

REDS impact review

Tweed REDS fire impact addendum
May 2020



Regional
NSW



Executive summary

This document serves as a summary of the fire impact assessment for the Tweed Regional Economic Development Strategy (REDS) in response to the 2019-2020 bushfire crisis. It was developed in collaboration with regional staff, and utilised input from industry experts.

The purpose of this addenda is to identify the degree of fire impact to the strategic priorities within the existing REDS. This work was undertaken with a focus on impact from bushfire.

Fire impact in Tweed is primarily, but not limited to, tourism-related industries such as Retail Trade; Tweed's largest industry by Gross Value Added (GVA) contribution. The tourism industry was impacted by road closures, smoke and perception issues primarily in the Western hinterlands. As fire impact is low and due to the strength of the Tweed's tourism offering in Northern and Coastal areas drawing visitation from South East Queensland, tourism was temporarily impacted but there is limited long-term effect.

Overall, the strategic priorities within the REDS are not affected by fire. Revised priorities and initiatives to respond to fire impacts are not required as ability to delivery existing strategic priorities is not affected.

These materials are based on preliminary data available as of May 2020.

Note to reader: COVID-19 context and considerations

This document has been prepared in response to the 2019/2020 bushfire crisis. **It does not factor in the economic impacts from COVID-19, providing only a bushfire economic impact baseline. As a result: this document and any impact estimates within do not take into account any additional economic impacts which arise from COVID-19 and consider only the economic impact of bushfires.**

In response to COVID-19 the Commonwealth and NSW Governments have put in place restrictions on business trade and personal movement to combat the spread of disease. It is anticipated that these restrictions will further impact regional economies and engine industries.

- Industries analysed within this document likely to experience additional impact include tourism related industries such as retail, food and beverage and accommodation services.
- Other regional industries not directly affected by fire are also likely to experience impact including, but not limited to, construction and manufacturing.

As the length and impact from COVID-19 becomes clearer, the strategic priorities mentioned in this addenda and the timing of any related initiatives may need to be further adjusted.

Any measures put in place by the Commonwealth and NSW Government to support businesses and industries in response to bushfire impact should be viewed in the context of broader recovery measures.

Tweed REDS addenda impact review Table of Contents

Summary

Slide 4 High level summary of impacts and integrity of the underlying REDS

Slide 5 Summary REDS

Impacts on region and economy

Slide 6 Map of impacts

Slide 7 Magnitude of impacted industries

Slide 8 Impact on endowments

Slide 9 Assessment of impact on strategic priorities



Impact summary

- 1 Total burn scar size from fire is 25 km², ~1% of total FER
- 2 Some immediate impact to tourism industry primarily in Western hinterlands due to proximity to fire, smoke and road closures
- 3 Recovery expected to be rapid due to strength of adjacent Gold Coast/South East Queensland tourism industry



Key takeaways

- 1 Ability to deliver REDS strategic priorities not affected
- 2 Continue to focus on developing tourism offering and reinforcing trade and visitation linkages with South East Queensland

Recap: Tweed REDS



Regional endowments

- 1 Riverine, hinterland and coastal amenity
- 2 Proximity to South East Queensland
- 3 Rich soils and high rainfall
- 4 Airport, road and hospital infrastructure
- 5 Strong councils and government agencies
- 6 Southern Cross University
- 7 Rich indigenous culture and history
- 8 Wollumbin National Park
- 9 Strong Collective Arts Community



Regional Specialisations

- Engines of growth
 - Tourism
 - Specialised agriculture
 - Food and wood product manufacturing
- Enabling industries
 - Tourism support services
- Population serving industries
 - Construction
 - Building Installation and Completion
 - Residential Care and Allied Health
 - Hospitals

