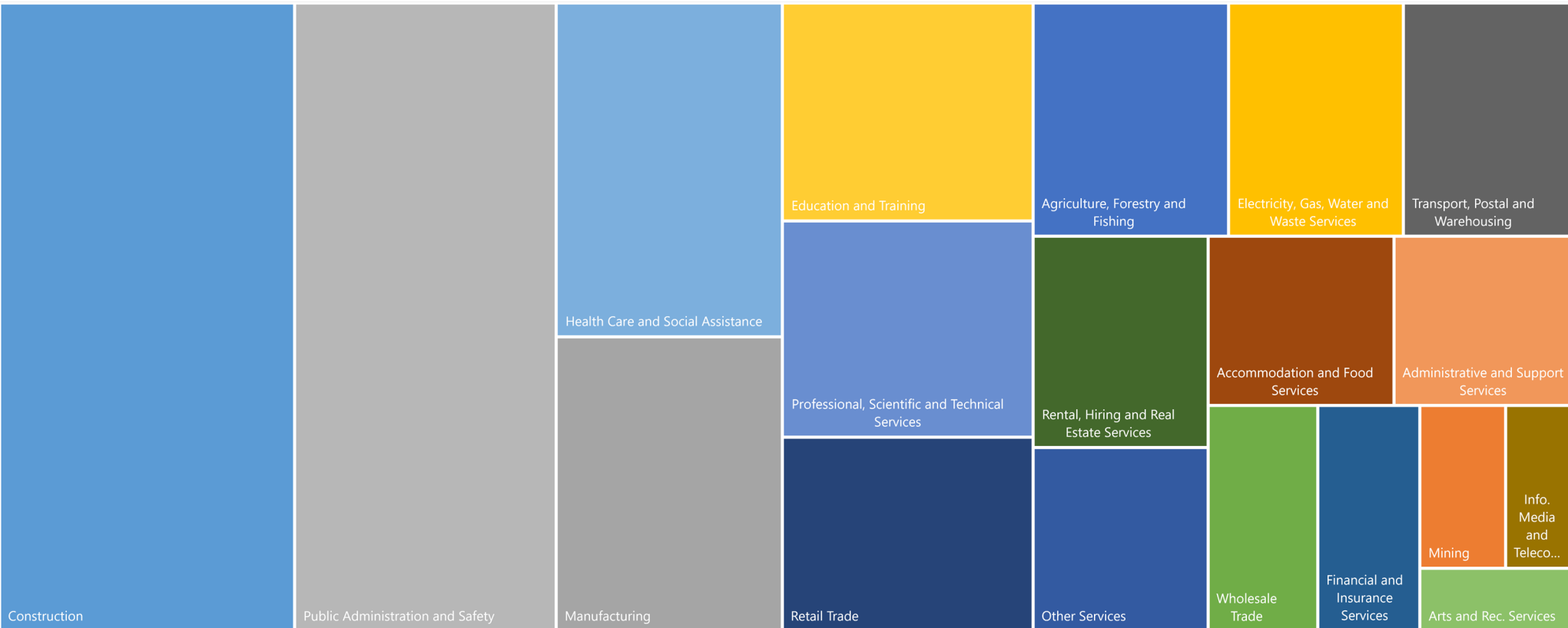




Queanbeyan-Palerang Regional Economic Development Strategy 2018 - 2022

Vision

A place offering an ideal lifestyle and home to a diverse, smart economy, driven by the initiative and innovation of its people.

Preface

The NSW Government has assisted local councils and their communities to develop 37 Regional Economic Development Strategies across regional NSW. Each strategy is designed around one or more local government areas that form a functional economic region as defined by economic data and community input.

While the strategies have been developed using consistent methodology, each is a product of detailed data analysis and local community consultation to ensure ownership through a ‘bottom-up’ process: it sets out a vision for the region, the strategies, and early stage actions required to achieve the vision.

Regional Economic Development Strategies articulate a framework for identifying actions crucial to achieving the regional vision. Projects listed within this Strategy should therefore be viewed as example projects that have emerged from the initial application of the framework. Adoption of these projects would be subject to further evaluative processes.

The power of the Strategy is its ability to be used on an ongoing basis to identify additional high value projects over time. By complementing existing funding processes, these strategies present new opportunities to strengthen and increase investment in regional development across NSW.

Importantly, the Strategy should be viewed as the first stage of a process that will assist those with an interest in the economic development of the Region, particularly councils, communities and local businesses, in planning their future economic activities. It provides a vehicle for engaging the community in a ‘conversation’ about regional needs and priorities, assists in bringing together key stakeholders and mobilising resources, and in so doing, can facilitate faster access to dedicated NSW Government funding, such as the Growing Local Economies Fund, as well helping to capitalise upon other economic opportunities.

This Strategy, prepared by Corview, on behalf of Queanbeyan-Palerang Regional Council, key stakeholders and the broader regional community, benefited from economic-analytical assistance from the NSW Government’s Centre for Economic and Regional Development (CERD).

The Strategy is presented in two documents, the **Queanbeyan-Palerang Regional Economic Development Strategy 2018 - 2022** (this document) which allows the reader to quickly and easily determine key content, while the accompanying **Queanbeyan-Palerang Regional Economic Development Strategy 2018 - 2022 - Supporting Analysis** details the Strategy methodology, evidence and the strategy development process.

For further information about the Regional Economic Development Strategies Program please contact CERD on (02) 6391 3025 or CERD@dpc.nsw.gov.au

Introduction

The **Queanbeyan-Palerang Regional Economic Development Strategy 2018 - 2022** (the Strategy) establishes a long-term economic vision for Queanbeyan-Palerang (the Region).

Queanbeyan-Palerang is located in south-east of NSW, adjoining Canberra and the Australian Capital Territory (ACT). Queanbeyan, Bungendore and Braidwood are the Region's major centres, served by the Queanbeyan-Palerang Regional Council since 2016.

While the objective of this Strategy is similar to previous local strategies – to support economic development for social advancement across the community – it takes a new approach to economic planning.

Fundamental to this approach are the distinctive and unique strengths of the Region. Economic principles suggest unique strengths provide regions with sustainable economic advantages, and so they should be points of focus for regional development policy.

Queanbeyan-Palerang's unique strengths were determined through review of:

- the Region today – considering the Region as a whole and the localities within it for their particular demographics, infrastructure, institutions and economic opportunities
- specialisations – activities in which the Region has a demonstrable advantage

- endowments - key features of the natural environment, built environment, geography and society specific to the region or location
- stakeholder consultation – ‘on the ground’ feedback on local economic conditions and forward-looking assessments of opportunities, issues, gaps and risks and initiatives to help shape the future.

The Strategy also takes account of regional risks and how they might be addressed.

Queanbeyan-Palerang's key endowments lie in its integration with the ACT economy; highly-skilled, highly educated population; access to Canberra's influential national institutions; and appealing balance of lifestyle and employment opportunities to attract new residents.

These endowments are the basis of the Region's specialisations, which include:

- ‘Engines of Growth’ like cattle production, niche agriculture, advanced and specialised manufacturing and tourism
- Enabling Industries like computer system design and scientific research
- Population Serving Industries like construction, public administration, defence and health care.

These attributes position Queanbeyan-Palerang to complement, increase integration with, and take advantage of, the strength and attractiveness of the ACT economy.

These strengths suggest some key strategic imperatives:

1. improve the digital connectivity and access to harness the innovative capacity of the workforce
2. re-establish the town centres as ‘Places for People’
3. grow the population and internal markets of the Region
4. further develop specialised agriculture and food and cultural tourism.

This Strategy began with its guiding vision for the Region's future.

Next we establish the composition and defining economic characteristics and strengths of the Region today.

Finally, the strategic imperatives suggested by the analysis and stakeholder feedback are established, supported by detailed strategies and actions.

This Strategy is the culmination of collaboration between the Queanbeyan-Palerang Regional Council, their respective community and the NSW Government's CERD.

Strategy implementation will be overseen by the CEO of Queanbeyan-Palerang Regional Council, drawing on staff and broader stakeholders as appropriate.

Background

The Queanbeyan-Palerang Region reflects the boundaries of its namesake council. Queanbeyan-Palerang has a population of about 56,000 and a total land area of 5,319km².

Queanbeyan is the Region's administrative centre, with Bungendore and Braidwood its other major centres of activity. The three centres are connected by the Kings Highway. Queanbeyan CBD is only 10km from Canberra International Airport. Queanbeyan acts as a regional centre for state government service delivery.

