

THE VISION

Shellharbour will build its economic prosperity by continuing to attract new residents and supporting skills development to enable business growth



SHELLHARBOUR

Regional Economic Development Strategy

2019 – 2022

PREFACE

The NSW Government has assisted local councils and their communities to develop 38 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, rather than a comprehensive list of all potential projects. Adoption of these projects would be subject to further evaluative processes.

The power of the strategy is its ability to be used on an on-going 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 council,

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 as helping to capitalise upon other economic opportunities.

This Strategy, prepared by Sensing Value on behalf of the Region, was formed in collaboration with the Shellharbour City Council with input from key stakeholders and the broader regional community, which benefited from economic analytical assistance from the NSW Government's Centre for Economic and Regional Development (CERD).

It is presented in two documents, the Shellharbour Regional Economic Development Strategy 2019–2022 which allows the reader to quickly and easily determine key content, while the accompanying Shellharbour Regional Economic Development Strategy - Supporting Analysis 2019–2022 details the Strategy methodology, evidence and the strategy development process.

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



SENSINGVALUE

DYNAMIC INTELLIGENCE. SMART SOLUTIONS.

Copyright © Sensing Value Pty Ltd 2018

INTRODUCTION

The Shellharbour Regional Economic Development Strategy 2019–2022 (the Strategy) sets out a long-term economic vision and associated strategy for the economic development of the Shellharbour area, namely the Shellharbour LGA. It builds on the endowments and economic strengths and specialisations of the Region to guide investment over the next four years.¹ Economic principles suggest that endowments and specialisations play a key role in regional/local economy development.²

This strategy was derived through detailed data analysis and a consultation process with key stakeholders in the Region. It was also informed by the following strategic documents:

- Shellharbour Economic Development Strategy 2014-2018
- Shellharbour Community Strategic Plan 2018-2028
- Illawarra Shoalhaven Regional Plan 2015.

The Shellharbour economy is closely integrated with the city of Wollongong and the wider Illawarra Shoalhaven Region. It is essentially part of the Wollongong commuter belt. As such, the economic opportunities for Shellharbour are primarily focused on continuing to attract new residents and development of regionally significant assets.

The Strategy is based on the economic specialisations and opportunities identified to leverage Shellharbour's key endowments including its location, infrastructure, lifestyle and amenity, and affordable housing.

Three core strategies have been developed to guide investment and other actions over the next four years:

- Continue to improve services and infrastructure to support population and business growth and enhance the overall amenity of the Region
- Improve education outcomes and workforce skills to support business growth, economic inclusiveness and life outcomes
- Unlock potential opportunities in the tourism sector.

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

The Strategy is a culmination of collaboration between the Shellharbour City Council (informed by input from the Shellharbour community) and the NSW Government's Centre for Economic and Regional Development (CERD).

1. *Regional Economic Development Strategies*, Centre for Economic and Regional Development (https://www.dpc.nsw.gov.au/programs_and_services/centre_for_economic_and_regional_development/projects)
2. *Regional Economic Growth Enablers Report (2017)*, Centre for Economic and Regional Development.



