

# Tweed Shire Regional Economic Development Strategy 2018 - 2022

## *Vision*

*Providing high quality services, products and experiences amidst a remarkable natural environment, vibrant population centres and close integration with South East Queensland.*



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# 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, reflects collaboration between Tweed Shire 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 [Tweed Shire Regional Economic Development Strategy 2018 - 2022 \(this document\)](#) which allows the reader to quickly and easily determine key content, while the [Tweed Shire 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](mailto:CERD@dpc.nsw.gov.au)

# Introduction

The **Tweed Shire 2018 - 2022 Regional Economic Development Strategy** (the Strategy) has been developed to facilitate economic growth opportunities across the Tweed Shire (the Region) as a tourism destination and lifestyle and population centre.

The Tweed Shire is located in the north-east of NSW at the Queensland border. Home to almost 91,000 residents, Tweed Shire has one of regional NSW's fastest growing populations.

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.

Tweed Shire's unique strengths were determined through a review of several factors:

- the Region today – considering the Region as a whole and the localities within it for their demographics, infrastructure, institutions and economic structure, risks and opportunities

- endowments - key features of the natural environment, built environment, institutions, geography and society specific to the Region's locations
- specialisations - activities in which the Region has a demonstrable advantage
- 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.

Tweed Shire's key endowments lie in its access to South East Queensland and other adjoining Regions; excellent infrastructure and services, including the New Tweed Hospital; and spectacular natural environment and cultural heritage.

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

- 'Engines of Growth' like tourism, specialised agriculture, food and wood product manufacturing and aquaculture
- business-enabling activities, such as tourism support services and financial, professional & technical services and commercial construction
- internal, population-serving markets like health, residential care, education, residential construction, retail and arts & recreational services.

These specialisations and analysis of current issues, opportunities and risks suggest some key strategic imperatives:

1. leverage Tweed Shire's tourism endowments in a culturally and environmentally sensitive way
2. cultivate Tweed Shire's specialised economic precincts and activities
3. increase cross border integration and offset tax and regulatory distortions
4. develop a Precinct Strategy for the Tweed Valley Hospital Development
5. grow the population and internal markets of the Region.

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 against the implementation themes.

This Strategy is the culmination of collaboration between Tweed Shire Council, its community and the NSW Government's CERD.

Strategy implementation will be overseen by the General Manager of Tweed Shire Council, drawing on staff and broader stakeholders as appropriate.

# Background

Home to 91,000 people and encompassing an area of over 1,300 square kilometres, Tweed Shire sits at the extremity of NSW's North Coast on the Queensland border.

The major population centres of the Region are the regional city of Tweed Heads, Kingscliff and Murwillumbah.

Data analysis shows that it is a commuter-belt region with 39 per cent of resident workers travelling outside the Region for work, making it a 'satellite' functional economic region.

In addition to its own wealth of economic pursuits, the Region is closely integrated with the Gold Coast, Queensland's 'second city'. The Region's degree of cross-border integration is reflected in flows of labour between the Tweed Shire and the Gold Coast. 17 per cent of people working in the Tweed live on the Gold Coast, with more than 23 per cent living in the Tweed working on the Gold Coast.

Tweed Shire's access to south east Queensland's very large and rapidly growing markets is fundamental to its economic prospects. The Gold Coast is home to more than 500,000 residents, with two million Brisbane residents 100 kilometres north. The South East Queensland economy contributes to the Tweed's popularity as a tourism destination, and as an area in demand with retirees seeking a change of lifestyle.

Tweed is in the heart Green Cauldron a National Iconic Landscape that is home to the ancient Gondwana Rainforests. Wollumbin National Park is a world heritage listed area of great cultural, environmental, scenic, and geological significance. Wollumbin provides much of the backdrop and identity of the Tweed of today. Other National Parkes include, Nightcap Ranges, Border Ranges and a small portion of Lamington. These National Parks contribute to Tweed Shire being one of Australia's most biodiverse flora and fauna regions.

