



Kyogle's Economic Development Future

Pathways to Prosperity

Discussion Paper

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Quality Information

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About this paper

Kyogle Council has investigated and prepared a number different economic development policies and plans over the past 15 years which have recognised the area's potential for growth based on a sustainable approach, building on the area's rural strengths. This has included the *Kyogle "Sense of Place Project" Economic Development Plan* (Sense of Place Report), prepared in 2003 in conjunction with the then NSW Department of State and Regional Development under the oversight of a Steering Committee consisting of a Kyogle Councillor, local business representatives, government officials and local producer representatives and consultants. The Plan outlined strategies and actions for: agriculture, retail and commercial industry, tourism industry, light manufacturing industry and forestry industry. Many of the actions in the Sense of Place report focused on advocacy and business support aspects.

The Council also prepared an *Economic Development Policy* in 2011 which intended to guide the local government area's economic development until 2015. The policy was heavily based on the concepts of:

- Sustainable community and sustainable economy
- Sustainable environment
- Sustainable growth and working together

The importance of agri-business and aged care accommodation was already identified as key sectors for potential economic growth in the Kyogle area.

Much of the earlier investigations into economic growth potential for Kyogle and its surrounds have focused on 'local' capability with some context about the area's location as part of the Far North Coast Sub-region of NSW, including the social context of this setting. Little critical consideration has been given to broader influences.

Since these forerunner economic development investigations, plans and policies, significant changes have taken place in key factors which are able to influence the area's future economic growth directions. This includes the economic shock and associated downturn resulting from the Global Financial Crisis (GFC) of 2007-2008, coupled with a resources boom for Australia and rapidly expanding overseas markets for commodity products including agricultural goods. In addition, Kyogle's proximity to the rapidly growing South East Queensland Region (SEQ) centred on the Brisbane, sunshine Coast and Gold Coast metropolitan areas, and the Bromelton State Development Area, offers new markets and opportunities for the future.



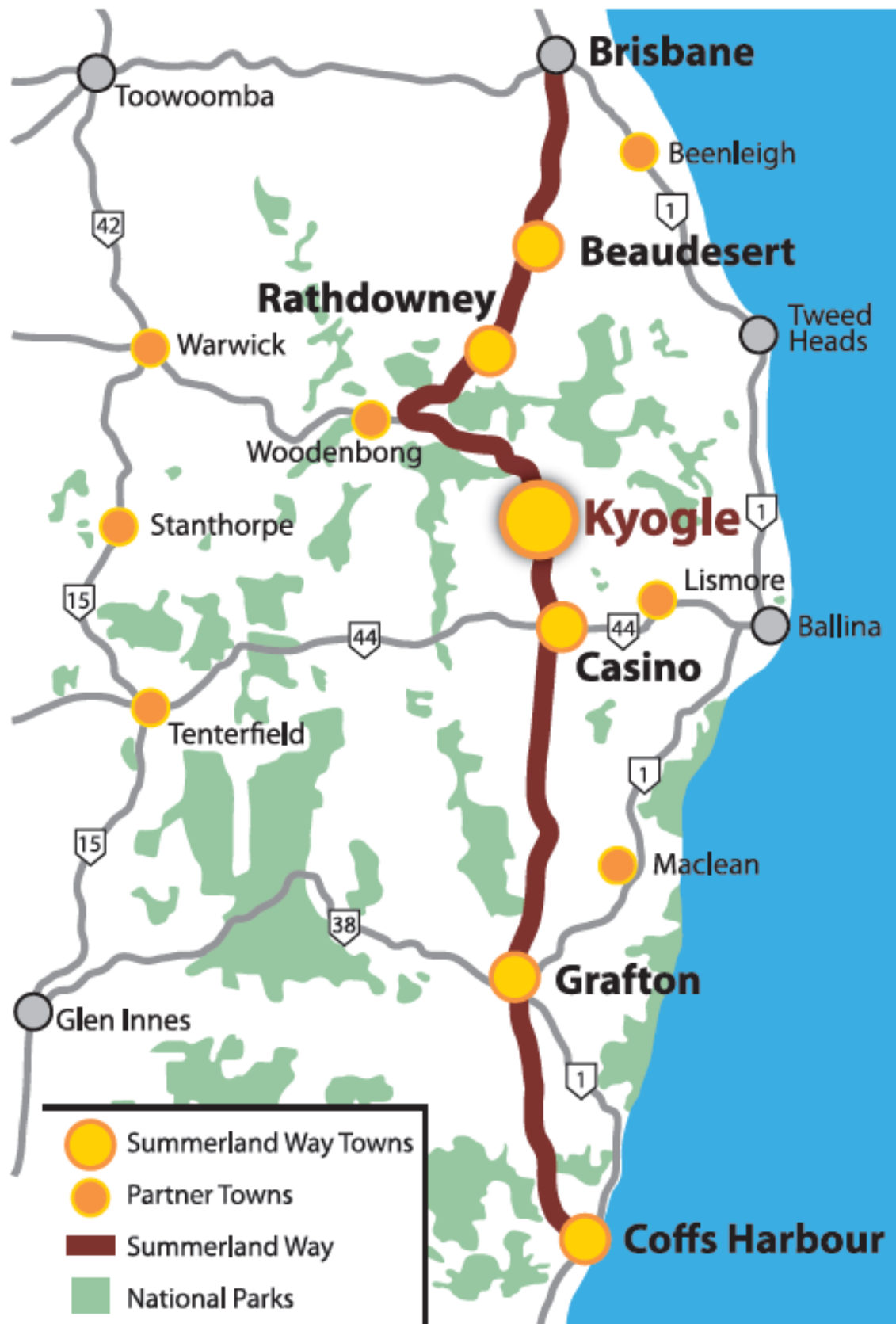


Figure 1 Location

The 'globalisation' of Brisbane and SEQ as a 'global city' and a proliferation of international free trade deals are increasingly being seen as having a growing significant influence on local trade and economic prosperity in the Kyogle area. The Council during March 2017 launched a '**Pathways to Prosperity**' approach to its planning. This represents an integrated approach to its social, economic, environmental, and general land use based planning for the area and build on its natural strengths and opportunities .