While Queanbeyan-Palerang is the largest regional centre in south-east NSW, its key reference point is as an immediate neighbour of the ACT and Australia's capital city, Canberra. Canberra is Australia's administrative capital, and home to more than 416,000 people.

Much of the activity in the Region today reflects the complementary relationships and considerable integration of Queanbeyan-Palerang and the ACT.

The Region's integration with Canberra has a much wider range of implications for its economic and social prospects.

This can be seen in:

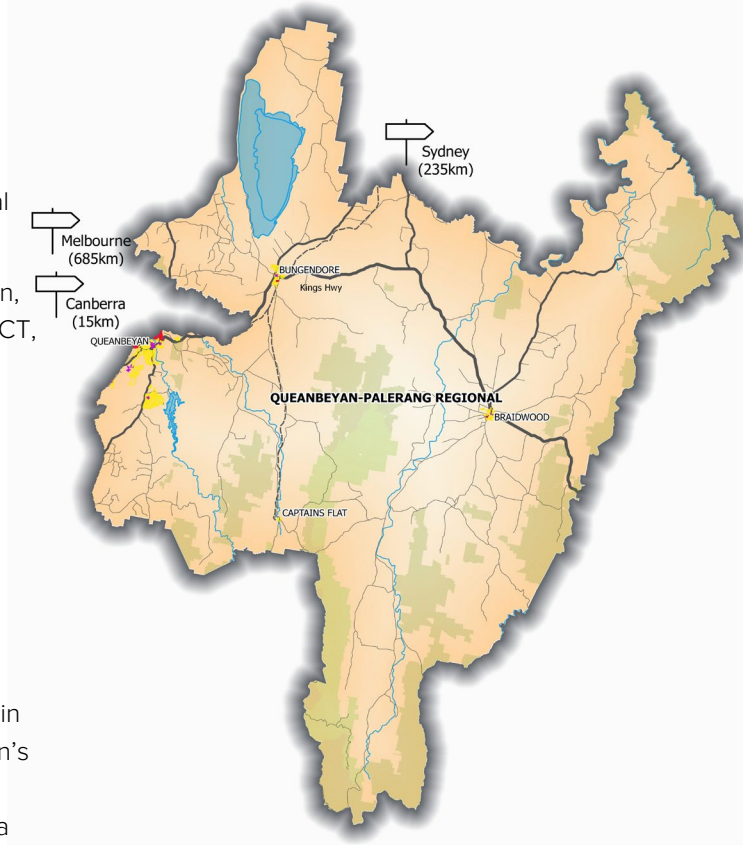
1. the Region operating as a satellite or 'dormitory suburb' of Canberra
2. two out of three Queanbeyan-Palerang workers are employed in the ACT

3. the predominance of public service jobs and relatively high levels of education among its workforce
4. very high weekly incomes compared to regional NSW
5. relatively low levels of Retail Trade in the Region, as much demand from residents is met in the ACT, as in Woden and Belconnen
6. the extensive range of cultural, educational, scientific and social institutions that can offer advice and partnerships far more readily than available to most other NSW Regions.

These considerations have shaped the profile of Queanbeyan-Palerang's economy over many decades, and will continue to do so.

For example, housing construction plays a key role in the Region's economic activity, reflecting the Region's role as a service provider to the ACT. As a result, population growth has been relatively rapid, at just a percentage point below Sydney's rate and two points above that for NSW since 2006.

The NSW Department of Planning & Environment projects a high rate of growth for the Region to 2036, with the population increasing by more than 50 per cent to around 86,200 people. This projection implies substantial ongoing activity in the construction sector and ongoing expansion of the Region's internal markets.



Snapshot of the Economy, Industry and Opportunity

Production & Income by Sector

The figure on the next page is a key ‘roadmap’ to understanding economic opportunity in the Region. It reflects the income split between workers and businesses in each sector (blue and orange bars) and how much each industry contributes to regional production (the stacked height of the bars).

More than 40 per cent of Queanbeyan-Palerang’s economy is concentrated in its top three industries:

- Construction - \$303 million
- Public Administration and Safety - \$270 million
- Health Care and Social Assistance - \$125 million.

Public Administration is the leading source of wages in the Region, while Construction provides the key source of business income.

In analysing the Region’s economic features, it can also be useful to group similar industries together to allow review and comparison of some of their common underpinning economic drivers. One useful classification of activities is:

- “Engines of Growth” - activities linked to external markets and opportunities beyond the bounds of the Region, like agriculture, manufacturing and tourism
- “Enabling Industries” - markets within the Region providing key support services to Engines of Growth businesses, like finance, utilities or IT inputs
- “Population Serving Industries” - markets serving the people and communities of the Region, including activities like health, education and retail.

Relative to the structure of NSW’s regional economy, Queanbeyan-Palerang’s skills and output are reflective of a high-skill, high productivity economy. This can be seen from a review of areas in which it has higher employment concentrations (is more specialised) relative to most NSW regions:

- among the Engines of Growth, the Region is more specialised in activities such as advanced and specialised manufacturing
- among Enabling Industries, the Region is more specialised in IT and professional services
- among Population Serving Industries, the Region is more specialised in areas including construction, defence and tertiary education.

While the structure of the Region’s economy favours activities in internal markets, it is notable the export-oriented ‘Engines of Growth’ still support a substantial volume of output.

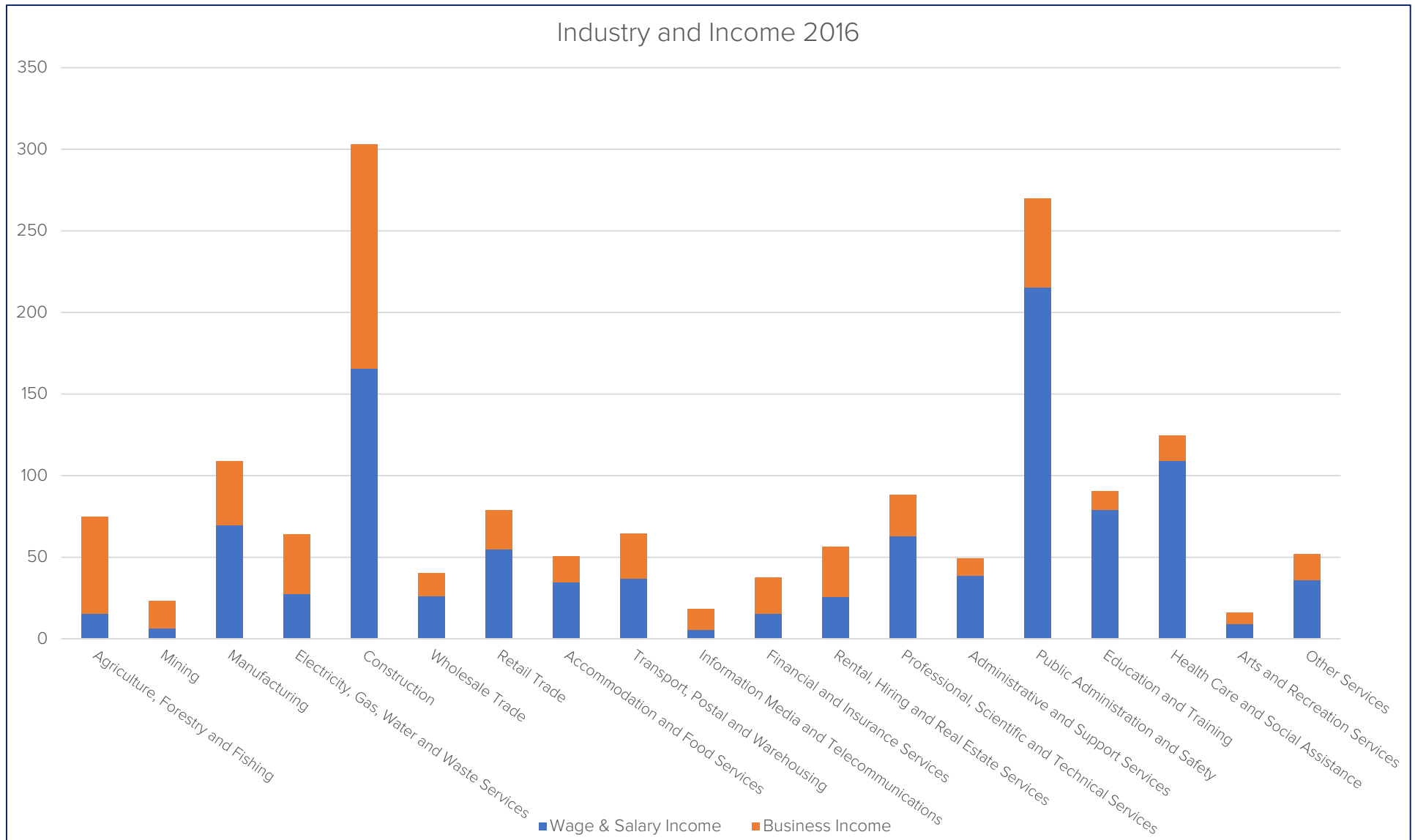
The Centre for Economic and Regional Development (CERD) has also produced an Input Output table for Queanbeyan-Palerang, based on the ABS Input Output (IO) Tables for New South Wales.