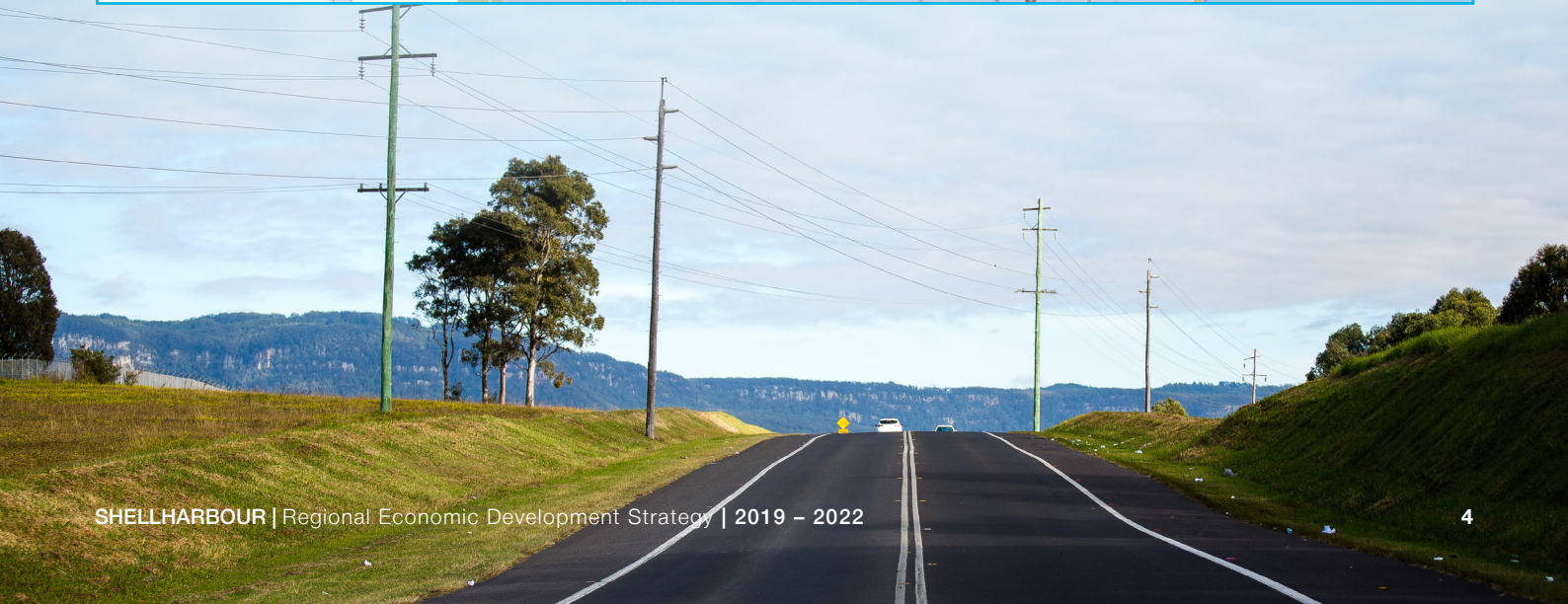
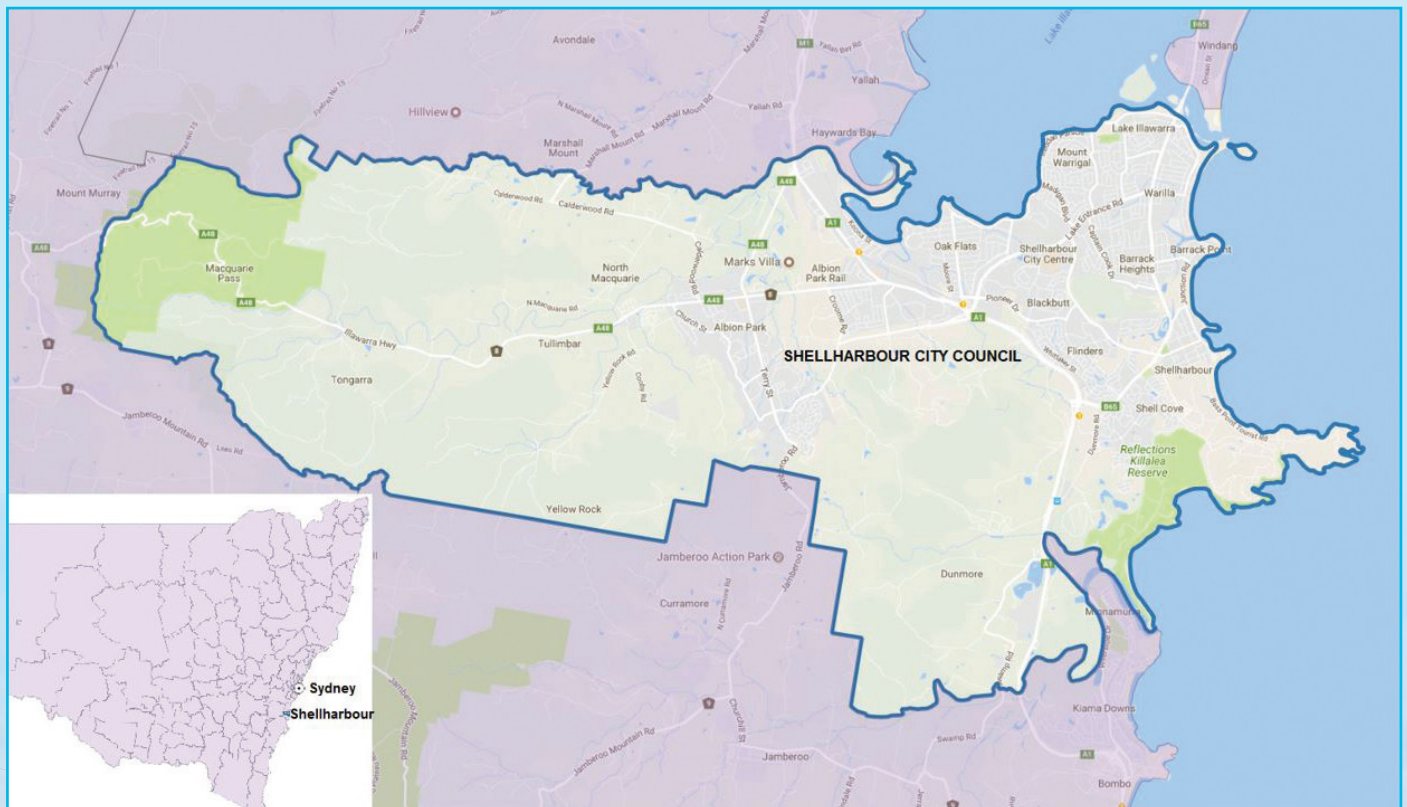
BACKGROUND

The area under consideration is wholly comprised of the Shellharbour Local Government Area (LGA) (as shown in Figure 1). Shellharbour is located approximately 114 kilometres southwest from the Sydney CBD and is bounded by Wollongong City Council to the north, the Municipality of Kiama to the south and Wingecarribee Shire to the west. In 2016, the total population of Shellharbour was 68,460 of which 3.8% were of indigenous heritage.

Shellharbour is a commuter belt community with the majority of its residents commuting to jobs elsewhere in the Wollongong-Illawarra Region and even beyond.

Shellharbour encompasses a total land area of approximately 147 square kilometres and includes areas of significant natural amenity including Macquarie Pass National Park, Myimbarr Wetlands, Blackbutt Forest Reserve and various beaches. The main urban centres in the region are Shellharbour City Centre, Shellharbour Village, Albion Park, Warilla and Oak Flats. Most of the rural areas are in the south and west, with rural land used mainly for crop farming, dairy farming and grazing. The Region benefits from strong transport linkages to these surrounding localities: Wollongong is less than half an hour away by car and Central Station in Sydney's CBD is a two hour journey by train on the South Coast railway line.