Economic development is seen as a key driver for the area's future and overall prosperity. Sustainability as well as a renewed focus on 'liveability' form integral parts of the Council's approach to its Pathways to Prosperity which encapsulates a range of already undertaken land use planning decisions since 2016 intended to help build on the area's rural strengths, its scenic attractions and potential for complimentary developments as well as advocacy at a cross-border regional planning level.

In March 2017, the Council convened a local *Business Leaders' Forum* which was attended by invited local business representatives, key speakers focusing on economic, marketing and export as well as economic sustainability planning, elected Federal, State and local members, government agency officials and Council staff. The Forum discussed contemporary economic factors that are likely to influence the area's future economic development, key sectors for attention, and some broad-scale actions to develop a practicable strategy that is likely to gain widespread support and success.

This discussion paper is largely intended to summarise the key outcomes of the Business Leaders' Forum within the context of recent global and regional economic influences as well as re-confirming key local economic strengths.



Introduction

The Kyogle local government area is an agriculturally productive and scenically attractive area on the upper catchments of the Clarence River and Richmond River. The two catchments are separated by and framed by ranges with World heritage Area Sub-tropical Rainforest. The local government area covers approximately 3,589 square kilometres and has a population of approximately 9,537 (ABS, 2015 – see:

http://stat.abs.gov.au/itt/r.jsp?RegionSummary®ion=14550&dataset=ABS_REGIONAL_LGA&geoconcept=REGION&datasetASGS=ABS_REGIONAL_ASGS&datasetLGA=ABS_NRP9_LGA®ionLGA=REGION®ionASGS=REGION)

The Kyogle area has experienced mixed growth over the past 20 years with low population growth forecast based on this recent historical trend. Relative stagnation or slight decline in population has been the result of a challenged economy due to GFC effects, decline in forestry as an economic mainstay for the area and fluctuation rural commodity prices in dairy, beef and some horticultural products. Current official estimates show a decline in the rate of population change from 0.4% increase per annum in 2014-15 to less than 0% (i.e. declining population) by 2026-27. This is substantially based on an extrapolation of existing trends and assumptions and takes a conservative approach to changing global and regional economic dynamics. No apparent allowance is made for any proactive strategic planning on the Council's behalf.

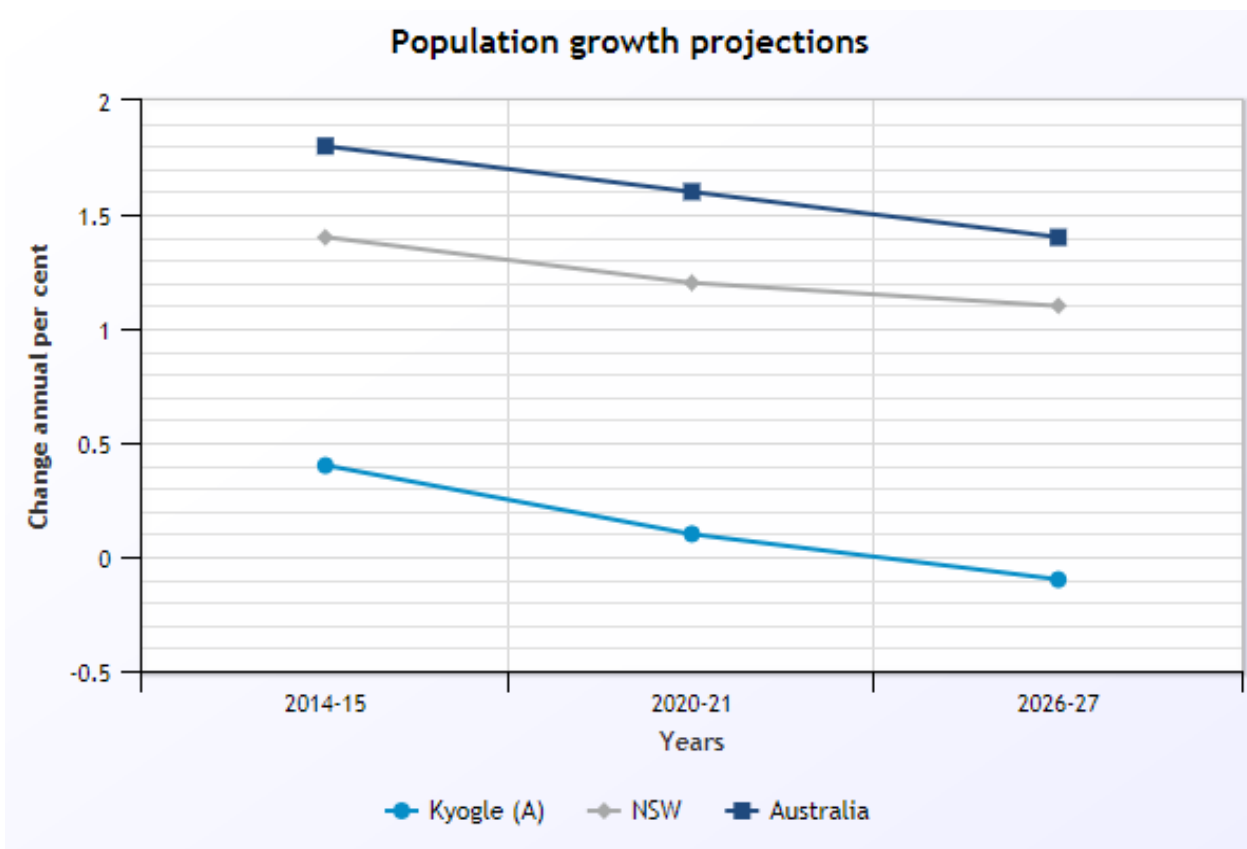


Figure 2 Projected Population Change

This Paper expands on the **Pathways to Prosperity** process the Council formally recognised at the Business Leaders Forum in March 2017. The process identified five strategy stages and associated processes towards greater certainty for the local community. Economic development planning forms a direct part of this overall process. Expansion of the concepts and aspirations from the Business Leaders' Forum forms a 'prelude' phase of the planning process. The Plan-making phase takes the agreed concepts and key opportunities, together with the initial understanding of the 'vision' and economic planning objectives and develops key actions to deliver the preferred outcomes. The 'Implementation' phase is largely about consolidation of the agreed actions and monitoring the effectiveness and efficiency of the Council's agreed approach.