The CERD analysis shows the Region is a net importer, with exports estimated at \$333 million and imports estimated at \$1,242 million. The Region is ideally situated to take advantage of freight connections from the seaport at Eden utilising the Snowy Highway and Monaro Highways, MR92 connecting the east coast, the Hume Hwy connecting Sydney and Melbourne. Only 10km from Queanbeyan CBD and its industrial areas, the Canberra International Airport also proposes significant potential for Queanbeyan to take advantage of the developing export freight links.

Queanbeyan-Palerang’s leading export industries are: Manufacturing; Agriculture, Forestry & Fishing; Transport, Postal and Warehousing; and Professional, Scientific & Technical Services. Manufacturing and Construction are the leading industry sources of demand for imports for production processes.

To fully account for the opportunities Queanbeyan-Palerang provides its residents, we must next consider the current degree of economic integration between Queanbeyan-Palerang and the ACT.

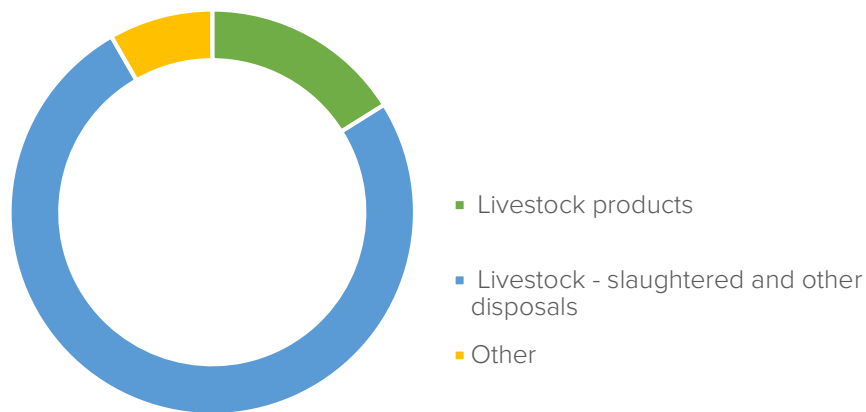
Snapshot of the Economy, Industry and Opportunity



Source: Cadence Economics

Agricultural Production

Value of Agricultural Production 2015-16



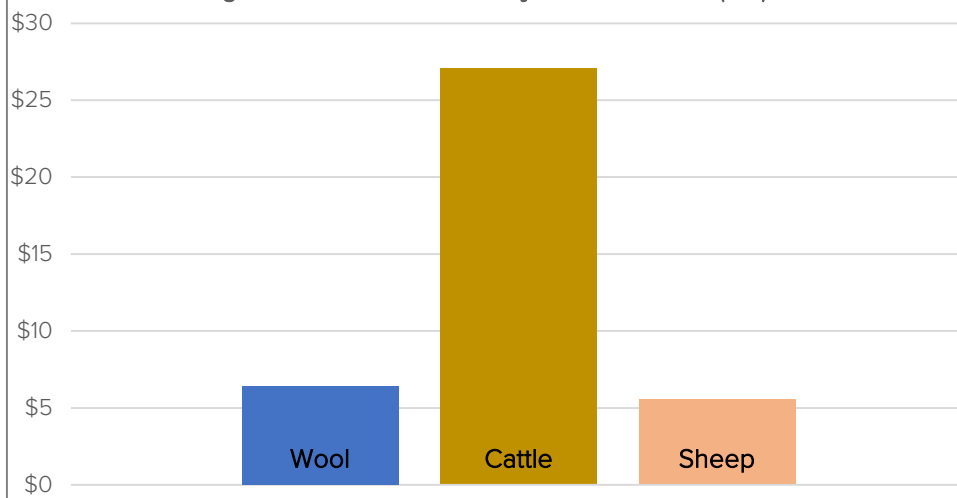
Braidwood and surrounds are the Region's leading location for agricultural production, accounting for as much as the rest of the Region combined

Production in Queanbeyan-Palerang is heavily oriented towards livestock and livestock products, which make up 90 per cent of production. Cattle production is concentrated in Braidwood, with wool and sheep production predominant in the rest of the Region.

Cattle is the leading commodity of the Region

Cattle made up more than 60 per cent of all of the Region's production in 2015-16 at about \$27 million. Both wool and sheep production totalled about \$6 million each. Crop production in 2015-16 was about \$4 million.

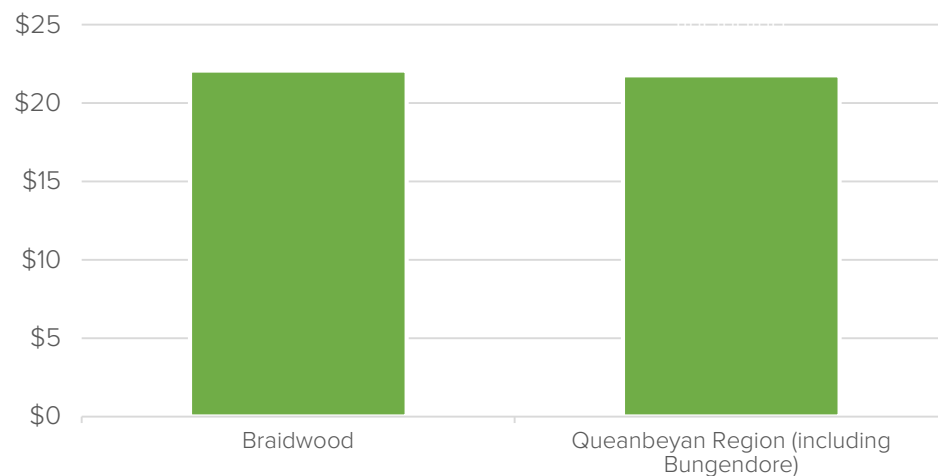
Agricultural Production - Major Commodities (\$M)



Data source: Australian Bureau of Statistics, Value of Agricultural Commodities Produced 2015-16 (7503.0)

Note the available data does not precisely match the region's boundaries. The available SA2 boundaries have been used to match LGA boundaries to the extent possible.

2015-16 Agricultural Production by Location (\$M)



Employment Trends

Unemployment rates across Queanbeyan-Palerang have been substantially below NSW and Regional NSW averages for an extended period of time.

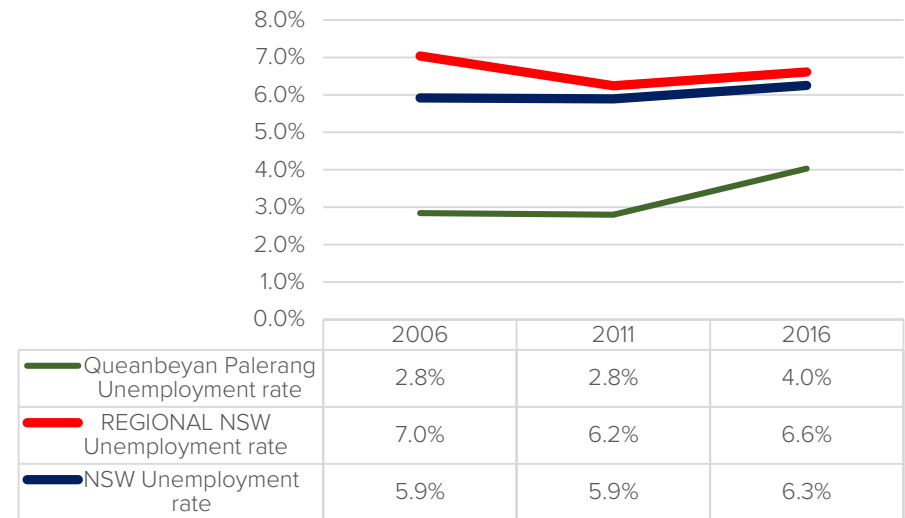
Over time, the unemployment rate in Queanbeyan-Palerang has been roughly between:

- two to three percentage points below the State average
- two and a half to four percentage points below the regional NSW average.