Figure 1: Shellharbour Region boundaries



BACKGROUND CONTINUED

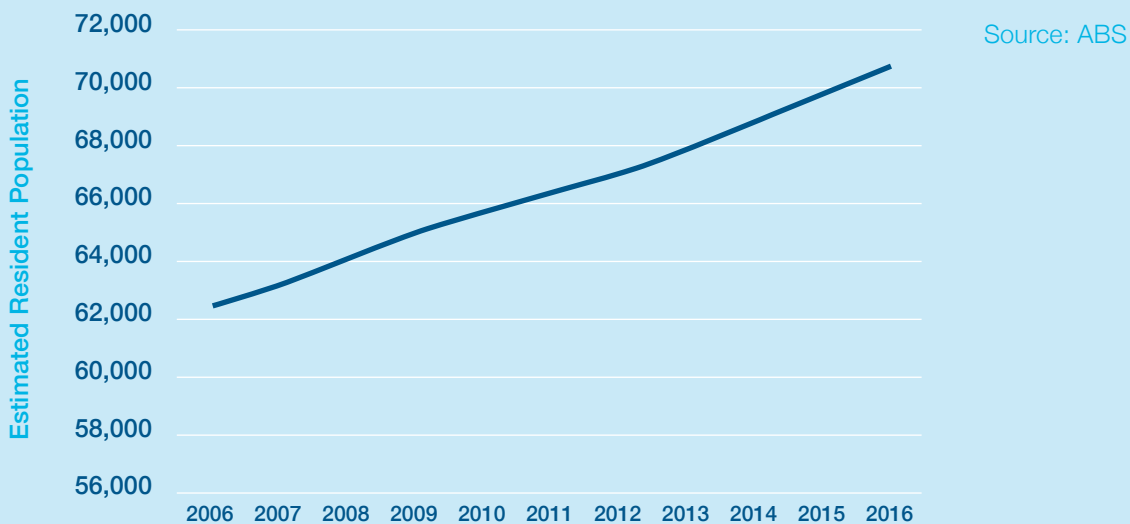
Factors attracting new residents to the Shellharbour Region were identified during the consultation workshops and survey as being:

- Geographic proximity to greater Sydney and Wollongong
- Availability of 'whole of life housing' – young family through to retirement living
- Amenity (both built and natural environment) and lifestyle.

Demographically, Shellharbour has a higher proportion of younger individuals in the 0 to 19 years age group compared to the NSW state average, as well as a higher proportion of older and retirement aged individuals.

An analysis of historical population growth over the past decade shows that population growth in Shellharbour averaged 1.2 per cent per annum between 2006 and 2016 (see Figure 2 below), just below the NSW state average of 1.4 per cent per annum. Population growth is projected to continue into the future.

Figure 2: Population trends in Shellharbour, 2006 to 2016



Economic Profile

As of 2016, Shellharbour had an estimated Gross Regional Product (GRP) of \$2.63 billion, which is relatively small. As outlined in Table 1, the Health Care and Social Assistance sector is the highest value-add and employing sector due to an ageing demographic and sustained population growth in the Region. Retail Trade is also a significant economic sector in the Region reflecting demand for goods and services from the Region's population. Stakeholder consultation with the Region's business community identified that a significant number of consumers commute from Wollongong to Shellharbour due to the retail variety offered by the regional shopping mall located in Shellharbour.

Table 1: Major sectors in Shellharbour by value added, 2015–16

IOIG sector	Value added (\$m)
1 Health Care and Social Assistance	245.4
2 Retail Trade	218.6
3 Construction	179.2
4 Education and Training	177.4
5 Public Administration and Safety	154.5
6 Financial and Insurance Services	119.5
7 Accommodation and Food Services	103.1
8 Rental, Hiring and Real Estate Services	88.3
9 Transport, Postal and Warehousing	70.8
10 Other Services	62.1

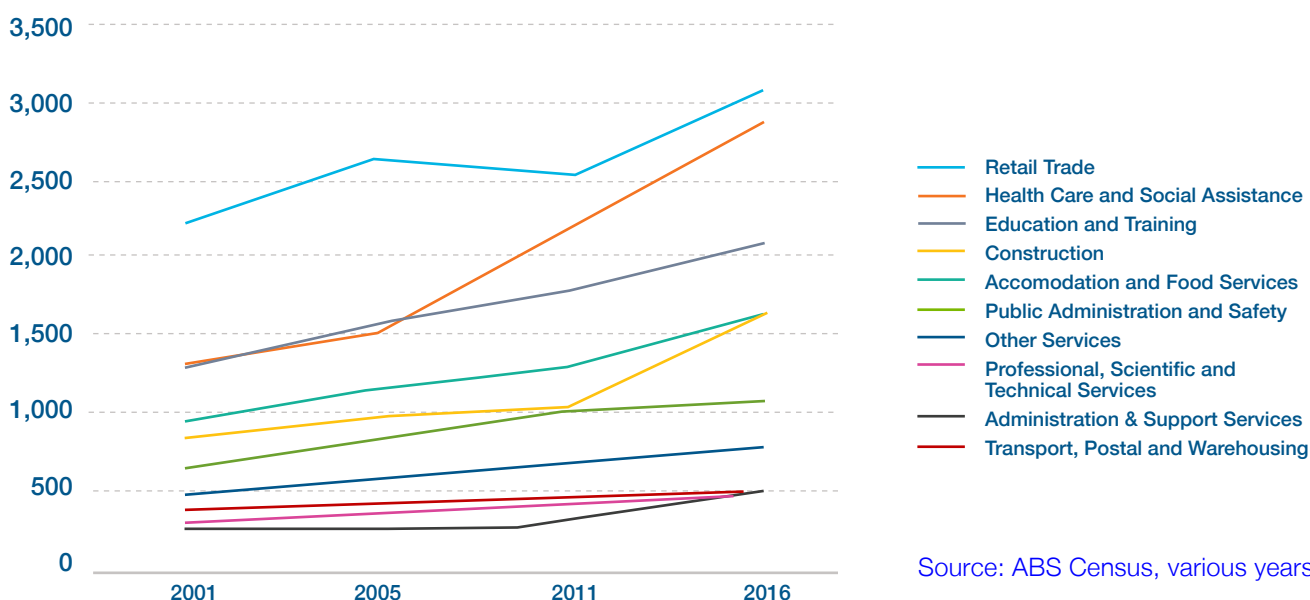
Source: NSW Department of Premier and Cabinet Input-Output (IO) model (2017).