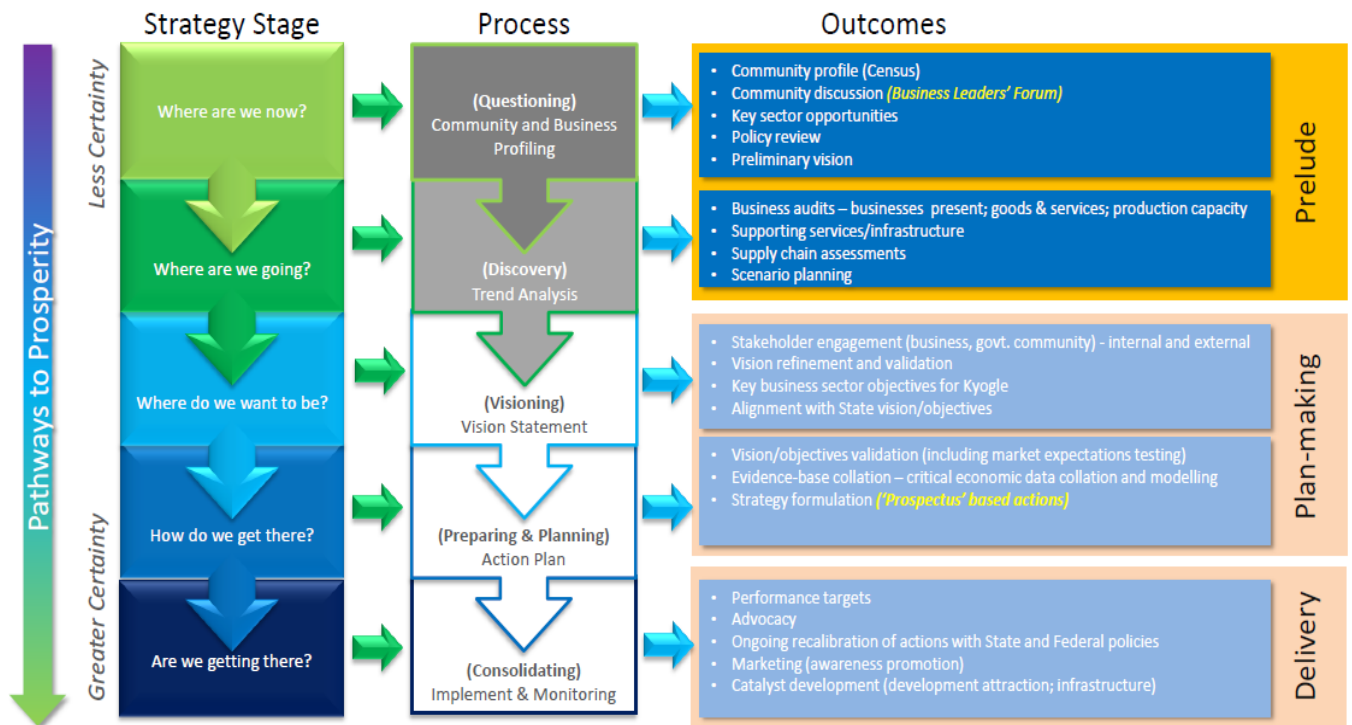
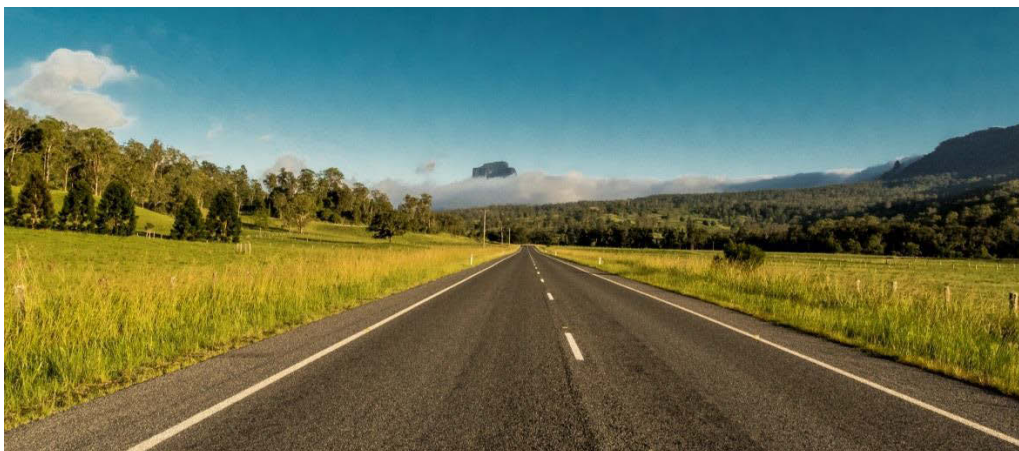


Figure 3 Pathways to Prosperity - Economic Development Context



Readiness for growth

Kyogle's economic legacies

Kyogle has a strong history of strategic investment in agriculture and cooperative management that has provided economic strength for many small business operators as well as establishing nationally important industries and services stemming from small local businesses. The area is known for its ability to maintain a strong local rural community character and values while also embracing an appetite to diversify and adapt to contemporary changes in the economic landscape affecting the area and its people. This has also led to the development of well-exercised levels of resilience throughout the community.