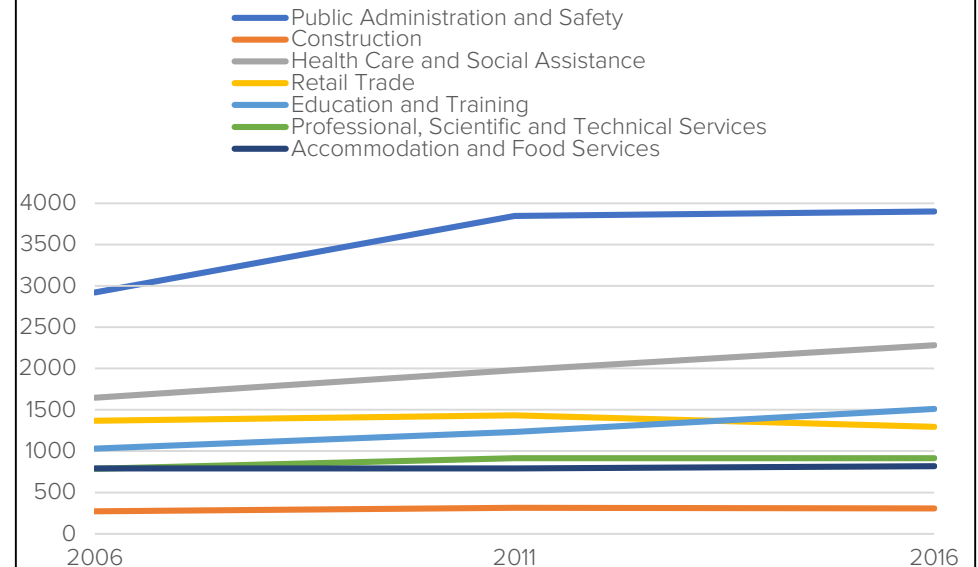
Together with its younger age demographic, these figures bear out that Queanbeyan-Palerang is a major 'working region' of the State.

Among Queanbeyan-Palerang's largest employment industries, the strongest jobs growth in the decade to 2016 was seen in Public Administration and Safety. Health Care & Social Assistance and Education and Training also saw substantial increases in jobs over the period.

Queanbeyan-Palerang Unemployment Rates, 2006 to 2016



Queanbeyan-Palerang - Major Employment Industries 2006 - 2016



Key Economic Linkages to the ACT

Labour exchanges across the State border are very significant

The pie charts right show the significant labour exchange between Queanbeyan-Palerang and the ACT. 63 per cent – about 18,500 people – of the workers living in Queanbeyan-Palerang work in the ACT meaning workers crossing the border to work in the ACT outnumber those living and working in the Region by 2:1.

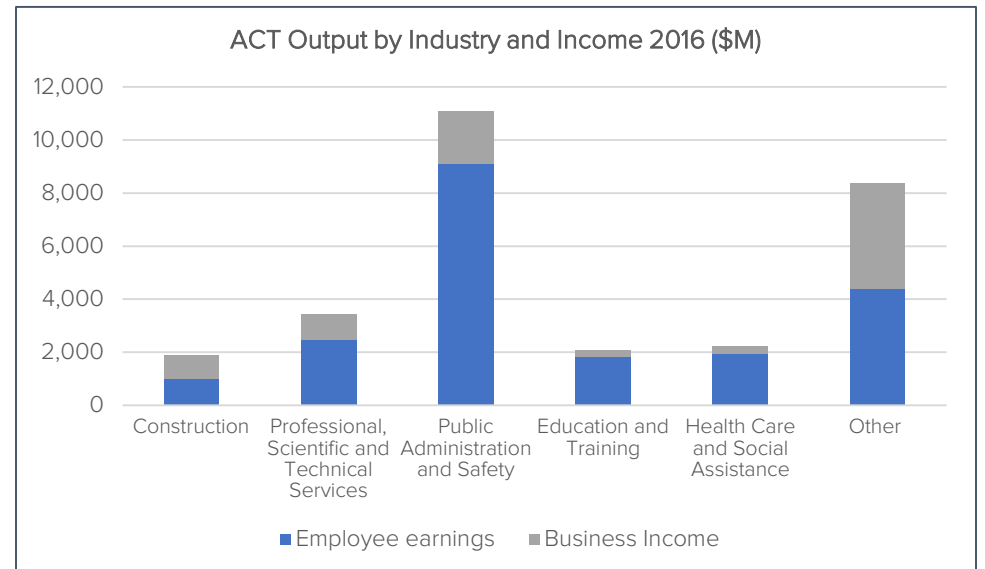
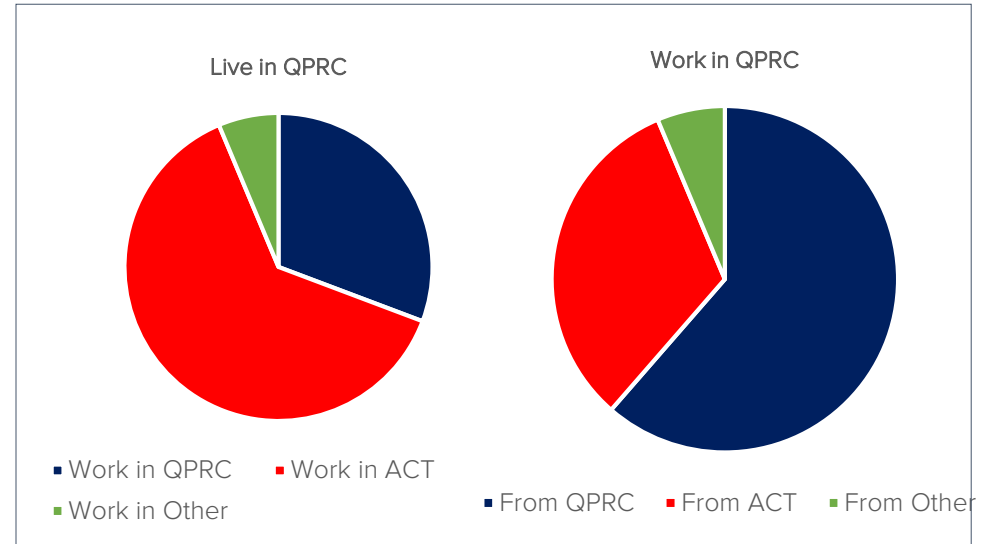
More than 4,700 people working in Queanbeyan-Palerang come from the ACT, accounting for about a third of jobs.

Canberra's large and lucrative markets are a huge opportunity for Queanbeyan-Palerang residents

The ACT economy is much larger than Queanbeyan-Palerang's, with the ACT's five most significant industries producing close to \$20 billion a year. It is unsurprising that Australia's capital features public administration as its leading industry, supporting more than \$9 billion in worker income and almost \$2 billion in business profits.

The differences in scale show most opportunities today are located in the ACT, and this is likely to remain the case over time. This also frames the key economic imperatives for Queanbeyan-Palerang:

- closer integration with its large and lucrative neighbour
- complementary economic development to provide:
 - an alternative community for workers to reside in
 - an alternative climate for businesses to invest in
 - enhanced niche specialisations, such as:
 - Agriculture (14 times the ACT's concentration)
 - Manufacturing (5 times)
 - Construction (3 times)
 - distinctive tourism offerings.



Endowments

Endowments are strengths that a regional economy possesses and can capitalise on. Economic principles suggest that endowments play a key role in the economic development of regions. The CERD in its Regional Economic Growth Enablers Report (2017) found that:

the future of individual regional economies is inexorably linked to their natural endowments and attempts to retain or establish industries without an underpinning endowment are unlikely to succeed.

Economic development policy should therefore focus on factors that enable the growth of endowment-based industries, as well as building local leadership and institutional capacity and capabilities to better enable businesses and public agencies to capitalise on the opportunities a region's endowments present. Endowments can lead to opportunities from which commercial and industrial interests may leverage and develop specialisations.

Physical or geographic endowments

Proximity to Canberra – easy access to Canberra, an economy offering high quality jobs and a large market with the highest disposable incomes per head in the country, helps sustain Queanbeyan-Palerang's attractiveness.