Employment

As illustrated in Figure 3, the largest employing sectors in Shellharbour are Retail Trade, Healthcare and Social Assistance, Education and Training, Construction and Accommodation and Food Services.

Figure 3: Employment in the Shellharbour Region, 2001–2016



Shellharbour's Employment Self-Containment³ (ESC) score suggests that approximately 66 per cent of the workers who live in Shellharbour work in another LGA. Employment Self-Sufficiency⁴ (ESS) indices, which describe the ratio of local jobs filled by local residents, indicate that a high proportion of local jobs are filled by people who live outside the Region, with approximately 41 per cent of local jobs being filled by workers who live outside of the Shellharbour LGA (see Table 2).

Table 2: Employment sufficiency and containment in Shellharbour, 2016

Shellharbour	
Total local workers (working anywhere)	29,606
Number of jobs in local area	17,488
Number of local jobs held by locals	10,377
Number of externals employed in the LGA	7,111
Employment self-containment (ESC)	0.34
Employment self-sufficiency (ESS)	0.59

Source: ABS 2016 Census.

3. The Employment Self-Containment index describes the percentage of employed residents who are employed within the boundaries of the LGA.
4. The Employment Self-Sufficiency index describes the percentage of local jobs that are filled by local residents for a given LGA.

BACKGROUND CONTINUED

The two LGAs with which Shellharbour appears to have the most journey-to-work linkages are Wollongong and Kiama. Approximately 43 per cent of Shellharbour's workers commute to Wollongong for work, supporting the notion that Shellharbour is a commuter belt community.

Educational attainment in Shellharbour is lower than both the NSW and regional average for all major types of post school qualification (see Table 3). Most notable in these statistics is a significantly smaller proportion of individuals with Bachelor or Postgraduate Qualifications compared to the regional NSW average. This suggests that businesses in the Region may need to look outside the Region for tertiary qualified workers located predominantly in other parts of the wider Wollongong region.

Table 3: Educational attainment (population aged 15 years and over) – 2016

	Shellharbour	Regional NSW	New South Wales
Bachelor's Degree and Above (%)	8.7	14.5	23.4
Advanced Diploma and Diploma level (%)	7.1	8.2	8.9
Certificate Qualification (%)	19.0	23.6	18.1
Population with a Post-School Qualification (%)	34.8	46.2	50.4

Source: ABS 2016 Census.

Tourism

Shellharbour has a number of natural attractions and major events that form the basis of the tourism related economic activity in the Region. Shellharbour is the northern gateway to the NSW South Coast situated on the southern shore of Lake Illawarra, with an unspoilt coastline, and surrounded by the Illawarra Escarpment. Shellharbour's natural attractions include Killalea Reserve which includes nationally recognised surfing reserves (The Farm and Mystics), Bass Point Reserve which is one of the best scuba diving sites in NSW, and Lake Illawarra and its foreshore parklands.

As outlined in Table 4, the Shellharbour Region has an almost exclusively domestic visitor base that visits the Region for short (less than a week) trips. The majority of visitors to Shellharbour LGA are domestic day trippers, with domestic overnight tourists also forming a significant component of the visitor base. The primary reason given for visiting the Shellharbour by domestic visitors is for holidays.

International visitors currently account for less than 1% of all visitors to the LGA. Thus, the Region's tourism industry is small scale and limited in scope with relatively limited opportunities for growth, but new opportunities need to be pursued.

Table 4: Tourism statistics for Shellharbour LGA, 2016

Shellharbour	
No. tourism businesses	505
No. of visitors ('000s)	415
Average no. of nights stayed	3
Most common type of visitor	Domestic day (322,000)
Most common reason for visiting	Holiday
Most common form of accommodation during visit	Home of friend or relative
Estimated value of total spend from visitors (\$m)	75
Average spend per trip (\$)	180

Source: Tourism Research Australia Economic Profiles by LGA (2017).

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 each region. The CERD in its Regional Economic Enablers Report (2016) 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”⁵

A region seeking to encourage economic development should concentrate on the factors that enable the growth of endowment-based industries, as well as building local leadership capacity, to capitalise on the opportunities that the region's endowments present. Endowments can lead to opportunities from which commercial and industrial interests may leverage and develop specialisations.

Table 5: Endowments of the Shellharbour Region identified through analysis and community consultation

Natural Environment & Recreational Amenity

- The Region has a number of natural assets that can be leveraged for economic growth and amenity and lifestyle benefits. Natural assets include Bass Point Reserve (Coastal Marine Reserve), Blackbutt Forest Reserve, Killalea State Park, Lake Illawarra, Macquarie Pass National Park and the Myimbarr Wetlands and various beaches. These are recognised by local residents and council as key assets that contribute to the appeal of Shellharbour as a destination. It will be important to ensure stronger positioning of these assets in the wider regional tourism offering.

Proximity to Wollongong & Sydney

- Shellharbour is located within driving distance of Wollongong and accessible from Sydney via road, rail and air. The proximity to Wollongong is particularly significant, as it allows Shellharbour to offer complementary services to the Wollongong economy (such as retail services and a range of housing options), while allowing for leveraging of health, education and business services from the larger city.

Illawarra Regional Airport

- The Illawarra Regional Airport provides freight and passenger access to the Region, including direct flights to Brisbane and Melbourne, as well as supporting a number of aviation and tourism related businesses.