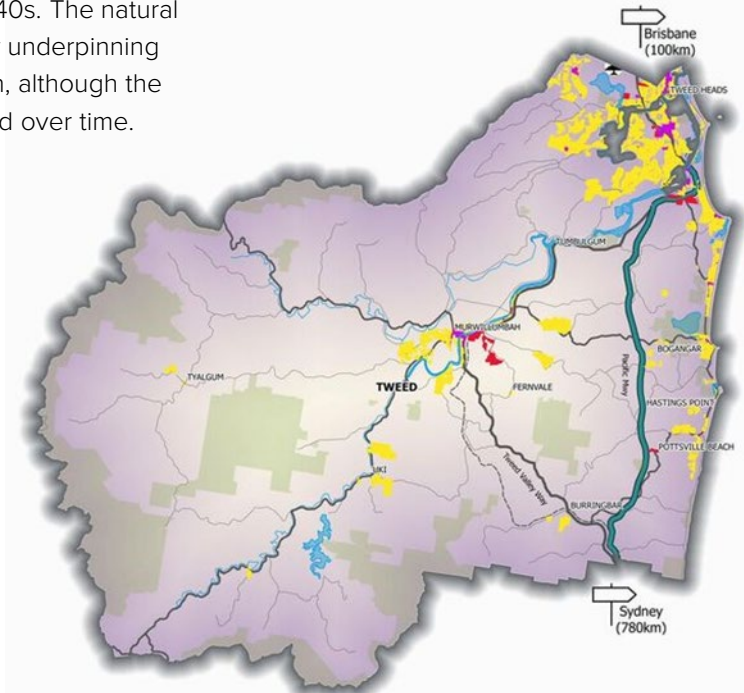
The economic origins of the Region lie in the timber trade, dating back to the 1840s. The natural environment continues to be a key underpinning for the Region's economic strength, although the composition of activity has changed over time.

Today, the Region's emphasis is on tourism and serving the large numbers of people who have moved to the Region over time requiring health, education and other services.

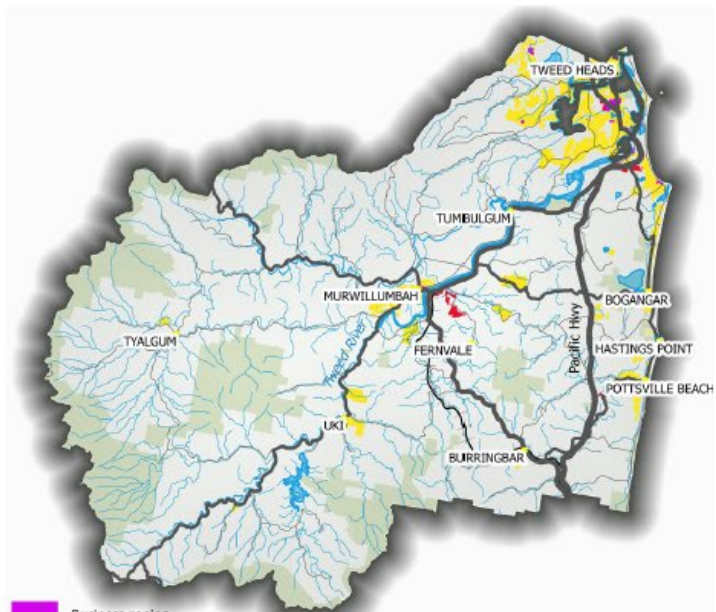
Rich soils and high rainfall support a diverse agricultural industry including sugar cane, vegetable growing and niche products.

The major connecting roads in the Region are the Pacific Highway and Tweed Valley Way.

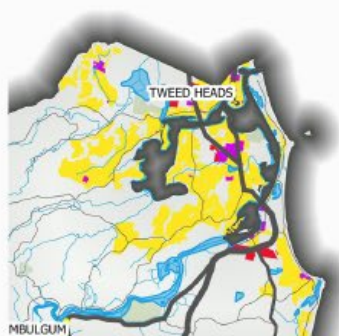
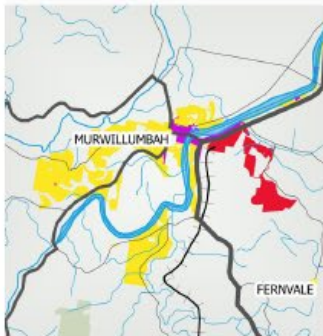
The Region's primary gateway is the Gold Coast Airport, which offers daily services to both domestic and international destinations.



# Tweed



- Business zoning
- Industrial zoning
- Residential zoning
- State forest
- National park



**GRP**  
**\$2,812M**

**1,307 km<sup>2</sup>**  
**area**

**Employment by Industry**  
**Top 3**

	Health Care and Social Assistance	15.7%
	Retail Trade	11.2%
	Construction	11.2%

**\$539**  
**Weekly Median Income**

**92.9%** are employed in Tweed

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**7.1%** unemployment

**16.8%** of population are younger than 15

**47**  
**Median Age**

**Population**  
**91,371**

**25.3%** of population are older than 65 (2016)

Source: Australian Bureau of Statistics: 2016 Census, Tweed (A)

# Population Profile

Tweed Shire has a relatively large population base relative to other NSW regions. The scale of population means that the internal markets of the Region tend to be larger, deeper and more diversified than is typical for regional NSW.