Proximity to Sydney – Queanbeyan-Palerang is also situated about three hours from Australia's largest economy. While not as proximate as its access to Canberra, the Region is very well positioned relative to most of the remainder of regional NSW.

Gateway to the Snowy Mountains and South Coast – Queanbeyan-Palerang is also relatively close to the Snowy Mountains and South Coast. This offers a diversity of lifestyles and activities few regions can rival. This also offers opportunity to develop freight connections from the seaport at Eden to Queanbeyan and Canberra International Airport

Queanbeyan River – the river frontage in Queanbeyan provides considerable amenity, utilised through casual recreational activities, as well as for civic events.

Arable land, State Forest and National Parks – whether for traditional agriculture, forestry or emerging agricultural activities, the arable tracts of Queanbeyan-Palerang provide substantial yields for its communities

Built endowments

Queanbeyan Regional Hospital – the hospital offers a standard of service and availability that differentiates it from many other regional locations, including acute care, heart, general surgery and maternity services.

Canberra Airport – Canberra International Airport provides access for both inbound and outbound movements of goods and people. Situated only 10km from the Global Gateway of Canberra Airport, exploring opportunities to leverage freight, logistics and tourism will be important to enable associated sectors such as agriculture and precinct development.

Braidwood's preserved heritage – the well-preserved town of Braidwood has been heritage listed as a whole, forming a tourist attraction frequented by many visitors. More broadly, the Region offers insights into its modern origins as a centre for agriculture, the gold rush and arrival of nationhood.

Monaro Highway – the north-south alignment of the Monaro Highway provides easy access to different parts of Canberra, as well as the Snowy Monaro region.

Rail Network – the NSW Government Future Transport Strategy 2056 identifies Queanbeyan-Palerang is a part of a 'Global Gateway City' via its operating rail corridor connection from Canberra to Sydney. The potential of a Fast Train between Sydney and Canberra could provide significant economic stimulus for the Region, and potential for utilisation of rail for developing freight networks could be important given Queanbeyan's close position to the Canberra Airport and major road freight corridors.

Kings Highway – the Highway's east-west alignment serves important functions in both connecting the centres of Queanbeyan-Palerang and facilitating broader movements of people and goods between the ACT and the South Coast.

Canberra Avenue and Piallago Avenue Corridor – Canberra Avenue extends the access provided by the Kings Highway into the heart of economic activity in Canberra and Piallago Avenue provides easy access to Canberra Airport.

Endowments

Queanbeyan-Palerang has exceptionally good economic prospects by virtue of its highly educated workers, proximity to the large Canberra market and access to highly influential institutions and excellent employment opportunities in the nation's capital. These factors sustain the ongoing attractiveness of the Region, as reflected in its high historical and projected rates of population growth. Each of these factors is also intrinsically related to Queanbeyan-Palerang's integration with the larger, neighbouring ACT economy.

The greatest risks presented by the Region's endowments relate to potentially avoidable obstacles to greater integration with the Canberra market, including differential rates and charges across the border and the availability of appropriately priced and scoped industrial land. If addressed, greater integration will see more economic opportunities located within Queanbeyan-Palerang itself, meaning more jobs closer to home and a stronger rate base for Council to fund community infrastructure and services. Similarly, the Region can become a more effective, productive place if the path of freight movements through the Region's three major town centres on the Kings Highway can be harmonised with their roles as 'places for people'.

Institutional endowments

Queanbeyan-Palerang Regional Council – the Council is a very able advocate for the Region's economy, proven to be proactive in engaging with its community in pursuit of development.

Balance of Lifestyle, Social and Economic Opportunities – the geographic positioning of Queanbeyan-Palerang offers a broad mix of lifestyle and economic opportunities. This variety of choice allows visitors or residents to combine a generally high quality of regional services with appealing places to live, work and play in coastal, riverine or hinterland settings.

The Federal Government – Federal Government agencies provide much of the immediate economic opportunity for Queanbeyan workers. The Federal Government also provides many cultural and educational institutions in Canberra that complement the attractions of Queanbeyan-Palerang itself.

Aboriginal heritage – the Region is home to the Ngambri/Ngunnawal, who it is believed first arrived in Queanbeyan around 20,000 years ago.

Collaboration between community members – the communities of the Region demonstrate a good degree of cohesion in supporting key development needs, even where formal organisations are not in place or are inactive.

State Government Agencies – State agencies play a number of key roles in the Region: as employers; as providers of key services; as owners of land that may merit re-purposing; and as regulators of private sectors activities.

Local culture and food specialities - Braidwood and Bungendore have high concentrations of arts and recreational services. Along with its natural environment, the Region also has emerging food manufacturing that could lend itself to tourism.

Canberra Region Joint Organisation (CRJO) – the CRJO provides a leading forum for councils, State agencies and other stakeholders to work together at a regional level to identify shared priorities. The CRJO membership is made up of eight Local Government Areas in the Canberra region, advocating for all parts of the region in partnership to create vibrant communities.

Human endowments

Diverse specialised skill sets – the sub-industry data suggests the workers of Queanbeyan-Palerang offer a diverse range of regional specialisations, including:

- Engines of Growth like:
 - Air Transport
 - Furniture and Other Wood Products
 - Computer and Electronics Manufacturing
 - Printing
- Enabling Industries like:
 - Computer System Design
 - Management Consulting
 - Scientific Research
 - Telecommunications
- Population Serving Industries like:
 - Central Government Administration
 - Defence
 - Public Order and Safety
 - State Government Administration
 - Construction.

Specialisations

A simple form of analysis that can be used to gain an understanding of a region's competitive advantages is the Location Quotient (LQ) which measures the employment concentration in industry sectors within a regional economy, compared with the same sectors across NSW. The higher the LQ, the more specialised a region is in that industry relative to the rest of NSW. For the purpose of this analysis, specialisations as defined by LQs, are in turn used as a proxy measure for those sectors and industries that represent a region's true competitive advantages.*

Importantly, while LQs are used in this document for that purpose, they are only a partial measure of those competitive advantages. Hence, they have been considered alongside additional qualitative evaluations and data analysis, such as Input-Output analysis, to arrive at the findings for the Region's Strategies.

The bubble chart shows selected industries in the regional economy in 2016, where:

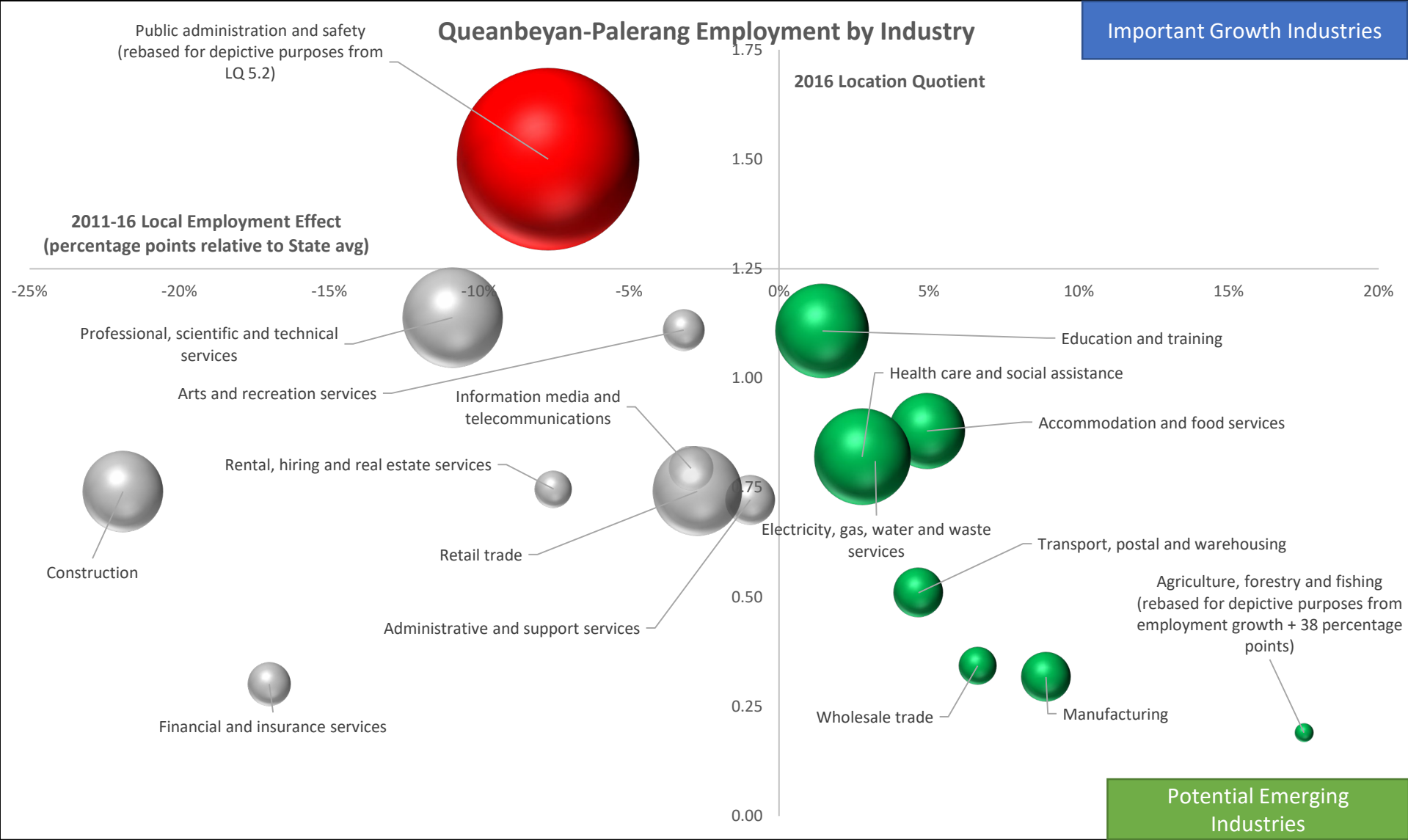
- Industries with a larger 'bubble' employed more people
- Industries further above the horizontal line are more specialised when compared to NSW (LQ greater than 1.25), industries below the line are less specialised when compared to NSW
- Industries to the right of the vertical line grew faster between 2011 and 2016 than comparable industries across NSW; industries on the left grew more slowly. This value is calculated as the Region's industry growth rate less than the NSW growth rate for that industry, and is expressed in percentage points (ppts).