Aboriginal Heritage

- The Shellharbour Region is located within the traditional lands of the Wodi Wodi and Dharawal people. The Wodi Wodi are known to have camped in several locations throughout Shellharbour including Tullimbar, Macquarie Rivulet, Peterborough, Long Point, Lake Illawarra and Minnamurra where there a number of sites with particular Aboriginal cultural significance. The Indigenous Cultural Walk at Bass incorporates a series of interpretative signs that provide information about indigenous occupation of Bass Point and Shellharbour City.

Stockland Shellharbour

- Stockland Shopping Centre is one of the largest retail destinations in the Illawarra Shoalhaven Region. The diversity of the retail offering attracts customers from outside the Shellharbour Region. It is also a major regional shopping centre between Miranda, Campbelltown and Canberra.

Health and Education Infrastructure

- Shellharbour TAFE is a key asset in the Region providing a range of programs in business, nursing and trades. The close proximity of the University of Wollongong is also a key asset for Shellharbour residents. The Shellharbour Hospital is currently being expanded into a major metropolitan hospital including becoming an acute hub for the central part of the Illawarra Shoalhaven Region.

Shell Cove

- The Shell Cove development project commenced in the early 1990's and is still under development. The project provides residential lots, a marina and a range of commercial, retail, tourist, community and recreational facilities in addition to maritime servicing and maintenance facilities. The project has stimulated and diversified the regional economy and has potential to provide enhanced tourism opportunities when key facilities (such as the marina) are completed.

Local Institutions

- The Region is well supported by a number of institutions that drive economic development including the Shellharbour City Council, Shellharbour Business Network, the Tourism Shellharbour industry association and major business operators in the retail and property development sectors.

5. Regional Economic Growth Enablers Report (2017), Centre for Economic and Regional Development.

SPECIALISATIONS

A regional economic development strategy needs to build on existing economic strengths and specialisations and identify development opportunities that can help diversify its economic base. A number of analytic tools have been used to identify those strengths and specialisations for Shellharbour.

Location Quotient Analysis

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 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 this analysis LQs are used as proxy to measure those sectors and industries that represent a region's true competitive advantages⁶.

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 Shellharbour Region REDS.

In Shellharbour, the sector with the highest LQ is Non-Metallic Mineral Mining and Quarrying. A number of businesses classified under this sector operate within the Region. Bass Point Quarry Project (Hanson Australia) produces significant quantities of aggregates used in construction projects. A number of sub-sectors in the Retail Trade Sector also have significant LQs, including Other Store-Based Retailing, Motor Vehicle and Motor Vehicle Parts Retailing and Food Retailing. The top 10 sectors in Shellharbour ranked by Location Quotient are summarised in Table 6.

Table 6: Top 10 sectors in Shellharbour by Location Quotient (for sectors which employ at least 40 people)

ANZSIC sector (3-digit)	Employment (2016)	% change compared to industry average between 2011–2016	Location Quotient
1 Non-Metallic Mineral Mining and Quarrying	177	28.1%	13.38
2 Other Store-Based Retailing	1,807	33.5%	1.92
3 Preschool and School Education	1,808	0.2%	1.90
4 Motor Vehicle and Motor Vehicle Parts Retailing	239	-11.9%	1.82
5 Food Retailing	979	11.0%	1.76
6 Residential Care Services	667	28.0%	1.73
7 Public Order, Safety and Regulatory Services	455	-5.4%	1.61
8 Food and Beverage Services	1,566	3.2%	1.47
9 Social Assistance Services	723	0.6%	1.37
10 Repair and Maintenance	370	3.6%	1.33

Source: ABS 2016 Census and Sensing Value analysis.

Figure 4 charts LQs against employment growth for 2011–16.

- industries with a larger 'bubble' employed more people;
- industries further above the horizontal line are more specialised in terms of employment concentration when compared to NSW (i.e. a LQ greater than 1.25⁷); and
- industries to the right of the vertical line experienced

faster employment growth between 2011 and 2016 than comparable industries across NSW, while industries to the left of the vertical line experienced lower or declined employment growth.

6. The text states "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/minimize risk (Stimson, Stough and Roberts, 2006).