The composition of the Region's demographic profile from the 2016 Census reflects a relatively high number of dependents in Tweed Shire compared to the NSW community. A relatively large number of aged dependents reside in the Tweed, with the proportion of the population 65 or older being almost 20 percentage points higher than the State average, and the average resident of Tweed Shire nine years older than the average NSW resident.

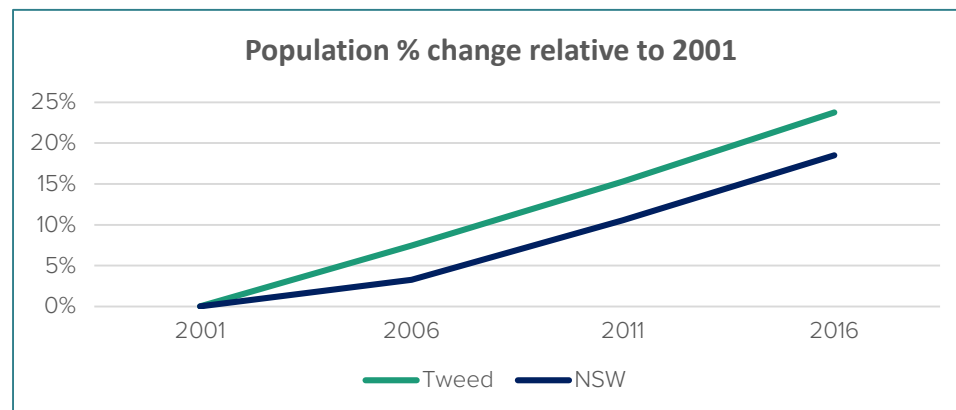
An older, more dependent profile implies greater demands on, and opportunity for, the local working age population relative to NSW as a whole, to service aged dependents, especially for late-in-life services like health.

Tweed Shire's prospects for growth are underpinned by its ongoing success in attracting new residents. The Region's population increased by more than 23 per cent between 2001 and 2016, above NSW's population growth and well above that for regional NSW. Migration data shows that the Tweed Shire's new residents most typically come from Queensland.

As an aggregate, new residents are most typically of young or prime working age, but the proportion of arrivals of late working age or older is higher than in other regions. The profile of migration implies a compounding effect on the dependency ratio over time and a relative scarcity of workers to service dependents, creating opportunities for local workers to benefit.

The Region's trend of steady growth is projected to be sustained over time. The NSW Department of Planning and Environment estimates that by 2036, Tweed Shire's population will be around 125,500 people, or more than one quarter larger than 2016 levels.

	Tweed Shire	NSW	Regional NSW
Age Dependency Ratio (>65 / 15-64)	43.7%	25%	34.8%
Youth Dependency Ratio (<15 / 15-64)	29%	28.4%	28.4%
Dependency Ratio (Sum of the two)	72.7%	53.4%	63.2%
Proportion of Young Persons (<15/all)	16.8%	18.5%	18.5%
Proportion of Old Persons (>65/all)	25.3%	16.3%	21.1%
Median Age 2016	47	38	42.5



5 Year Migration by Age Group for North Coast Regions (% of total)

Location	Youth	Young & Prime Working Age	Late Working Age & Older
Tweed Shire	2,389 (13.1%)	8,634 (47.2%)	7,217 (39.5%)
Hastings Macleay	2,444 (14.0%)	7,966 (45.6%)	7,045 (40.4%)
Northern Rivers	2,836 (13.6%)	11,573 (55.7%)	6,340 (30.5%)
Coffs Coast	2,333 (16.1%)	8,005 (55.1%)	4,193 (28.8%)
Clarence Valley	1,009 (13.8%)	3,198 (43.8%)	3,085 (42.3%)
Nambucca Shire	456 (13.5%)	1,522 (45.0%)	1,409 (41.7%)

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# 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.*

A region seeking to encourage economic development should therefore concentrate on factors that enable the growth of endowment-based industries, as well as building local leadership and institutional capacity and capabilities, to facilitate businesses and public agencies and services to capitalise on the opportunities that 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

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**Riverine and hinterland amenity** – The amenity of the Tweed River and its valley are a prime source of appeal attracting visitors and potential residents to the Region.