Compared to general trends for NSW, the largest positive localised employment changes were in activities like Agriculture, Forestry and Fishing, Manufacturing, Accommodation & Food Services and Transport, Postal & Warehousing. This profile suggests the Engines of Growth, most of which are land-intensive and reflect areas in which Queanbeyan-Palerang complements the ACT's endowments, have been most responsive to new opportunities over the past five years.

The lower localised employment growth effects are related to population serving and enabling industries. This suggests local employment growth in these sectors may be curtailed by proximity to clusters in the ACT, and/or by a lack of enabling infrastructure, land and services to support development of these clusters in Queanbeyan-Palerang.

*A region's competitive advantage for an industry includes its ability to produce goods and services at a lower cost or differentiate its products from other regions, along with access to external factors which enhance business and operations/minimise risk (Stimson, Stough and Roberts, 2006).

Specialisations and Shifts in Employment Over Time



Specialisations

The primary industry specialisations of Queanbeyan-Palerang across the ‘Engines of Growth’, ‘Enabling Industries’ and ‘Population Serving Industries’ groupings are summarised below.

Among the **‘Engines of Growth’**, specialisations are only evident on a sub-industry or limited locational basis.

Consultation and review of the data shows cattle production (around Braidwood), niche agriculture and tourism (both Braidwood and Bungendore) and advanced manufacturing (Queanbeyan) are leading specialisations of the Region.

- Specific sub-industry specialisations include:
1. Postal and Courier Services
 2. Accommodation, Cafes and Restaurants, Hospitality and Passenger Transport (Tourism industries)
 3. Wood Product and Furniture Manufacturing
 4. Machinery and Equipment Wholesaling
 5. Computer and Electronics Manufacturing
 6. Communication Equipment Manufacturing
 7. Agriculture
 8. Printing Services.

Among **‘Enabling Industries’**, Information Media and Telecommunications and Professional, Scientific and Technical Services are Queanbeyan-Palerang’s key specialisations

- Specific sub-industry specialisations include:
1. Computer System Design
 2. Building Cleaning, Pest Control and Gardening
 3. Legal and Accounting
 4. Architectural, Engineering and Technical Services
 5. Real Estate
 6. Management Consulting
 7. Scientific Research
 8. Telecommunications.

Among **‘Population Serving Industries’**, Public Administration & Safety is Queanbeyan-Palerang’s dominant specialisation, reflecting Canberra’s role as the home of the public service. This is complemented by more modest specialisations in Arts and Recreation Services and Construction.

It is notable that for a Region with a relatively large population, Retail Trade is not a specialisation. However, with the proposed new retail developments in Googong, Jerrabomberra and actions under the Queanbeyan CBD Transformation Strategy, the Queanbeyan CBD Spatial Business Plan and Retail Growth Strategy could see retail trade grow and support an authentic ‘main street’ retail experience as a differentiator for the Queanbeyan-Palerang Region economy

- Specific sub-industry specialisations include:
1. Central Government Administration
 2. Defence
 3. Public Order and Safety
 4. State Government Administration
 5. Construction
 6. Tertiary Education
 7. Child Care Services
 8. Health Care.

Risks

Through consultation, the community contributed to the Strategy development process, by identifying issues today that may be central to the economic future. This included a range of risks that may impede Queanbeyan-Palerang from achieving its economic potential.

Addressing these risks is essential to realising this Strategy's economic Vision for the Region.

Achieving Better Connectivity

- Heavy vehicle routes along the main streets of Queanbeyan, Braidwood and Bungendore create traffic congestion, undermine their roles as 'places for people' and put the safety of residents at risk.
- Deficiencies in telecommunications coverage means that the human capital and innovative capacity of Queanbeyan-Palerang's labour pool is underutilised.
- More frequent and reliable public and community transport systems within Queanbeyan-Palerang and beyond to Canberra can change the way people live and work for the better.
- Access to Canberra Airport for NSW taxis is highly regulated. NSW taxis can take passengers to the airport, but regulations prevent them from picking up passengers.
- Slow rail links from Sydney to Canberra via Bungendore and Queanbeyan are a disincentive to use rail for commuter and visitor disbursement.

- The sole east /west commute and passenger road corridor along Canberra Avenue and Bungendore road provides inefficiencies and potential issues with the growing population in the Bungendore and Googong areas.

Leveraging Resources, Skills and Jobs

- CBD property owners are electing to keep properties vacant rather than reducing rents, reducing economic activity.
- Scarcity of "right sized" industrial and employment land in Queanbeyan-Palerang is constraining development.
- Land release for residential areas is encroaching on industrial sites. Existing businesses are unable to grow or expand, and it is impacting on the efficiency of their operations relative to the scale they can achieve in Canberra.
- Training offered in Canberra is not readily accessible for Queanbeyan-Palerang workers, as job seekers can't access subsidised places.
- A small animal abattoir would cater to local farmer needs and opportunities.

Enhancing Liveable Communities

- Better 'Places for People' in the centre of Queanbeyan, Bungendore and Braidwood requires delineating freight from pedestrian traffic.
- A lack of potable water services and flooding issues is holding back housing supply in Bungendore.

- Bungendore's main street needs to be better integrated with its showground.
- Affordable housing is in short supply.
- Braidwood needs traffic, drainage and sewerage solutions for its main street that are sensitive to its heritage values.
- Cultural, sporting and other social amenities and events should be enhanced. A sports precinct can attract people from the ACT every week to Queanbeyan, as well as providing capacity for elite sporting events and training.
- Essential infrastructure needs to be provided in sequence to best support new residential development.
- Cross Border Issues – unique to the area is the different regulatory environment on each side of the border. This complicates and disables the ability for effective public transport service delivery, leads to differential business cost establishment and flight corridor planning issues amongst other things.

New Ideas

- Queanbeyan is disadvantaged in key respects relative to Canberra for both cost and regulatory imposts on business and the thresholds at which they apply.
- Small to medium enterprises face high start-up and development costs in Queanbeyan-Palerang and lower thresholds for taxes like payroll tax.
- Potential businesses in Bungendore face substantive costs for car parking spaces for no substantive change in land use.

Risks

- Operational conditions enforced on businesses for noise, energy, fire and waste impede productivity and drive up costs excessively.
- Many buildings in Queanbeyan-Palerang are heritage listed, making it very difficult to reuse or adapt existing buildings for economic activities.
- Queanbeyan-Palerang's business communities lack a peak body and act informally.
- Small to medium enterprises in the Agriculture sector need better definitions from State regulation to reduce development costs.



