branding, Positioning and Marketing Partnerships**

- *Branding to reflect unique character and values of the region, not administrative convenience.*
- *Less dependent of State Government thinking.*
- *Focus industry energy and potential.*
- *Based on a sustainable tourism model and common attractions of the region.*
- *More effective co-ordination of marketing.*

#### **PRIORITY 3: Adding Value to Visitor Information Centre Services**

- *More emphasis on cross-selling between VICs.*
- *Integrated booking system.*
- *Greater Local Government support for sustainable tourism marketing and management.*
- *More attention to gateway VICs.*
- *Improved training for VIC staff and volunteers.*
- *More designated VICs.*
- *Better VIC signposting and extended opening hours.*

#### **PRIORITY 4: Comprehensive Review of Industry Pricing Practices**

- *Including research on visitor decision-making.*
- *Increase awareness of benefits that could accrue from better and more consistent pricing across the region.*
- *Development of a benchmarking training package.*

#### **PRIORITY 5: Tourism Packaging**

- *Integration of different travel mode packages to extend length of visit.*
- *Need for more research and analysis of opportunities.*

#### **PRIORITY 6: Events, Conferences and Festivals**

- *Co-operatively funded co-ordinator for the region.*
- *Better integration of travel packages with events.*
- *Emphasis on quality and uniqueness of event experience.*

#### **PRIORITY 7: Other Projects of Regional Significance**



- *Bundjalung Cultural Tours*
- *Agri-tourism development – Farm and Nature Tourism*
- *Rainforest Way*
- *Potential project for high end operators*

### 8.10.2 Key Initiatives 2006 - 2009

- Farm and Nature Tourism – business development program to diversify agricultural businesses (2006 – 2008)
- Taste of Tweed (2006 – ongoing)
- Review and reforming of regional tourism organisation – Northern Rivers Tourism, with greater industry involvement and support (2007 – 2008)
- Flood Recovery Tourism Promotion and Development Program (2008 – 2009)
- Australia's Green Cauldron identified as one of seven iconic Australian Landscapes for promotion to international tourism markets. Brand Development and Product Audit (2007 – 2008)
- Rainforest Way and Clarence River Way – master plans and implementation well under way to disperse visitors throughout the region, also specific product and infrastructure audits completed and new signage for Rainforest Way.
- Rivers of Life Marketing Campaign Prospectus for 2009 – 2011
- Tourism Symposium (2009)
- Repco World Rally Championship (2009)

### 8.10.3 Current Considerations

The Northern Rivers tourism industry is one of the largest in the country and is growth sector with potential. According to Northern Rivers Tourism, the Northern Rivers tourism industry employs over 7,000 people or nearly one in seven people. It generates more than \$1.3 billion in revenue to the regional economy and annually the region receives 225,000 international visitors, 1.7 million domestic overnight visitors and 3.1 million daytrip visitors.

Northern Rivers Tourism is pro-active in its strategic planning and industry promotion and destination management initiatives which are designed to enhance the industry's growth and contribution to regional development. A number of key considerations have been identified during the course of this RIEP data update and these need to be considered alongside NRT's Strategic Plan 2009-2011 which covers three broad program areas of:

1. Business & Capacity Building;
2. Marketing & Demand Building; and
3. Industry, Destination & Professional Development.

With respect to current considerations which should inform planning for the sector's needs and priorities moving forward, the following has been identified during the course of the RIEP Data Update:

- **Tourism Product Development** – Before an effective branding and communication strategy can be created and implemented, the region needs to ensure it has in place the right strategies for co-ordinated, sustainable and effective product development. The 2006 development priorities highlighted the importance of strategic planning and co-ordination and on project development and tourism packaging. A more proactive, collaborative approach to tourism development could foster future industry growth. The Northern Rivers' coastal strip currently dominates tourist activity and potential development of alternate-living/ health related tourism precincts, cultural tourism and Indigenous tourism in the western hinterland could address this issue. The region also has an emerging motor home industry (e.g. Casino Motor Home Village – 130ha). Further, the NSW Government's 'No Leave, No Life' campaign is expected to increase local destination travel.
- **Continue to Develop Regional Branding, Positioning and Marketing Based on the Region's Key Project and Attributes** – Discussions with Northern Rivers Tourism indicates that the region is still in the process of developing an effective and far-reaching tourism 'brand' for the Northern Rivers. Consistent with the development priorities identified in 2006, it is considered that the Northern Rivers region needs to continue strengthen regional branding, positioning and marketing partnerships, building on the region's key attributes and the work undertaken over the past few years such as the Rainforest Way, Clarence River Way and Australia's Green Cauldron. Key attributes, which should be reflected in regional branding and product development include:
  - The region's access to target markets – the proximity of the Northern Rivers to South East Queensland and regional NSW markets, its proximity to the Gold Coast Airport for access to secondary markets such as Sydney and Melbourne.
  - Physical Climate.
  - Regional Food.
  - Education infrastructure.
  - The Arts and Creative industries.
  - The "Northern Rivers Offer" – people don't want a holiday where they just drive and drop, they want to go somewhere and immerse themselves in the surrounds.

These projects are reflected in the recently launched Rivers of Life cooperative marketing prospectus. It follows the successful launch of NRT's Marketing Manifesto in Lismore in June 2009. Rivers of Life 2009 is a cooperative marketing campaign that will use a combination of magazine, press, television and on-line advertising to target regional and national markets to promote the Northern Rivers. The campaign is being funded through partnerships with the region's local government, tourism organisations and tourism industry operators and through the cooperative advertising opportunities listed in the Rivers of Life 2009 Prospectus.