7. A LQ of 1.25 is identified in the literature as denoting a specialisation.

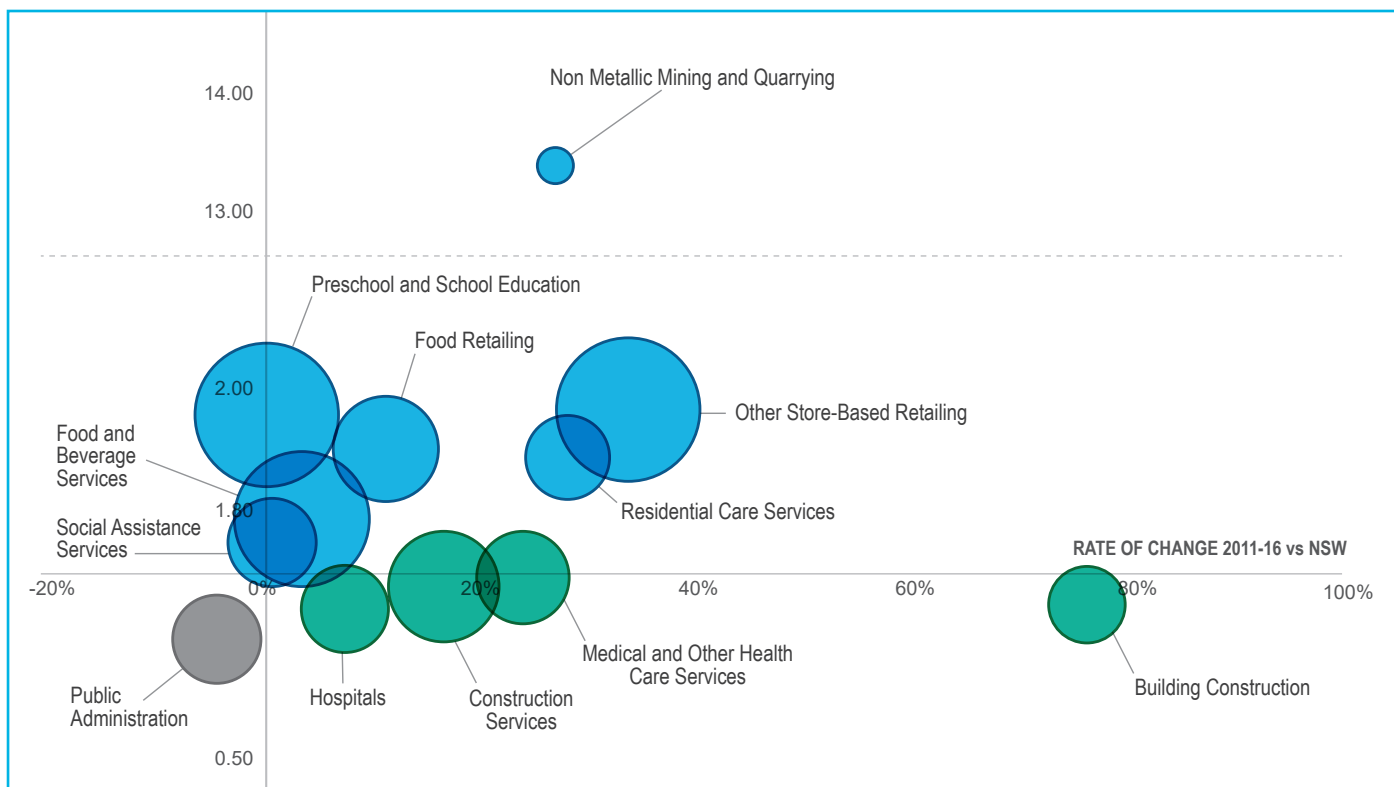
SPECIALISATIONS CONTINUED

Figure 4: Location Quotients and Employment Growth for Industries in Shellharbour

BLUE sectors are sectors experiencing employment growth above the state average

GREEN sectors are potentially emerging sectors

GREY sectors are sectors which are unlikely to be areas of regional specialisation



Source: ABS 2016 Census and Sensing Value analysis.

In this analysis, key sectors fall into two categories:

Important sectors with employment growth greater than the state average

In assessing the LQ of the sectors in the Region, a number of sectors were identified as important and growing and thus likely to be a regional specialisation (coloured blue in Figure 4). These sectors are major employers, as well as having a high LQ. These sectors most notably include the key sectors of Retailing, Residential Care and Education and Training.

Potentially emerging sectors

Emerging sectors are those whose LQs are lower than the state average, but whose employment growth nonetheless grew faster than the NSW state average over the period between 2011 and 2016 (coloured green in Figure 4).

Identifying regional specialisations/ economic strengths

In the context of Regional Economic Development Strategies, the tangible strengths and endowments that a regional economy possess can be leveraged to develop economic opportunities. Based on the analysis above and the consultation workshops, the following industries were identified as key industries offering ongoing growth and employment in the Shellharbour Region:

- Healthcare and Social Assistance
- Retail Trade
- Construction
- Education and Training
- Accommodation and Food.

As noted previously, Shellharbour has been experiencing high population growth which has both sustained and increased demand across these key population serving industry sectors. Further enhancing these strengths and specialisations form the basis of the key elements of the Strategy in the next section.

STRATEGY

The Strategy for Shellharbour builds upon its existing strengths and specialisations and also addresses some of the key risks identified in the Region.

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.

Economic development opportunities

The economic development opportunities for the Region have been identified as those that will support and enhance Shellharbour's economic strengths. The three Strategy elements, detailed in the following sections, are:

- 1 Continue to improve **services and infrastructure** to support population and business growth and enhance the overall amenity of the Region
- 2 Improve education outcomes and **workforce skills** to support business growth, economic inclusiveness and life outcomes
- 3 Unlock potential opportunities in the **tourism** sector.



1 | Continue to improve services and infrastructure to support population and business growth and enhance the overall amenity of the Region

Shellharbour has been experiencing strong population growth over the last decade which has been a key driver of the economy. This has primarily been attributable to Shellharbour being a commuter belt community for Wollongong and the wider Illawarra Shoalhaven Region.

The economic opportunities for Shellharbour are primarily focused on continuing to attract new residents and development of regionally significant assets (as identified by the Illawarra Shoalhaven Regional Plan) including Shell Cove, Illawarra Regional Airport and the further development

of Shellharbour City Centre to support education and health activities in the wider Illawarra Shoalhaven Region.

Potential benefits of Strategy

- Shellharbour continues to attract new residents to the Region
- The overall amenity of the Region and liveability for residents is maintained
- Businesses confidence to invest and grow is increased.