Apart from its stoicism, the community also recognises other attributes, including some that have resulted from changes outside of the Kyogle area, that help to define its investment and growth readiness, including:

- World Heritage class natural beauty and unspoilt scenic attractions providing a range of visitor experiences for visitors
- Strong beef grazing and dairy farming expertise
- Productive and well-managed farmland for diverse grazing and cropping purposes
- Fertile lands based on river alluviums and volcanic soils adjacent to some of the area's ranges
- Experienced and highly qualified workforce, locally and within nearby region
- Proximity to large 'global city' Brisbane and SEQ markets and regional centres of Lismore and Tweed
- Proximity to nearby national and international transport hubs including Brisbane West Wellcamp Airport, Gold Coast Airport, Brisbane Airport, Port of Brisbane, and the Sydney-Brisbane rail corridor
- Access to good road infrastructure providing east-west linkages to the Pacific Highway and coastal and inland areas (e.g. Tenterfield and New England Plateau) and north-south connection to the Southern Downs and Scenic Rim Regions of SEQ as well as Casino and Grafton to the south
- Strong local leadership
- Access to extensive local, regional and interstate services, including hospitals, tertiary education, government and retail services
- High levels of lifestyle attraction complementing business opportunities, including proximity to coast – being approximately 1 hour from Ballina/Byron Bay or Evans Heads

Kyogle's growth has been influenced by a number major projects and events over past decades. Events have sometimes been negative in terms of their local economic effect. This has included a timber mill (Norply) fire in 2005 which led to the loss of around 140 jobs and the associated impact on the broader local economy.

In contrast, the re-adjustment to the NSW timber industry through the Regional Forests Agreement process during the 1990s led to significant reductions in access to native tree timbers and which resulted in a reduced number of local timber mills and associated labour force throughout the area. Adjusting to the effects of major economic shocks through industry re-adjustments or changes in markets is not a new occurrence to the Kyogle area. The formation of the European Common Market and Australia's resulting restricted access to British markets for dairy products had a significant detrimental impact on the region's butter and cheese making output in the early 1970's.

Kyogle, like most other regional centres, also suffered noticeable impact during and after the GFC. This resulted in declining investment into the region both in terms of capital

improvement to existing business infrastructure, housing and new businesses as well as limiting the capacity for governments to invest in infrastructure and services.

Key regional and local projects that have enhanced Kyogle's economic growth potential over the decades are varied and include the construction of the rail connection between Brisbane and Sydney (including the Border Loop over the Border Ranges and the rail goods yard and butter factory loading facilities at Kyogle), consolidation of earlier track and road networks into sub-regional and regional inter-connecting main road networks, major bridges over the Clarence River at Tabulam and more recently at Kyogle providing better flood resilient connections. Sub-regional and regional projects involving Lismore and coastal centres have also provided significant service improvement to the region which has had a significant supporting effect for local areas such as Kyogle.

Current and future projects that are likely to have a significant economic bearing on Kyogle's business activity and prosperity include;

- The new bridge across the Clarence River on the Summerland Way at Grafton
- The Pacific Highway dual carriageway upgrade
- The new bridge across the Clarence River on the Bruxner Highway at Tabulam
- The Alstonville bypass on the Bruxner Highway
- the Bromelton State Development Area inter-modal transport and logistics hub development near Beaudesert in SEQ
- any ongoing expansion of the Brisbane West Wellcamp Airport development near Toowoomba
- upgrading of the Mount Lindesay Road
- upgrading of the Summerland Way and Mount Lindesay Highway connection (including potential deviation at Mount Lindesay)
- airport improvements and increased capacity handling at Ballina and Gold Coast airports
- Expansion of the Balund-a correctional centre south of Tabulam
- Upgrades to the Lismore Base Hospital and Bonalbo MPS
- The upgrade to the Kyogle water supply
- Provision of sewerage services to the villages of Tabulam, Mallanganee and Wiangaree
- The redevelopment of the Casino Saleyards
- ongoing NBN and mobile blackspot program rollout.

Significant secondary economic development benefits are also likely to be experienced through ongoing residential growth in the Lismore and casino areas as well as service sector (e.g. retail and other services) in these locations. These latter factors are likely to increase Kyogle's attractiveness as a location for lifestyle residential areas in close proximity to these larger centres.

Government investment in the region and locally is continually improving Kyogle's position for economic growth. This is further aided by comparative cost differentials between the local land prices and those of nearby centres which have tended to rise much more dramatically. This has increased Kyogle's recognition as a 'value for money' investment opportunity.

Regionally, Federal and State governments have focused budget support for major road infrastructure improvement along the Pacific Highway. While this may not directly appear to benefit Kyogle locally, the investment is likely to have significant secondary benefits by increasing the region's attractiveness through enhanced road transport capacity and improved travel times to the major metropolitan areas of Sydney and SEQ. Increased population growth within the region as a result of this investment is likely to have flow-on effects for Kyogle through increased regional market capacity, an improved regional skills base and levels of available services (especially any services that tend to be dependent on population thresholds).

While Kyogle takes its political lead from the NSW Government, it is also significantly influenced by Queensland investment in infrastructure and market expansion. Significant projects that are likely to have a profound effect on Kyogle's local economic opportunities include the construction and operation of the Brisbane West Wellcamp Airport which serves as an additional direct air freight hub to international (i.e. notably Asian) markets. This has been enhanced through the \$24 million investment along the Mount Lindesay Road from the NSW and Federal governments connecting Woodenbong to Killarney and onto Warwick and Toowoomba. This has not only opened up a new direct air transport link for Kyogle's producers but also enables more efficient flow of products into our region for processing – e.g. pigs and cattle.

Trade access to overseas markets is now regarded as a key economic consideration across most regions in Australia. Built for purpose air freight hubs, like the Wellcamp Airport, provide increased capacity for efficient goods handling and distribution to markets. This also applies to Brisbane Airport and to a lesser extent to the Gold Coast Airport. The latter is much more significant in terms of its capacity to bring interstate and overseas visitors to the region and their appetite for a range of tourism experiences that Kyogle and the region may be able to provide.

Locally, the Kyogle Council has identified its own local road network as a key strategic consideration for its economic growth prospects. This has included focus on its many bridges to ensure that local freight and commuter/visitor access can be effectively maintained for trade, lifestyle and safety purposes.

The Council has approximately 321 bridges and 1,216 kilometres of road that it is responsible for. This includes a total of 167 timber bridges. In order to see the timber bridges replaced in the next 20 years, the annual replacement budget would need to be \$2M, which will require significant external funding to continue to be added to the bridge replacement program for this to be achieved. There is a long term economic benefit to Council if this could be achieved. As the number of timber bridges is reduced, the requirement for maintenance and upkeep of the concrete and steel structures which replace them will also reduce. This could see the current \$550,000 per year allocated for maintenance, reduced to around \$200,000 per year, an ongoing saving of around \$350,000 per year.