- **Continue to develop and Capitalise Upon Past and Current Critical Projects for the Region as part of the Tourism Branding Strategy** – Emerging developments which essentially represent the region's tourism branding program and which are gaining traction in the region include:
  - **Rainforest Way and Clarence River Way** – Master plans and implementation is well under way to disperse visitors throughout the region, also specific product and infrastructure audits completed and new signage for Rainforest Way. This includes a series of loops and driving trails that lets

visitors and locals explore the spectacular World Heritage rainforests and the unique hinterland of the Northern Rivers NSW and South East Queensland. Rainforest Way links 14 magnificent World Heritage-listed National Parks and makes it easy for visitors to discover the region's natural, cultural and historic attractions. Northern Rivers Tourism is the lead agency responsible for the Rainforest Way Project. It is a cooperative initiative that crosses state borders and regional councils for the mutual benefit of all and is unprecedented in bringing together the support of a large number of government and non-government partners. Clarence Valley Council is the lead agency for Clarence River Way. Further development of the tourism industry needs to address the issue of how National Parks and the tourism industry can co-exist for the mutual benefit of both.

- **Australia's Green Cauldron** – has been identified as one of seven iconic Australian Landscapes for promotion to international tourism markets. Tourism Australia and Parks Australia forged a partnership between tourism and conservation to identify Australia's iconic landscapes, which capture and promote the best of Australia and are sought after by the global target audience of 'experience seekers'. The National Landscapes Program was announced in June 2008, together with the first eight National Landscapes. Australia's Green Cauldron is a National Landscape that covers NSW and QLD and the six local government boundaries (Tweed, Lismore, Kyogle and Byron in NSW and the Scenic Rim and Gold Coast in Queensland) and includes six World Heritage listed National Parks. A brand development and product audit was completed in 2008 and in 2009 a brief was prepared to commence work on a Master Plan to provide a framework for marketing and product development of Australia's Green Cauldron. Tweed Tourism is currently the lead agency for this initiative.
- **Events NSW (as an entity)** – Has promoted community and tourism events, for example the Repco World Rally Championship in Kyogle and the Tweed in 2009.
- **Industry Linkages to Enhance the Tourism Offer and the Region's Economic Development** – Tourism is a \$1.19 billion industry to the region, but it needs to be put alongside all the other industries rather than on a pedestal. Tourism promotion and development must leverage off the region's comparative and competitive industry strengths in food production, cultural and creative industries, health & wellbeing and education. A lack of inter-industry collaboration has been noted in the consultations regarding tourism development and marketing and this is considered to be an area requiring greater attention by Northern Rivers Tourism to explore how these linkages can be developed. This will require engagement with a diversity of industry players with a potential stake in the region's tourism product development.
- **Consider and Address Critical Projects of Influence over the Next 5 Years** – A number of planned projects or projects already underway will have a significant impact on the future of the tourism industry in the Northern Rivers and its potential as a sustainable economic driver. These include:
  - National Parks Tourism Taskforce Recommendations – which raise questions about how parks and tourism can coexist. In the past the focus has been on conservation without considering the benefits that placing a commercial value on national parks would have for education and the drive for conservation.
  - Continued development of Gold Coast Airport and the potential national market reach that this offers the Northern Rivers region.

- Pacific Highway upgrades.
- Coordinated signage and road improvements - according to Northern Rivers Tourism, the Northern Rivers region has a lot of ageing infrastructure (signage, roads, camping facilities, etc.) that require attention. A co-ordinated signage and related infrastructure improvement exercise would provide an opportune time to address infrastructure issues in a co-ordinated and holistic manner.
- **Tourism Leadership and Capacity** - Tourism is a major industry in the region. However, it is a relatively new industry nationally, and has not yet developed industry-driven advocacy and resourcing structures (such as those in the mining and agriculture sectors). Development and leadership currently comes from government, rather than the industry. Continuity of government funding for tourism development and promotion is limited. The NSW Government has issued \$40 million to Tourism NSW, \$10.5 million of which is going to the regional tourism bodies. Consultation suggests that this funding will support building the capacity of the regional tourism bodies such that they are financially viable and independent and can start to build demand in the tourism markets themselves with strong local industry leadership. This requires programs/methods to encourage industry leadership from within the tourism industry, supported by ongoing liaison and co-ordinated planning between Tourism NSW and the regional tourism bodies.

# Targeted Consultation

A targeted list of stakeholders was developed in preparing this update of the RIEP, and the following people were consulted to provide feedback on the industry considerations:

Rowena Bell-Bradbury	AusIndustry
Paul Bennett	CEO of NORTEC
Pam Brook	Director Brookfarm
Gary Burridge	CEO Northern Cooperative Meat Company
Steve Connelly	Planning Institute of Australia
Chris Connors	CEO NSW Sugar Milling Cooperative Ltd
Prof. Mike Evans	Southern Cross University (Business and Law Faculty)
Wayne Halcrow	Richmond Valley Council (Director of Corporate Services)
Craig Jenkins	Industry & Investment NSW (Business Development Manager)
Kerren Law	Clarence Valley Council Economic Development Unit
Ian Lyall	Manager Aquaculture - Agriculture and Fisheries, Industry & Investment NSW
Elizabeth McGregor	Director, North Coast Institute of TAFE
John Macgregor-Skinner	Northern Rivers Private Forestry
Greg McNamara	Chairman Board of Directors, NORCO
Russell Mills	CEO Northern Rivers Tourism
Mike O'Shea	Forest Enterprises Australia
Sue Page	Division of General Practitioners
Christine Pauling	Feros Care
Lois Randall	CEO Arts Northern Rivers
Glen Searle	Searle Aquaculture
John Williams	Regional Director, NSW Dept of Primary Industries
Trevor Wilson	Industry & Investment NSW (Business Development Manager)

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