Strategic priority	Issue	Project details
Shell Cove Marina	The development of the Shell Cove Marina has been identified as an opportunity to support the establishment of new marine businesses co-located at the Marina.	<ul style="list-style-type: none"> ➤ Located just south of Shellharbour Village at Shell Cove the project will provide a safe harbour purpose-designed for private boating, tourism activities and commercial maritime services. It is a starting point to connect visiting boats or to hire a boat to take advantage of the network of harbours along the NSW South Coast, including Kiama, Huskisson and Ulladulla, as well as harbours further south and the numerous marine parks along the South Coast.
Shellharbour City Centre	Shellharbour increasingly provides goods and services for the central parts of the Region. Retail is currently the major source of economic activity, but there are opportunities to build on the health and education presence in the Centre.	<ul style="list-style-type: none"> ➤ Growth in the central part of the Illawarra Shoalhaven Region will increase the demand on existing health and education institutions. ➤ The NSW Government has announced the expansion of Shellharbour Hospital into a major metropolitan hospital. The hospital will be an acute hub for the central part of the Illawarra Shoalhaven Region ➤ To take advantage of these increased demands and to attract complimentary health and education activities, improvements to public transport connections and ensuring the availability of land for expansion has been identified in the Illawarra Shoalhaven Regional Plan.
Illawarra Regional Airport Upgrade	Upgrade to the Illawarra Regional Airport has been identified as a key opportunity to grow the tourism potential of the Region.	<ul style="list-style-type: none"> ➤ The Illawarra Regional Airport Strategic and Business Plan was recently adopted by Shellharbour City Council. ➤ The business plan outlines the land development opportunities at the airport to enable the growth of both tourism, light aeronautics industry and emergency services. ➤ Regular commercial passenger flights to a number of main centres have recently been re-established which will also enable growth in associated industries and wider economic benefits to the Region.

2 | Improve education outcomes and workforce skills to support business growth, economic inclusiveness and life outcomes

Access to skilled labour and levels of youth unemployment were identified as significant barriers to business growth and economic inclusiveness in Shellharbour and in the wider region. This was supported by data from the 2016 ABS Census which showed that Shellharbour has a significantly lower proportion of its population with post school qualifications (34.8% compared to the regional NSW average of 46.2%). Shellharbour has also consistently had a higher level of unemployment compared to the regional NSW average. These lower levels of educational attainment in part may have contributed to skills shortages. This may also partly explain higher levels of unemployment in the Region.

In addition, due to geographic proximity to Wollongong, Shellharbour businesses are competing with Wollongong for skilled workers which is also reflected in the journey to work data provided by the ABS (which shows around 43% of Shellharbour’s workers commute to Wollongong for work).

Potential benefits of Strategy

- Shellharbour businesses have access to improved levels of workforce skills and an increased pool of skilled labour.
- Youth unemployment is reduced and overall life outcomes are enhanced through improved levels of educational attainment.

Strategic priority	Issue	Project details
Shellharbour TAFE	<p>Shellharbour TAFE is a key educational institution that currently offers programs in business and administration services, nursing, engineering, automotive trade and basic adult education and general education.</p> <p>TAFE is a key asset in the region that can help to address the identified issues relating to workforce skills and youth unemployment in the Region.</p>	<ul style="list-style-type: none"> ➤ Development and implementation of the Shellharbour City Centre Investment Plan to facilitate the future growth of Shellharbour TAFE. ➤ Work in conjunction with key stakeholders to identify skills needs to guide course offerings and address youth unemployment in the Region.
Economic Gardening	<p>The objective of Economic Gardening is to encourage businesses that have the potential for fast growth and therefore the potential to generate local employment in the Region.</p>	<ul style="list-style-type: none"> ➤ Active participation in the Economic Gardening Illawarra initiative. ➤ Economic Gardening Illawarra was established to provide business support program available to businesses located in the Illawarra Shoalhaven Region. ➤ The Strategy adopted by Shellharbour, Kiama and Wollongong Councils focuses on the development of the regional economy by supporting and assisting existing businesses to develop and grow sustainably.
Shellharbour City Business Network	<p>The objective of the Shellharbour City Business Network is to support existing businesses in the Region to develop and grow beyond the Region.</p>	<ul style="list-style-type: none"> ➤ Extend business skills development training with the assistance of government and private sector stakeholders.

3 | Unlock potential opportunities in the tourism sector

Shellharbour has a number of natural attractions and major events that form the basis of the tourism related economic activity in the Region. Shellharbour City forms the northern gateway to the NSW South Coast and is situated on the southern shore of Lake Illawarra, with an unspoilt coastline and surrounded by the Illawarra Escarpment.

Shellharbour's natural attractions include Killalea Reserve which includes nationally recognised surfing reserves (The Farm and Mystics), Bass Point Reserve which is one of the best scuba diving sites in NSW, Lake Illawarra and its foreshore parklands. Other tourism products include the HARS Aviation Museum at the Illawarra Regional Airport (which contains the largest collection of historical aircraft in Australia) along with skydiving, helicopter, biplane, gyrocopter and microlight flights along the Illawarra coastline.

Shellharbour is well endowed with a diverse range of visitor attractions and activities, quality sporting facilities such as the Warilla Bowling Club (which recently hosted the

World Cup) and a network of cycle ways and walking trails (Macquarie Pass National Park and Green Valley Mountain Bike Park).

Shellharbour has also established itself as a destination shopping centre in the wider region based around the Stockland Shopping Mall which is the largest shopping centre on the NSW South Coast.

Potential benefits of Strategy

- ▶ Continuing to develop and grow the tourism sector further diversifies the Region's economy.
- ▶ Increased Tourism visitation creates demand for service jobs in Hospitality, Accommodation and Entertainment sectors that diversify employment.
- ▶ The Region's appeal is increased by developing a range of tourism products that help attract a range of visitors to the Region.