As these replacement structures also have a longer life than the existing timber structures, the annual funding for replacements over the life cycle of the new structures will reduce from the \$2M required for the next 20 years, down to \$1M per year, an ongoing saving of \$1M per year. After 20 years, this would see the annual costs associated with bridges reduced by \$1.35M per year. In simple terms, an additional \$32M investment over the next 20 years, would be offset by an ongoing saving of \$1.35M per year thereafter, making the payback period for the \$32M investment a further 23 years.

Council's road program identifies the following key targets:

- Initial sealing of the most heavily trafficked unsealed roads – \$3.5M program implemented over four years
- Improve drainage infrastructure and gravel coverage on unsealed rural roads in order to reduce the impact of heavy rain, ensure adequate width for passing vehicles and to make grading easier and more efficient – \$15M program implemented over 20 years
- Widen narrow sealed pavements to allow vehicles to pass without the need to drive on the unsealed shoulders, reducing shoulder wear and avoiding accelerated deterioration of pavements – \$5M program over 10 years
- Provide kerb and guttering and improved urban drainage systems and widen narrow urban streets – \$5.5M program over 20 years
- Reseal existing sealed roads that are still in fair to good condition, so that the wearing surface remains intact, reducing potholing, cracking and ingress of moisture that lead to accelerated deterioration of the underlying pavement, causing

potholing, rutting, shoving and deformation of the road – \$786k/yr over a network of 334km and at a reseal frequency of once every 15 years for Regional Roads and 17 years for local roads.

Workforce characteristics

The comparative largeness of the SEQ economy and that of other nearby centres such as Lismore and Casino have seen manufacturing and the rapidly expanding services sectors gravitate to these locations, at the 'expense' of the Kyogle area. Industry adjustment within the agricultural sector has also contributed to a declining labour force in Kyogle as farms have tended to grow larger and/or become more mechanised. This is directly offset by the phenomenon of the rapidly increasing labour force in the services sectors - notably in aged and healthcare sector, retail, and education and training services.

Table 1 Employed persons by industry type

Industry type (ANZSIC)	Proportion of population			
	Kyogle LGA	Kyogle LGA	Northern Rivers Region	NSW
	No. Employed	%	%	%
Public administration and safety	100	4.0	6.0	6.1
Wholesale trade	129	5.1	3.0	4.6
Health care and social assistance	260	10.3	16.4	11.9
Construction	177	7.0	6.2	7.4
Manufacturing	219	8.7	7.3	8.6
Education and training	314	12.5	10.1	8.2
Accommodation and food services	100	4.0	9.6	6.9
Transport, port and warehousing	83	3.3	3.3	5.1
Professional, scientific and technical services	76	3.0	4.6	8.1
Other services	87	3.5	3.9	3.9
Retail trade	290	11.5	14.5	10.7
Administration and support services	34	1.3	2.5	3.4
Mining	0	0	0.2	1.0
Financial and insurance services	24	1.0	1.9	5.2
Rental, hiring and real estate services	19	0.8	1.8	1.7
Information media and telecommunications	6	0.2	1.2	2.4
Electricity, gas, water and waste services	17	0.7	1.0	1.1
Arts and recreation services	35	1.4	1.3	1.5
Agriculture, forestry and fishing	550	21.8	5.1	2.3
Total	2,520	100	100	100

(Based on ABS 2011 Census – Place of work statistics)

While agriculture has declined in its importance as a direct employer, it still remains a significant contributor to Gross Regional Product (GRP) and in turn has the potential of generating indirect employment to service the agriculture sector. It has been estimated that agriculture contributes approximately \$54 Million to the Kyogle economy which represents approximately 16% of the total economic wealth. This compares to approximately \$414 Million (3.4%) for the North Coast GRP. This demonstrates Kyogle's agricultural importance to the region compared with the overall regional contribution of agriculture.

Food production and particularly 'value-added' production through processed food and beverages as well as fibre processing is still expected to form a strong part of many rural economies as larger urban areas continue to grow rapidly and consume more food and resources. Competition to supply such markets cost effectively is likely to see a continuation on greater reliance on mechanisation, smart technology and larger production areas, all resulting in less labour reliance for direct on-farm activities. Potential does exist for increased employment from value-add industries which may be able to help sustain rural populations

such as that of Kyogle where appropriate strategies can be put in place to attract such investment.

The growing demand for a closer connection to where and how food is produced is creating an emerging market with a focus on fresh local produce and niche value added products. There is a complementary lifestyle element to this market that Kyogle is well positioned to take advantage of. This includes opportunities around small scale diversified farming, share farming and co-operatives, and tourism and visitor experiences on farm as people seek out the genuine 'paddock to plate' experience.



Kyogle's growth challenges

Global cities effects

Council's Business Leaders' Forum heard from leading economic planning consultancy, Macroplan, that Kyogle will be increasingly influenced by Brisbane's and SEQ's economic growth directions. Globalisation, international trade, technology, wealth and demographics are driving growth and change in service sectors, including in Brisbane – notably in housing services and business services. Key growth industries for SEQ over the next five years are expected to be in health care and social assistance, professional, scientific and technical services, education and training, accommodation and food services, and construction.

Impacts are expected to include increased population growth, new and different formats for workspace and residential formats. The move into a services sector era is expected to result in structural change that will require different methodologies for understanding and forecasting jobs and economic growth. This is likely to have an accentuated effect on surrounding regions as larger urban centres like Brisbane increase their gravity for population and diversity of services that are available. The future employment will have implications for how we live, work and play.

The geographic impact of digital technology is likely to be profound at a global as well as the regional and local levels. On the one hand, such technologies are likely to bring people and markets closer together (making it easier to be noticed). On the other hand, competing interests will also be able to provide alternative product and services opportunities, often from remote locations, potentially competing with local service providers including by providing more cost effective solutions in some instances. This can have the beneficial effect of providing access to services not previously able to be considered as well as negative impacts of replacing existing less efficient service providers. Replacements of existing service providers can also have an added detrimental effect on other businesses and families who may have been dependent on such replaced businesses.