Strategy

The four Strategy elements for the Region link directly to the opportunities presented by the Region's endowments and specialisations and also aim to address some key regional risks.

The Strategy elements were derived from an analysis of the endowments that underpin the Region's strengths, followed by examination of current industry specialisations and emerging specialisations, identified in consultation with the community and councils.

Each element is accompanied by a set of early actions, which should be interpreted simply as example actions derived from the preliminary application of the strategy framework. It is therefore expected that there will be other actions capable of contributing to the attainment of the Region's vision that are yet to be identified. Consequently, an action's alignment with the Strategy is the primary strategic consideration, rather than it being listed in this document, and all proposed actions will be subject to further qualitative and quantitative evaluative processes.

We previously saw the Queanbeyan-Palerang diversified economy incorporates a broad range of strengths, spanning:

- Engines of Growth like air transport, computer and electronics manufacturing, tourism and agriculture
- Enabling Industries like computer system design and scientific research
- Population Serving Industries like central government administration, defence and health care.

This also frames the key economic imperatives for Queanbeyan-Palerang:

- closer integration with its large and lucrative neighbour
- complementary economic development to provide:
 - an alternative community for workers to reside in
 - an alternative climate for businesses to invest in
 - enhanced niche specialisations, like agriculture, manufacturing, construction and distinctive tourism offerings.

Ongoing population growth over an extended period of time has supported the Region's development. This has seen local markets for populating serving activities grow significantly.

These strengths inform the strategic elements:

1. Improve the digital connectivity to Harness the Innovative Capacity of the Workforce
2. Re-establish the Town Centres as 'Places for People'
3. Grow the Population and Internal Markets of the Region
4. Further Develop Specialised Agriculture and Food and Cultural Tourism.

1. Enable the Growth of the Manufacturing Cluster by Increasing the Supply of Industrial Land

Strategic Context

Queanbeyan-Palerang is fortunate to have access to a number of endowments that lend it productive potential well beyond levels typical for regional NSW. Foremost among these endowments are:

- its highly educated workforce
- advanced manufacturing firms
- proximity to Canberra, home to many of Australia's leading cultural, educational, scientific and social institutions.

Despite the complementary role Queanbeyan-Palerang plays with respect to Canberra in supporting land-intensive production activities like manufacturing, consultation revealed a scarcity of appropriately scoped industrial land, and tax and regulation differentials were constraining development in this sector.

To make the most of its endowments, Queanbeyan-Palerang should focus on facilitating cluster development for its high skill, high value add activities. An immediate opportunity relates to the proposed South Jerrabomberra Defence & Technology Precinct. A secondary priority should be improving regional digital and mobile connections, in order to improve the capacity of its workers to work flexibly and connect to markets much further afield.

Infrastructure Priorities

South Jerrabomberra Defence & Technology Precinct and digital connectivity infrastructure

Opportunities

- Position Queanbeyan-Palerang as a Smart City.
- Activate industrial land that utilises the Region's hi-tech workfor specialisations.
- Secure reliable, high capacity regional digital and mobile connections for the Region's creative and innovative workforce.
- Work on cross-border collaboration to address tax and regulations gaps.
- Enhance transport accessibility and connectivity between Queanbeyan-Palerang Region and Canberra to support cross border travel flow.

Early Stage Actions

- Develop a South Jerrabomberra Defence & Technology Precinct Business Case.
- Pursue a partnership with Canberra Institute of Technology, Australian National University and the University of Canberra to develop Queanbeyan-Palerang's entrepreneurial ecosystem.
- Implement the QPRC Digital Economy and Smart Community Strategy.
- Develop an Innovation Strategy.
- Advocate for an Australian Public Service Smart Work Hub in Queanbeyan.
- Develop a Business Innovation Hub in Queanbeyan.
- In collaboration with the private sector, audit digital connectivity blackspots and identify technical solutions.
- Investigate regional/remote Wi-Fi connectivity solution.
- Work with the ACT to develop a Public Transport Integration Strategy.
- Undertake a feasibility study for commuter rail options in the Bungendore to Canberra corridor.
- Continue to advocate for a Fast Train network from Sydney to Canberra.

Candidate Programs / Projects

- South Jerrabomberra Innovation Precinct
 - Defence and Technology Industrial Park
 - Enabling road works
 - Utilities corridor
 - Business park
 - Rail Freight Intermodal
- Queanbeyan-Palerang Business Innovation Hub.

2. Re-establish the Town Centres as ‘Places for People’

Strategic Context

The Kings Highway corridor is highly significant from both an economic and social perspective, providing the primary point of access between the Region’s three major centres. Beyond Queanbeyan, the corridor becomes Canberra Avenue, the immediate access point to many of the economic opportunities residents find within the ACT’s borders.

While the Kings Highway is highly valuable as a movement corridor, it nonetheless creates conflict with the intended economic land use outcomes for the three town centres disrupted by its current alignment. This reduces the amenity and productivity of these centres. In particular, Transport for NSW’s new ‘Movement and Place’ framework includes a core principle that freight corridors should be separated from “places for people” so both can function more efficiently.

The Ellerton Drive Extension, presently in delivery, will provide Queanbeyan’s CBD relief from freight traffic through a bypass from mid 2020. The immediate next step for the Region should be developing a program business case of initiatives to make the most of this opportunity. Thereafter, a business case for bypasses of Bungendore and Braidwood and similar complementary investment programs should be developed. Over the medium term, options to better integrate these centres with Canberra through better public transport services should be investigated.

Infrastructure Priorities

Queanbeyan CBD Transformation, consolidation of QPRC Offices & Town bypasses of Bungendore and Braidwood.

Opportunities	Early Stage Actions	Candidate Programs / Projects
- Reinstate the main streets as a “Places for People”. - Delineate freight corridors from “Places for People”. - Improve connections between Canberra and Queanbeyan-Palerang with better integration of public transport services.	- Develop a program business case for revitalising the Queanbeyan CBD. - Develop Town Bypass business cases for Braidwood and Bungendore. - Review measures to encourage landlords to let and improve their properties, including rate incentives to do so. - Work with the ACT to develop a Public Transport Integration Strategy. - Undertake a feasibility study for commuter rail options in the Bungendore to Kingston corridor. - Implement the Retail Growth Strategy and Queanbeyan CBD Spatial Business Plan to support the development of an authentic ‘main street’ retail experience as differentiator for the local economy.	- Queanbeyan CBD Transformation - Consolidation of the QPRC Offices - Kings Highway bypass study for Braidwood and Bungendore - Light rail network extension to Queanbeyan - Commuter Rail from Bungendore to Queanbeyan to Canberra.

3. Grow the Population and Internal Markets of the Region

Strategic Context

The combination of lifestyle and economic opportunity enjoyed in Queanbeyan-Palerang is a key factor contributing to the significant population growth enjoyed in the Region over the past decade. Many of the endowments supporting the Region's attractiveness are in the ACT rather than NSW, emphasising the significant 'satellite' relationship and relatively close integration between the Region and the nation's capital.

Nonetheless, there is more Queanbeyan-Palerang can do to further enhance its own attractiveness, grow its own markets and further increase its integration with Canberra. Priority measures should include developing a portfolio of enabling infrastructure projects to facilitate housing supply and new industrial land, a cross border comparison of charges and regulatory impositions and developing a business case for the proposed Jerrabomberra Sports Precinct.

Infrastructure Priorities

Utilities infrastructure supporting housing supply and new industrial land release

Opportunities

- Provide enabling infrastructure for new industrial and housing developments.
- Improve access to cultural, sporting and social facilities and services within Queanbeyan-Palerang.
- Level out the cross-border cost and regulatory differentials.
- Engage in transformative partnerships with local, state and federal governments.
- Accommodate an ageing population through integrating aged care and health services.
- Improve freight connectivity from the Kings Highway corridor.
- Explore the development of Freight Hub to support industry growth in the Region.

Early Stage Actions

- Develop a Queanbeyan-Palerang Water Security Program business case.
- Work with energy suppliers to identify infrastructure to support housing supply and industrial expansion, including renewable energy infrastructure.
- Develop a Jerrabomberra sports precinct business case.
- Leverage the Health, Wellbeing and Community Services SkillsPoint in Queanbeyan to work with Industry to identify and address gaps in social and community services.
- Undertake a study of cross-border business costs and regulatory impositions, and consider options including a Special Economic Zone.
- Advocate for a City Deal in collaboration with the ACT Government to address cross border issues.
- Advocate for harmonisation of Canberra Airport transport access regulations.
- Work with industry in investigating innovative solutions to energy and waste management constraints including renewable energy opportunities and solutions.
- Trial a Business Improvement District as an alternative to a Business Chamber in Queanbeyan.
- Undertake a feasibility study for freight network development (such as an intermodal) in Queanbeyan.