**Coastal amenity** – Tweed Heads, Kingscliff and surrounds showcase the coastal offerings of the Region with a succession of impressive beach frontages.

**Wollumbin (Mt Warning) National Park** – Wollumbin National Park is a world heritage listed area of great cultural and geological significance. Wollumbin provides much of the backdrop and identity of the Tweed Valley of today, much as it has for Aboriginal groups in north east NSW for thousands of years.

**Proximity to South East Queensland** – Tweed Shire shares a border with South East Queensland. About 3.5 million people call South East Queensland home today, projected to rise to 5.3 million over the next 25 years.

**Rich soils and high rainfall** – supports a thriving agricultural industry and the development of niche food market production.

## Built endowments

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**Gold Coast Airport** – Tweed Shire in part takes in the Gold Coast Airport. Volumes for both passengers and freight are expected to increase over time as market access and awareness continues to expand and develop.

**Pacific Highway** – The Pacific Highway serves as the Tweed's principal source of connectivity to major metropolitan markets and gateways.

**Margaret Olley Art Centre** – A principal cultural hub of the Region is the Margaret Olley Art Centre (Tweed Regional Gallery). Since the opening of the Olley Centre, visitation has leapt to above 120,000 visitors a year.

**New Hospital** – The 2017/18 State Budget committed more than \$500 million towards the Tweed Valley Hospital Development.

# Endowments

Tweed Shire's rich range of endowments afford it a great deal of economic diversity today and considerable economic potential for the future. However, it also faces a number of risks that undermine the prospects these endowments afford. Two of the principal risks facing the Region are obstacles to closer economic integration with South East Queensland and perceptions about the investment climate in the Region.

While Tweed Shire is already integrated with the Gold Coast to a significant degree, limitations relating to intra-regional transport connections and differentials between taxes, charges and regulatory impositions across the two States restrict integration.

Similarly, the Tweed Shire demonstrably has tremendous capacity to draw new residents to it. However, concerns from developers and business operators about the investment climate in the Region are reflected in a 'risk premium' on development and entrepreneurship, curtailing the industry response to accommodating new residents or putting their skills to work in new ventures and initiatives, or in some cases making development prohibitive. Many of the concerns reflect perceived land-use conflicts between environmental values and economic opportunities from redevelopment. One of the best means of improving the investment climate is effective land-use planning that identifies the Region's simultaneous needs to sustain its high quality environment, support its high productivity clusters and housing precincts, clarify the conditions of consent for developers and contain the costs of regulation to efficient minimums.

## Human endowments

### **Diverse specialised skill sets –**

The Region has diverse capabilities, spanning:

**Engines of Growth like:** tourism; sugar cane; vegetable growing; and manufacturing.

**Enabling Industries like:** Travel Agency and Tours; Motor Vehicle and Transport Rental; Building Cleaning, Pest Control and Gardening; Real Estate & Property Operator Services; Motion Picture and Video Activities.

### **Population Serving Industries like:**

Construction; Building Installation and Completion; Residential Care and Allied Health; and Hospitals.

### **Strong Collective Arts Community –**

the Region has a high concentration of artists and supports an active and collaborative arts community.

### **Rich Indigenous Culture and History –**

the Shire's spectacular natural settings afford a great platform for linking the Region's environment to the cultural values and mythology of the Region's first residents, the Goodjinburra, Tul-gigin and Moorang-Moobar people. The shire has a good working relationship with the representatives of the original people.

## Institutional endowments

**Regional Development Australia Northern Rivers –** RDA Northern Rivers serves as a very effective economic development strategist and facilitator of economic development. The RDA's linkages to councils across the Northern Rivers are enhanced through its role as the Secretariat of NOROC.

**State Government Agencies –** State agencies play key roles in the Region: employers; providers of key services; landholders of sites that may merit re-purposing; and regulators of private sector activities.

**Southern Cross University –** While housed over the border in Queensland in the Gold Coast Airport precinct, the university provides key influence in the Tweed as an educator, economic attractor and social contributor.

**Northern Rivers Joint Organisation of Councils –** provides the Tweed with a key institutional linkage to adjoining councils in the broader Northern Rivers and Far North Coast region of NSW.



# Specialisations and Shifts in Employment Over Time

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 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, expressed in percentage points (ppts).