Strategic Priorities



- Leverage tourism endowments in a culturally and environmentally sensitive way



Cultivate Tweed Shire's specialised economic precincts and activities



- Increase cross border integration and offset tax and regulatory distortions

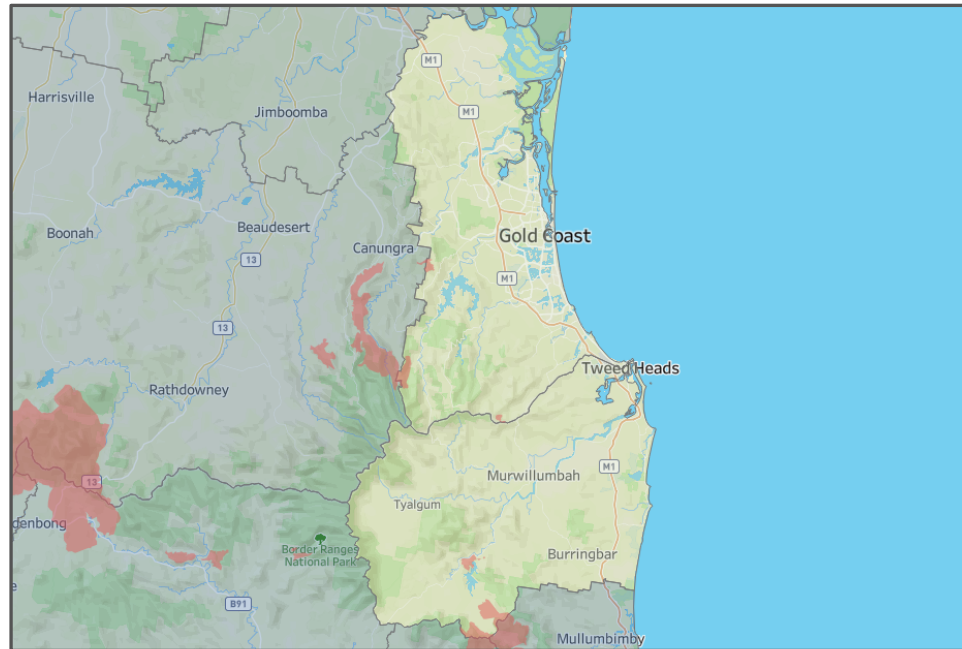


- Develop a precinct strategy for the Tweed Valley Hospital Development



25km² of the FER is physically impacted by fire, approximately 1% of the entire FER