The full effects of a move to a service economy have not yet been fully researched in the Australian context. It is likely however that this will move to a further phase driven by transformative technology that is driven by interconnectedness and robotisation with clusters of industry that complement each other and result in competitive efficiencies. This in turn will shape the thinking about future settlement patterns and urban structures as well as their relationships to rural and regional locations.

This concept of the 'global city' has been further considered by Brian Haratsis of Macroplan in terms of so called 'destructive cities' with successful cities being those that are able to readily adapt and 'metamorphose' to find their place and meet the challenges of the changing global economy.

The future is less clear for rural and regional locations which will need to do similar to our larger cities like Brisbane and SEQ, but will not only need to be mindful of global influences but also inter-regional influences and how local areas like Kyogle can leverage off a changing city situation such as Brisbane. There is also a need to monitor the potential impacts of decisions at a state government level, particularly as they affect the key cross border issues and services.

It is largely accepted that Queensland's global opportunity will be driven by Asian population and economic growth. Apart from commodities, significant opportunities are likely to result from demand for Queensland education and tourism subject to competitive price points. The effectiveness of SEQ 'city building' to meet demands from the globalisation of services will be important in how adjacent regions and locations such as Kyogle formulate their own economic growth strategies.

Kyogle's growth strategies will need to not only consider those sectors where it has been traditionally strong – e.g. agriculture – but also which sectors are most likely to support sufficient employment to help increase its population across different age cohorts. In this regard, Kyogle will need to also consider its place and role in a services sector dominated global economy in terms of those services that are in most demand and which it is most likely to be able to provide on a competitive basis.

Such economies and services will need to be highly efficient, accessible with heavy reliance on digital technology and efficient connectedness, notably to larger nearby markets including Brisbane, Gold Coast and centres within our own Northern Rivers Sub-region.

Regional cities

While Lismore and Tweed cannot be described as 'global cities' they are significant urban areas within our region that are heavily influenced by the growth of global cities like Brisbane, the broader SEQ and Sydney. As a major provider of services, SEQ in particular is increasingly influencing our two main regional urban centres in terms of their changing economic roles, the jobs that they provide and general built forms and spatial considerations (e.g. influences regarding major inter-metropolitan networks such as Pacific Highway Motorway construction).

Planning and economic development within the Northern Rivers Sub-region has, to date, been heavily linked to its key urban centres with little consideration of cross-border effects from SEQ. This can be clearly seen in the differences between earlier regional plans affecting the sub-region, the recent draft North Coast Region Plan and the finally adopted North Coast Regional Plan. Only the latter has provided any substantial recognition of the potential impacts of SEQ growth on our region.

Kyogle leverages much of its economic development potential directly from Lismore, Casino and to a lesser extent from the Tweed – either directly or indirectly. This is notably with regard to access to a range of services. In return, Kyogle is able to use these regional urban centres as markets for services and goods that it is able to provide as well as providing lifestyle opportunities either for 'escape visits' or peri-urban residential opportunities. In this way growth within Kyogle is directly linked to levels of growth within Lismore and to a lesser extent in Casino and Tweed.

The future economic growth in Kyogle is as much linked to how successfully Lismore, Casino and Tweed are able to position themselves in terms of a globalised economy and growth of SEQ as what Kyogle's own unique economic destiny may be able to achieve. For this reason, maintaining a strong regional perspective and associated input into its decision making processes (e.g. through NOROC or other forms of regional forums) is likely to become even more elevated in importance for Kyogle's future prosperity.

Caution about globalisation effects

While keeping up with the effects of globalisation will undoubtedly be a key consideration, the real challenge may be to ensure that local economies such as Kyogle do not go so far as to be replaced due to an over-concentration on either attracting large capital players or servicing large external markets. In Canada, local governments have identified that attention also needs to be paid to ground up local economic development in order to mitigate displacement of local populations and the existing businesses and industries they rely on, and to strengthen the adaptive and innovative potential of local industries and sectors.

Growing research from the U.S. and Canada consistently shows that locally owned independent businesses circulate more money in local economies and create a deeper and more diverse multiplier effects (see:

http://www.sfu.ca/sustainabledevelopment/professional-programs/community-economic-development/news_events/fcm-discussion-paper-on-economic-development.html). This is likely to result in more resilient and economically healthy towns and neighbourhoods (see

Appendix 4). In the process of attracting global investment and finance, communities such as Kyogle should also consider important indicators of community health, entrepreneurship and industry.

These economies deserve equal attention in the community's other planning and decision making contexts – e.g. land use and social planning – and often form the type of economies that other global talent enjoys engaging in because they are unique, have character, are authentic, have greater propensity to demonstrate charm and variety, particularly if that global talent is able to afford to live or visit there.

Recent examples of emerging (or reconsolidating) diverse economies within the Kyogle business community include the increase in lifestyle and arts retailing and services. This has culminated in the publishing of a booklet – *Kyogle Culture* – showcasing artists and lifestyle products, services and experiences available throughout the Kyogle area. These are all effectively small businesses employing a range of people in diverse workplace situations, attracting and providing services to visitors. Council should look to support the continued publication of this valuable promotional tool for showcasing local businesses and attracting new investors.

Funding

Funding is a crucial consideration for any plan involving ongoing maintenance or change. Kyogle has a small rate base with a dispersed population relative to its local government area size and terrain complexity to add to funding pressures.

While the Council is regarded as a 'financially sustainable' local government, this does not necessarily factor any changes to its community infrastructure or services that may be required to rapidly deal with or adjust to in terms of major economic shocks associated with a globalised services orientated economy. This may include the need to undertake major upgrades to road and transport infrastructure, accommodation or services to take advantage of emergent, but competitive, global market opportunities.

Given that Kyogle forms part of a sub-region, strategic funding decisions that are likely to beneficially affect the Kyogle area may increasingly extend outside of the local area. This is already being recognised with the potential importance of the Clarence River Bridge replacement at Grafton and upgrades along the Mount Lindesay Road. Maintaining and strengthening strategic alliances is likely to become more significant in trying to establish competitive and collaborative advantages when dealing with the impacts of globalisation over time.