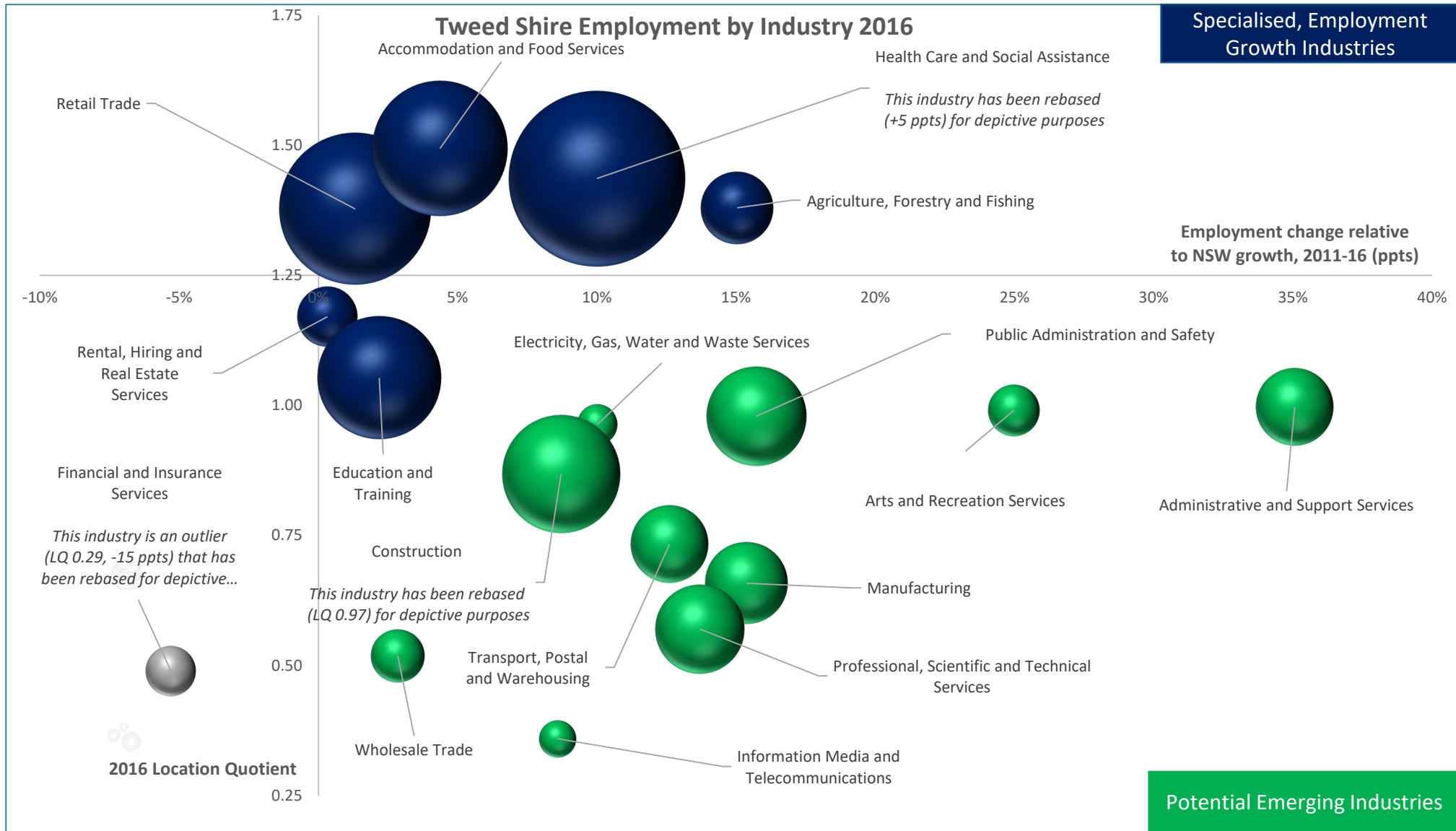
Compared to general trends for NSW, it is evident that buoyant economic conditions on the Tweed are producing positive localised employment effects across almost all industries.

Interestingly, as a generalisation it could be said that smaller, unspecialised industries saw the largest positive differentials. This could be taken to be a sign of a relatively high degree of economic fluidity in the Region and association with strong growth outcomes on the Gold Coast.



\*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).

# Employment by Industry: Prevailing Strengths and Recent Changes



# Specialisations

The primary industry specialisations of Tweed Shire across the 'Engines of Growth', Enabling Industry and Population Serving Groupings are summarised below.

Tweed Shire's **'Engines of Growth'** account for almost \$700 million of regional output, larger than the total output of some regions. However, the grouping's share of output is only about 70 per cent of the scale typical across regional NSW.

Tourism, including accommodation & food services, specialised agriculture, food and wood product manufacturing and aquaculture are Tweed Shire's key specialisations in this grouping.