Strategic priority	Issue	Project details
Shellharbour Visitor Accommodation	The limited supply of accommodation, particularly quality accommodation (4-5 star) has been identified as a major constraint to growing overnight visitation to Shellharbour City. Currently visitors requiring 4-5 star accommodation are staying in Kiama or Wollongong rather than in Shellharbour.	<ul style="list-style-type: none"> ▶ Determine preferred locations for new accommodation of varying sizes and styles throughout the LGA. Locations could include Shell Cove, the Airport precinct, a Links golf course and Holiday Parks. ▶ Encourage a variety of accommodation types from hotels through to cabins. ▶ For prospective investors, assist with business related information and other data associated with accommodation demand.
Shell Cove Marina and Precinct Development	The new Shell Cove Marina provides the opportunity to develop marine-based tourism.	<ul style="list-style-type: none"> ▶ Located just south of Shellharbour Village at Shell Cove, The Waterfront is being developed as a boating, tourist and lifestyle destination. It provides a safe harbour purpose-designed for private boating, and is a starting point to connect visiting boats, or to hire a boat to take advantage of the network of harbours along the NSW South Coast, including Kiama, Huskisson and Ulladulla, as well as harbours further south and the numerous marine parks along the South Coast.
Princes Highway Albion Park	Identified as strategic priority in the Destination Sydney Surrounds South Destination Management Plan 2018 – 2022.	<ul style="list-style-type: none"> ▶ Roads and Maritime Services is planning an extension of the M1 Princes Motorway between Yallah and Oak Flats to bypass Albion Park Rail. The NSW Government is funding the \$630 million project. The bypass would complete the 'missing link' for a high standard road between Sydney and Bomaderry.
Illawarra Regional Airport Upgrade	Upgrade to the Illawarra Regional Airport has been identified as key opportunity to grow the tourism potential of the current airport.	<ul style="list-style-type: none"> ▶ The Illawarra Regional Airport Strategic and Business Plan was recently adopted by Shellharbour City Council. ▶ The business plan outlines the land development opportunities at the airport including an aviation based tourism industry precinct.
Bass Point Aboriginal Interpretive Centre	The Bass Point Aboriginal Interpretive Centre has been identified as a key piece of cultural infrastructure and of high value tourism related infrastructure.	<ul style="list-style-type: none"> ▶ A feasibility study has been completed.

STRATEGY AND IMPLEMENTATION ACTIONS

Enablers	Continue to improve services and infrastructure to support population and business growth and enhance the overall amenity	Improve education outcomes and workforce skills to support business growth, economic inclusiveness and life outcomes	Unlock potential opportunities in the tourism sector
People and skills		<ul style="list-style-type: none"> ▶ Continue to actively participate in the Economic Gardening Illawarra initiative to help local businesses grow and develop sustainably ▶ Extend business skills development training with the assistance of government and private sector stakeholders 	
Government, regulation, services and information		<ul style="list-style-type: none"> ▶ Facilitate the future growth of Shellharbour TAFE as identified in the Shellharbour Centre Investment Plan ▶ Work in conjunction with key stakeholders to identify skills needs to guide course offerings and address youth unemployment in the Region 	<ul style="list-style-type: none"> ▶ Encourage the development of a range of visitor accommodation to address current supply constraints ▶ Support the development of the new Shell Cove Marina and Precinct Development to facilitate the development of marine based tourism
Infrastructure	<ul style="list-style-type: none"> ▶ Continue to facilitate the development of the Shell Cove Marina ▶ Continue to implement the Shellharbour City Centre plan ▶ Complete upgrades to the Illawarra Regional Airport 		<ul style="list-style-type: none"> ▶ Complete the upgrade to the Illawarra Regional Airport ▶ Complete the Princes Highway Albion Park bypass ▶ Construct the Bass Point Aboriginal Cultural Centre
Utilities			



IMPLEMENTATION

The Strategy will need to be implemented by the Shellharbour Council as well as state government agencies, local entities and stakeholders.

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. It is suggested that an Advisory Committee made up of representatives from the Council be established to progress the actions listed in this Strategy, apply the Strategy's framework to identify new actions to be added to the Action Plan, develop key performance indicators and evaluate outcomes. The Advisory Committee would meet every three months and would report progress on actions to the Council. The Advisory Committee could also hold six monthly meetings with the Deputy Regional Director, Illawarra Shoalhaven

and NSW Premier and Cabinet. These meetings could also be used to monitor the Strategy's progress, review against current grant opportunities and identify other assistance that could be provided by the NSW Government.

Opportunities to leverage input from the Illawarra Shoalhaven Joint Organisation (ISJO) could also be identified to assist the implementation of the Strategy.

After two years, the Advisory Committee will conduct a formal review of the Action Plan and produce a brief report 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.

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



Disclaimer

The Crown in right of the State of New South Wales acting through the Department of Premier and Cabinet (Department) does not guarantee or warrant, and accepts no legal liability whatsoever arising from or connected to, the accuracy, reliability, currency or completeness of any material contained in this publication.

Information in this publication is provided as general information only and is not intended as a substitute for advice from a qualified professional. The Department recommends that users exercise care and use their own skill and judgment in using information from this publication and that users carefully evaluate the accuracy, currency, completeness and relevance of such information. Users should take steps to independently verify the information in this publication and, where appropriate, seek professional advice.

Nothing in this publication should be taken to indicate the Department's or the NSW Government's commitment to a particular course of action.

Copyright

This publication is protected by copyright. With the exception of (a) any coat of arms, logo, trade mark or other branding; (b) any third party intellectual property; and (c) personal information such as photographs of people, this publication is licensed under the Creative Commons Attribution 4.0 International Licence (<https://creativecommons.org/licenses/by/4.0/legalcode>).

The Department of Premier and Cabinet requires attribution as: © State of New South Wales (Department of Premier and Cabinet), (2019).

First published: January 2019

© Photography courtesy of:

Shellharbour City Council
Destination NSW
Tourism Shellharbour
Dee Kramer Photography
James Horan; Destination NSW



Developed with the support of the NSW Government as part of the Regional Economic Development Strategies program to assist local councils and their communities in Regional NSW.