Candidate Programs / Projects

- Bungendore Water Supply System
- Queanbeyan Sewage Treatment Plant Upgrade
- Googong Recycled Water System
- Queanbeyan Regional Sports Facilities.
- Queanbeyan-Palerang Intermodal Freight Futures Study

4. Further Develop Specialised Agriculture and Food and Cultural Tourism

Strategic Context

The Region holds significant advantages in specialised agriculture and tourism that should be cultivated.

Consultations suggest Braidwood's well-established, highly productive beef cattle specialisation functions well, but smaller, developing niche agricultural activities demonstrating significant innovative capacities located around both Bungendore and Braidwood are impeded by a range of regulatory and infrastructure constraints. An immediate priority should be investigating the feasibility of the small animal abattoir concept proposed by stakeholders.

Similarly, the release of the new Destination Management Plan has provided a point of focus for further efforts to grow the Region's visitor economy. Specifically, the Region should seek to leverage existing tourism strengths, like its Aboriginal and European settlement history and Braidwood's well-preserved town, by developing new arts, food and cultural offerings.

Infrastructure Priorities

Small Animal Abattoir.

Opportunities

- Leverage Queanbeyan-Palerang's proximity to Canberra to promote its arts, food, drink and cultural strengths.
- Develop the Region's agricultural sector.
- Celebrate and embrace indigenous and multicultural heritage.
- Take advantage of expanding tourism, promotion and export opportunities of the Region given the available domestic and international connections that may be facilitated by the Canberra International Airport.
- Develop a tourism brand for the Region.

Early Stage Actions

- Work with the Small Business Commissioner to look at regulatory barriers to agri-business and agri-tourism.
- Review the LEP and planning policies to remove grey areas around the development of farm-gate agri-business and agri-tourism business.
- Investigate abattoir options for Bungendore and Braidwood.
- Explore opportunities that ag-tech advancements may offer the Region to boost capacity, efficiency and innovation in the sector.
- Provide greater access to and awareness of indigenous and multicultural heritage.
- Work with the Canberra Region Joint Organisation (CRJO) and Visit Canberra to develop or leverage joint marketing initiatives to promote the Region
- With the CRJO and Canberra Airport to (1) investigate the opportunity for Canberra Region produce and products placement in the Canberra airport to support the QPRC Tourism Plan objectives, (2) further ongoing development of export freight opportunities in agriculture and general industry.
- Conduct a consumer facing branding exercise for the QPRC LGA
- Leverage the Canberra Region brand where possible
- Further develop the Queanbeyan-Palerang Events Program.

Candidate Programs / Projects

- Small Animal Abattoir
- Queanbeyan-Palerang Regional Council Tourism Accommodation and Events Plan
- Tourism projects as per Queanbeyan-Palerang Regional Council Tourism Plan.

Queanbeyan-Palerang Enablers

Strategies and Early Stage Actions				
Enablers	Improve Digital Connectivity and Access to Harness the Innovative Capacity of the Workforce	Re-establish Town Centres as 'Places for People'	Grow the Population & Internal Markets	Further Develop Specialised Agriculture and Food and Cultural Tourism
People and Skills	Pursue a partnership with Canberra Institute of Technology, Australian National University and the University of Canberra to develop Queanbeyan–Palering's entrepreneurial ecosystem.		Leverage the Health, Wellbeing and Community Services SkillsPoint in Queanbeyan to work with Industry to identify and address gaps in social and community services.	- Explore opportunities that ag-tech advancements may offer the region to boost capacity, efficiency and innovation in the sector. - Provide greater access to and awareness of indigenous and multicultural heritage. - Conduct a consumer facing branding exercise for the QPRC LGA.
Utilities	- In collaboration with the private sector, audit digital connectivity blackspots and identify technical solutions. - Investigate regional/remote Wi-Fi connectivity solution.		Work with energy suppliers to identify infrastructure to support housing supply and industrial expansion, including renewable energy infrastructure.	

Queanbeyan-Palerang Enablers

Strategies and Early Stage Actions				
Enablers	Improve Digital Connectivity and Access to Harness the Innovative Capacity of the Workforce	Re-establish Town Centres as 'Places for People'	Grow the Population & Internal Markets	Further Develop Specialised Agriculture and Food and Cultural Tourism
Government, regulation, services and information	• Implement the QPRC Digital Economy and Smart Community Strategy. • Develop an Innovation Strategy. • Advocate for an Australian Public Service Smart Work Hub in Queanbeyan. • Work with the ACT to develop a Public Transport Integration Strategy. • Continue to advocate for a Fast Train network from Sydney to Canberra.	• Review measures to encourage landlords to let and improve properties, including rate incentives to do so. • Work with the ACT to develop a Public Transport Integration Strategy. • Implement the Retail Growth Strategy and Queanbeyan CBD Spatial Business Plan to support the development of an authentic 'main street' retail experience as differentiator for the local economy.	• Undertake a study of cross-border business costs and regulatory impositions and consider options, including a Special Economic Zone. • Advocate for a City Deal in collaboration with the ACT Government. • Advocate for harmonisation of Canberra Airport transport access regulations. • Trial a Business Improvement District as an alternative to a Business Chamber in Queanbeyan.	• Work with the Small Business Commissioner to look at regulatory barriers to agri-business and agri-tourism. • Review the LEP and planning policies to remove grey areas around the development of farm-gate agri-business and agri-tourism business. • Work with the Canberra Region Joint Organisation (CRJO) and Visit Canberra to develop or leverage joint marketing initiatives to promote the Region • With the CRJO and Canberra Airport: ◦ investigate the opportunity for Canberra Region produce and products placement in the Canberra airport to support the QPRC Tourism Plan objectives ◦ further ongoing development of export freight opportunities in agriculture and general industry. • Leverage the Canberra Region brand where possible. • Further develop the Queanbeyan-Palerang Events Program.

Queanbeyan-Palerang Enablers

Strategies and Early Stage Actions				
Enablers	Improve Digital Connectivity and Access to Harness the Innovative Capacity of the Workforce	Re-establish Town Centres as 'Places for People'	Grow the Population & Internal Markets	Further Develop Specialised Agriculture and Food and Cultural Tourism
Infrastructure	• Develop a Business Innovation Hub in Queanbeyan. • Develop a South Jerrabomberra Defence & Technology Precinct Business Case. • Regional/remote Wi-Fi Connectivity Solution. • Undertake a feasibility study for commuter rail options in the Bungendore to Canberra corridor.	• Develop a program business case for revitalising the Queanbeyan CBD. • Develop Town Bypass business cases for Braidwood and Bungendore. • Undertake a feasibility study for commuter rail options in the Bungendore to Kingston corridor.	• Develop a Queanbeyan-Palerang Water Security Program business case. • Develop a Jerrabomberra sports precinct business case. • Work with industry in investigating innovative solutions to energy and waste management constraints including renewable energy opportunities and solutions. • Undertake a Queanbeyan-Palerang intermodal freight futures study.	• Investigate abattoir options for Bungendore and Braidwood.

Implementation Plan

Strategy implementation will be overseen by the CEO of Queanbeyan-Palerang Regional Council, drawing on the advice of the Economic Advisory Panel, staff and broader stakeholders as appropriate.

The effective implementation of the Strategy will involve the key stakeholders and regional community that contributed to its development, including State government agencies and local entities.

The completion of this document is intended to be the first stage of an ongoing process where new specific actions to further progress towards the Vision are identified through application of the framework.

The CEO will meet regularly to track progress and liaise with the Regional Director, Southern NSW, NSW Department of Premier and Cabinet. These meetings could also be used to check the Strategy's progress and review against current grant opportunities.

After two years, a formal review of the Action Plan and associated governance processes will be initiated, producing a brief report card to be published as an addendum to the Economic Development Strategy.

This will also provide an opportunity to update the Action Plan for new or modified actions in view of key economic, social, environmental and policy changes.

After four years, an Advisory Committee will also begin the process of updating or refreshing the Strategy.



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BUNGENDORE
LEATHER