The Region's significant sub-industry specialisations in this grouping include:

1. Accommodation, Cafes and Restaurants, Hospitality and Passenger Transport (Tourism industries)
2. Fruit and Tree Nut Growing
3. Sugar Cane and Other Crops, Mushroom and Vegetable Growing, and Sugar and Confectionery Manufacturing
4. Fishing & Aquaculture.

Tweed Shire's **'Enabling Industries'** account for more than \$550 million of regional output. Overall, Enabling Industries' share of the Tweed Shire's output is about 10 per cent larger than is typical across regional NSW economies.

The Region's key specialisations in this grouping include tourism support services (like hiring & property services and tour & travel agency services), financial, commercial construction, professional & technical services and other administrative services.

The Region's significant sub-industry specialisations in this grouping include:

1. Building, Cleaning Pest Control and Gardening Services, Real Estate Services, and Property Operators
2. Legal and Accounting Services and Auxillary Finance & Investment Services
3. Architectural, Engineering and Technical Services
4. Air Transport, and Airport Operations and Other Air Transport Support Services
5. Travel Agency and Tour Arrangement Services and Motor Vehicle and Transport Equipment Rental & Hiring
6. Motion Picture and Video Activities
7. Non-Residential Building Construction and Building Structure Services
8. Renewable energy solutions.

Tweed Shire's **'Population Serving Industries'** account for around \$1.3 billion, or about half, of regional output. This grouping of activities is about 25 per cent compared to what is typical across regional NSW economies.

Health & residential care, residential construction, select forms of education and tourism linked activities like retailing, arts and recreational services are Tweed Shire's key specialisations in this grouping.

The Region's significant sub-industry specialisations in this grouping include:

1. School Education and Adult, Community and Other Education
2. Hospitals, Residential Care Services, Allied Health Services and Medical Services
3. Supermarket and Grocery Stores and Specialised Food Retailing
4. Residential Building Construction, Land Development and Site Preparation Services, Building Installation Services and Building Completion Services.

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# Snapshot of the Economy, Industry and Opportunity

## Production and Income by Sector

The chart 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).

Health Care and Social Assistance is the leading sector in the Tweed Shire’s economy. Other leading sources of production in the Shire are Construction, Retail Trade, Education & Training and Public Administration & Safety. Tourism also plays an important role in the Region as reflected across numerous sectors like Accommodation & Food, Arts & Recreation, Rental, Hiring & Real Estate Services and Retail Trade.

Health Care and Social Assistance, Manufacturing, Education, Construction, Public Administration and Safety are the leading sources of wages and salary income, with leading sources of business income including Construction, Agriculture and tourism-linked industries.

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 tourism, specialised agriculture, food manufacturing and aquaculture
- “Enabling Industries” – markets within the Region providing key support services to Engines of Growth businesses, such as tourism support services and financial, professional & technical services and commercial construction
- “Population Serving Industries” - markets serving the people and communities of the Region, including activities like health, residential care, education, residential construction, retail and arts & recreational services.

Relative to the structure of NSW’s regional economy, the Tweed Shire is specialised in tourism activities (like rental and property services, accommodation & food and arts & recreational services), health care, construction, administrative services and retail.

These strengths reflect a diversified economy with extensive population and visitor-facing advantages, underlining the significance of the Region’s attractiveness to people as a place to live or visit.

In addition to its tourism advantages, inward migration, sustained over long periods of time, has grown the Tweed’s internal, community-focused markets and increased labour supply and scope for specialisation across a range of activities.