A strategic alliance approach to major projects is much more likely to gain Federal and State funding support as well as potential private partner consideration and support into the future. While not in our region, the Wellcamp Airport is a recent example of where strong regional (and subsequent state support) has led to significant private investment into a new airport that has opened significant international market opportunities for regional producers.

Transportation networks

Transportation networks form a major consideration for effective economic development planning within Australian rural regions to gain access to markets and services. This was reconfirmed as a significant issue for Kyogle at the Business Leaders' Forum.

The importance of the Summerland Way, and particularly the realignment to the Summerland Way/Mount Lindesay Highway at the Queensland border, as the main economic development enabler for the local area and much of the region must be recognised. This is substantially to enable heavy vehicle transport and associated trade through the region between Grafton and Bromelton near Beaudesert in SEQ, taking advantage of the proximity and connection to the Sydney-Brisbane rail corridor. This would provide a more direct route to the Bromelton State

Development Area which is being developed as a major transport logistics hub to service the Port of Brisbane and the SEQ Region.



Figure 4 Key North-South Road Transport Routes

Apart from enabling improved market access for Kyogle producers, improvements to this potentially significant transport corridor is likely to provide secondary economic benefits through increased flow of vehicles and the need to provide services providing additional employment prospects, an ability to better support existing families through improved prosperity as well as new residents with family members involved in services supporting the increased transportation and trade and improved access for visitors who are able to get the benefits of an improved road network (e.g. notably from SEQ).

This latter prospect is likely to become more significant as the SEQ urban footprint grows further southward. The Scenic Rim Region is projected to grow from a current population of 38,617 people in 2011 to approximately 62,000 people by 2041 (see medium based projection - ShapingSEQ - draft SEQ Regional Plan, 2016). This will place the Kyogle local government area boundary less than 30 minutes from a major SEQ urban area and less than 90 minutes from Kyogle.

The importance of the 'first mile' transport infrastructure to the local economy must also be recognised. Kyogle Council has over 30 load limited bridges and a number of sections of sub-standard local roads which impact negatively on the efficiency and safety of transport routes for workers and freight. Priority for improved local transport has been given to infrastructure in the Tabulam agri-business precinct, specifically Tabulam Rd, Culmaran Creek Rd, and the southern (unsealed) section of the Clarence Way. There must also continue to be a focus on improving the connections between Kyogle and its villages, with the Clarence Way a critical area for future improvement.

Urban transport network improvements over time within SEQ are also likely to impact access to services for the Kyogle area and the changing nature of the area's economic role. It is likely that the eventual connection of Beaudesert to the Brisbane metropolitan rail system will provide easier commuter travel for outlying areas including Kyogle area residents, thereby further enhancing and complimenting Kyogle's lifestyle attractiveness. Until this expansion occurs, Council should continue to advocate for changes to the Sydney-Brisbane XPT passenger service timetable to allow for improved accessibility for the Kyogle and Casino communities.

Utility services

Utility services, in NSW, are generally the responsibility of government corporations, county councils and/or local councils. Regional water provision is provided by Rous County Council and Tweed Shire Council. This helps service the larger urban centres in the sub-region. Kyogle township urban water services are provided by Kyogle Council. Following the completion of the augmentation of the Kyogle water supply in 2017, adequate supplies are available to cater for growth and increased demands for the foreseeable future.

The villages of Bonalbo and Woodenbong are also serviced by Council operated water supplies and sewerage systems, including the joint water supply shared with Tenterfield Shire Council servicing the communities of Urbenville, Muli Muli and Woodenbong. In both Bonalbo and Woodenbong these systems have adequate capacity to cater for future growth and expansion.

The remaining villages and settlements within the LGA are not currently serviced by urban water supplies or sewerage systems. Council has undertaken feasibility studies to provide reticulated sewerage systems to the villages of Tabulam, Mallanganee and Wiangaree, and has provision in the Long Term Financial Plan to fund 50% of the cost of constructing these new systems, so as to allow for future growth in these villages.

Rural areas, outside of the larger town or village areas are required to have their own potable water source – usually rainwater based. Controls exist for those properties that wish to use their own potable water supplies for commercial purposes. The provision of potable water (urban or rural based), while a noticeable cost factor, is generally only a matter of any significant concern where new development areas need to be considered and new trunk infrastructure needs to be provided, particularly where land acquisitions may also be required to house infrastructure – e.g. water reservoirs and treatment plants.

The provision of sewerage services and sewage treatment plants is solely provided by the Kyogle Council within certain urban areas, as discussed above. Development within all other areas is required to provide its own, largely 'onsite', systems subject to standards that apply. Adequate sewage treatment can be a significant cost factor for new businesses. This is

particularly the case for businesses that require significant amounts for water for industrial processes and which produce larger amounts of commercial waste water.

The Business Leaders' Forum identified value-adding food and beverage processing as a 'desirable' economic activity that fits in with its strong agricultural background, its culture and synergies that may exist between such industries and tourism. Businesses seeking such opportunities are likely to be most interested where the input establishment and running costs make this most attractive. The provision of sewered land ready for development is likely to be one of the factors in the area's ability to entice the establishment and on-going support for such businesses.

At present, Kyogle has industrial land on the southwestern outskirts of the town approved for subdivision and connection to urban water and sewerage services. The site is not yet developed, and requires fill for effective development decreasing the site's competitiveness as suitable land available for industry. While the site may ultimately be developed, it demonstrates the need for careful strategic consideration of land and services and to have such sites ready for factory construction when trying to entice specific development to an area.

Food preparation industries, other than cottage industries, in Kyogle are likely to start off as small businesses requiring smaller industrial but well serviced units. The Council will need to ensure that such development is appropriately planned for if it is to succeed in helping to establish such businesses in the area and in turn attract further similar and complimentary investment.

Power is generally considered to be in adequate supply to the local area. Principal considerations around the connection to electrical power supplies can occur for new businesses at the development stage, relating to costs that may be associated with provision of connecting 'poles and wires' and substations. Delays in electricity suppliers providing necessary infrastructure from overseas can also at times affect business development and establishment planning.

By far the most significant contemporary power consideration is the ongoing cost of power supply to consumers. This is not a matter that specifically only relates to Kyogle and it is not a matter that the Council is likely to be able to influence in any significant manner other than ensuring that the location of new development properly takes strategic account of proximity to existing bulk supplies.