Fire impacted area within Tweed FER

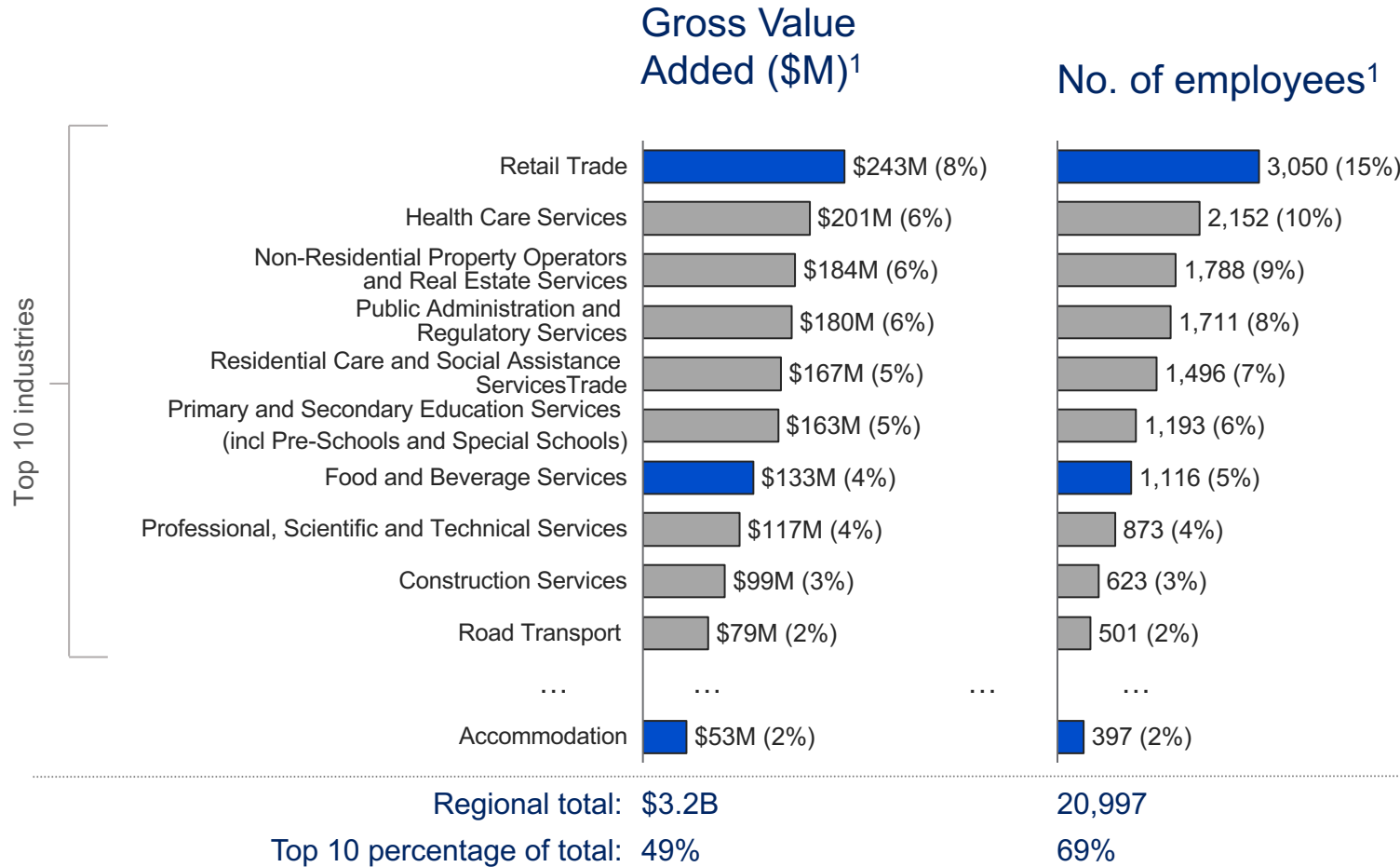


Fire affected area **LGAs:** Tweed; Gold Coast (QLD)

Key physical impacts

- **Area burnt¹:** 25 km² burnt by bushfires, ~1% of total FER area—2,641 km²
- **Property damage²:** Only 2 properties damaged or destroyed²
- **Tourism assets:** Some road closures of Pacific Highway to the south, heavy smoke diminished visitation and amenity

Tweed experienced minimal fire impact that is not expected to be ongoing



Impacted focus industries

- Tourism: Tourism is broadly a subset of tourism-related industries such as Retail Trade, Food and Beverage Services, Accommodation etc; CERD analysis indicates that tourism contributes ~\$179M in GVA and ~8% of FTE employment.

▫ Tourism impacted by heavy smoke, Pacific Highway road closures and fire spread concerns. However, region expected to recover due to strength of Northern tourism industry continuing to attract travellers from South East Queensland.

Industry endowments are impacted, but magnitude of impact is low

Focus industries

1



Tourism

Dependent endowments

- 1 Riverine, hinterland and coastal amenity
- 2 Proximity to South East Queensland
- 4 Airport, road and hospital infrastructure
- 7 Rich indigenous culture and history
- 8 Wollumbin National Park
- 9 Strong Collective Arts Community

Impacts

- Yes – Minor forest burn in hinterland regions reducing amenity and accessibility
- No
- Yes – Pacific Highway closures
- No
- No
- Yes – Personal impact to local community

Tweed REDS strategic priorities are not materially impacted and remain viable



Strategic priorities



Degree of impact



Restructured priority focus areas

▫Leverage tourism endowments in a culturally and environmentally sensitive way



Low

- Some immediate impact to visitation but will not impact strategic priorities

▫Cultivate Tweed Shire's specialised economic precincts and activities



Low

- No material impact to priorities from fire

▫Increase cross border integration and offset tax and regulatory distortions



Low

- No material impact to priorities from fire

▫Develop a precinct strategy for the Tweed Valley Hospital Development



Low

- No material impact to priorities from fire