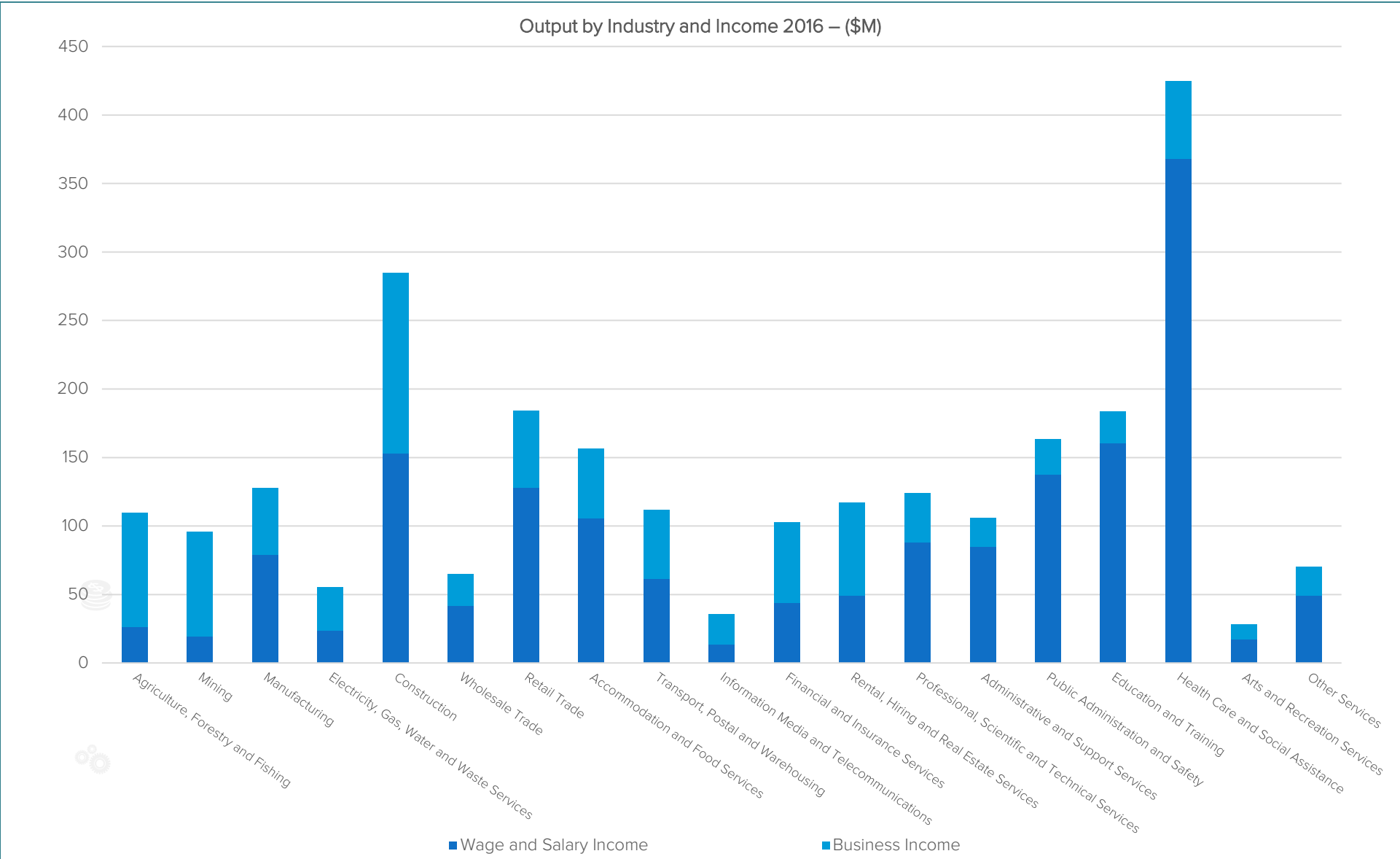
The Centre for Economic and Regional Development (CERD) has also produced an Input Output table for the Tweed regional economy based on the ABS Input Output (IO) Tables for New South Wales. The analysis shows Tweed is a net importer, with:

- Manufacturing, Tourism, Wholesale Trade and Logistics being the leading export industries, and
- Manufacturing and Construction being the leading industry sources of demand for imports for production processes.

CERD has also undertaken an analysis of tourism linkages across the Region. CERD’s analysis supports a conclusion that after both direct and flow on contributions are considered, about 10 to 12 per cent of wages, jobs and output can be said to be supported by tourism.

To fully account for Tweed Shire’s opportunities, we next consider its linkages to activities over the Queensland border on the Gold Coast.

# Snapshot of Population, Economy, Industry and Opportunity



# Key Economic Linkages to the Gold Coast and other regions

The upper right chart sheds light on the nature and scale of the economic linkages between Tweed Shire and adjoining Regions. It reflects significant exchanges of labour across the State border and with neighbouring regions in NSW.

2016 Census figures suggest more than 8,000 Tweed residents – or 23 per cent of workers living in Tweed Shire - work on the Gold Coast. Further, the Tweed Shire draws just under 5,000 Gold Coast residents to work in Tweed Shire – equivalent to about 17 per cent of the Region’s total employment.

A further 16 per cent of Tweed Shire’s working population work outside the Region in places other than the Gold Coast. The net labour balance in the upper right chart sees the Shire as a net exporter of workers in each pairing. This suggests it currently plays a role for many residents as a lifestyle hub providing easy access to broader working opportunities.