The high cost of electrical power from power supply companies is leading to surge in interest in renewable energy supplies, including 'off-grid' systems such as solar power generation and storage. Encouragement and support for innovative and practicable approaches to power supply by industry is likely to be an aspect by which the Council is able to help positively hallmark the area especially with newer innovative small businesses looking for locations with like-minded values and cultural approaches.

Lifestyle amenity

As global cities grow and access to goods and services increases, quality expectations increase. Escapism from urban life into 'clean-green' environments while still having access to quality and culture tend to form a key characteristic of such escapism.

People tend to measure their quality experiences by a range of queues that are valued by society. These can include sensitive, well designed landscaping – particularly in town and village centres, urban street furniture, shops that promote social interaction – cafes and eateries, niche retailing and markets. Distance from key urban centres and proximity to key transport routes also plays significant parts in the likely success or otherwise of rural centres that seek to attract visitors.

Most of Australia's popular tourist and lifestyle towns are less than 3 hours from a major metropolitan area – e.g. Margaret River v Perth, Byron Bay v Gold Coast, Southern Highlands v Sydney, Surf Coast (e.g. Lorne/Torquay v Geelong/Melbourne), Maleny v Sunshine Coast/Brisbane). Local architecture, while it can be important, is rarely the most significant attractant to visitors. Most of Australia's better well-known visitor attraction towns do not all have 'outstanding' architecture in their main streets. Instead, most of these towns have modest buildings but well landscaped and vibrant streets that promote social interaction.

Kyogle is already well endowed with surrounding scenic attractions and has good proximity to major urban centres, making it a potentially attractive 'escape' for visitors or for peri-urban lifestyle residents. Its ability to attract people in this regard is more likely to be influenced by its ability to demonstrate quality and value attributes in its civic and social environments. Town amenity (i.e. street scaping, parks and public spaces) and the ability to provide services for lifestyle industries and service providers will increasingly become more important in attracting and retaining people to the area as will suitable quality, lifestyle residential opportunities.

Reconciliation

Reconciliation with the local Aboriginal culture and communities is regarded as a key aspect of Council's community building. Aboriginal groups are regarded as forming a part of the Bundjalung Nation across the North Coast of NSW region. Within the Kyogle local government area there are four Local Aboriginal Land Councils covering the four main tribal areas, being:

- Gugin Guddaba LALC (Gullibul people)
- Muli Muli LALC (Githabul People)
- Jubullum LALC (Wahlubal people)
- Ngulingah CAsion LALC (Banjalang people)

Local Aboriginal communities have played an important part in the establishment of businesses in the local area and contribute significantly to the area's narrative, history and culture as well as already being responsible for the operation of some small scale businesses notably in tourism related goods manufacturing.

Potential exists for further development of local Aboriginal performing and static arts as activities that can further contribute to the area's cultural base and experiences that are available. Conversations regarding lifestyle development opportunities to enhance the area's attractiveness for visitors or future residents must include local Aboriginal groups in order to both tap into and provide further benefit to this community resource. Council should also look for opportunities to work with the NSW Government on its Crown Lands reform process to advocate for the economic opportunities that access to vacant Crown Lands could provide to LALCs' and the local Aboriginal cultural and visitor experiences alike.



Climate change

Climate change, while not a topic that is universally preferred to be raised and one which still has some divergent views about the voracity of different supporting or contradicting arguments, is largely embraced by many people as a 'done deal' which must be addressed. In particular, this is increasingly being recognised by corporate businesses, affecting their values and ethics as well as consumer needs and expectations. It also has the potential to affect agricultural production over time and how people live.

Adapted strategies will need to be considered as part of the area's economic development as well as supporting land use planning to ensure built resilience can be appropriately accounted for and so that market expectations and Kyogle's bona fides in addressing such expectations can be demonstrated.

Kyogle Council should work with the NSW Government and the NOROC Councils' to ensure that there is an ongoing strategic approach to climate change adaptation and resilience.

Kyogle's future

Vision

Kyogle's future is identified as "ready to grow" in its adopted *Community Strategic Plan 2016-2026* (Community Strategic Plan). The Council's vision is expressed as:

"Working together to balance environment, lifestyle and opportunity"



The agreed vision already recognises lifestyle and the environment as key aspects that can help drive opportunity in the area, provided these key attributes stay largely uncompromised, and remain a key part of the area's character.

Sustainable economic growth is also recognised as a key tenet of the Community Strategic Plan. This aspect of the Plan is in line with a general increasing focus on 'economic sustainability' throughout many regional and local plans – much of which appears to have arisen post GFC effects and the apparent rapidly emerging opportunities that have come with growing global markets – notably in South East Asia. This has also recently been the case in the new North Coast Regional Plan, including the importance of economic diversification and growth in agribusiness sectors affecting the region's hinterland areas.

The SEQ Regional Plan – *ShapingSEQ* shows that this region is also astutely aware of its position as an emerging global city and the increasing role it plays as a service hub and influencer of inter-regional economic activity.

The spheres of economic influence have also become more extended with the growing focus on economic opportunity. The importance of cross-border influences has been recognised in the North Coast Regional Plan and the SEQ Regional Plan.

Focus on economic diversification, economic growth and cross-border relationships will invariably affect the way planning is considered and how the visions of the different regional planning documents will be realised. This will, in turn, affect how economic development and land use planning is to be undertaken in the Kyogle area. Effective planning to achieve realistic visions will require equally effective alignment between plans and supporting policies as well as a need for collaboration.

Priority pillars for growth

The Kyogle Community Strategic Plan identifies 5 key pillars which will influence its economic development future and general community planning, being:

- 1) Governance and community services
- 2) Ageing in place, disability services and respite care
- 3) Agriculture
- 4) Visitor attraction
- 5) Village life



These pillars align closely with key economic considerations and opportunities that affect the Kyogle area, based on the outcomes of the informed discussion at the Council's Business Leaders' Forum.

1. Governance and community services

This section of the overall Community Strategic Plan seeks to ensure that the Council has robust local decision making processes and priorities to provide unambiguous direction for