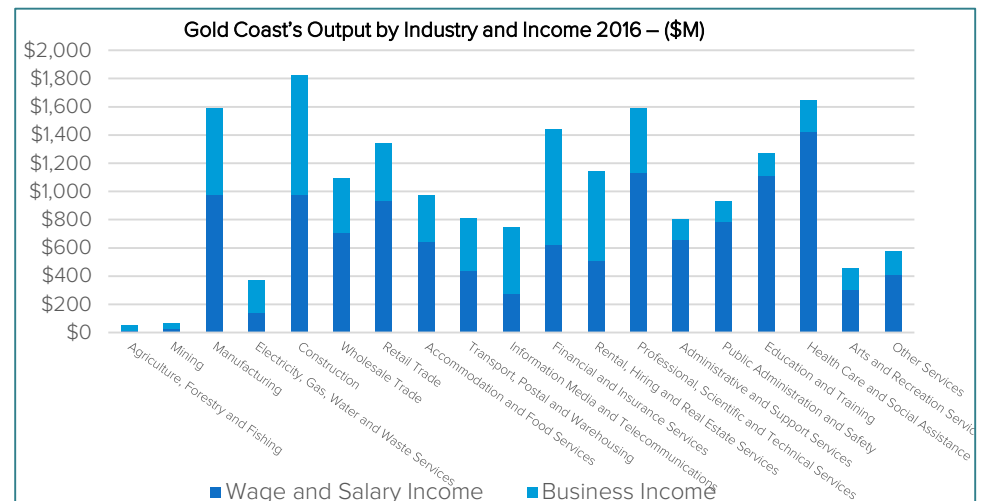
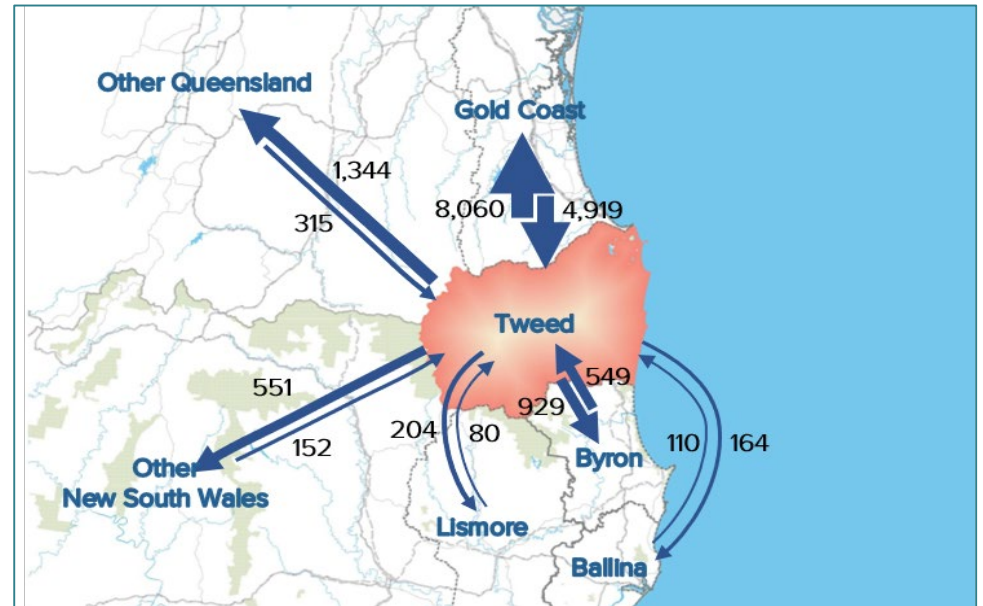
## The Gold Coast’s large and lucrative markets provide extensive opportunities for Tweed Shire residents

As for Tweed Shire on the previous page, the lower right chart reflects how economic opportunity is distributed in the Gold Coast.

Some points of note emerge in comparison to activity within Tweed Shire boundaries. First, the scale of opportunity on the Gold Coast is far greater. The Gold Coast’s five most significant industries collectively produce over \$8 billion a year – markedly larger than Tweed Shire’s economy.

Second, the profile of activity on the Gold Coast is far more diversified across industry sectors in comparison to the production profile within Tweed Shire boundaries. For example, markets in manufacturing and enabling activities like financial, professional & technical services are more than 10 times the size of markets in Tweed Shire. This provides greater and more specialised opportunities for workers, more choice and security to businesses for key inputs and the capabilities and access to business support services necessary to help grow these sectors over time.

Movement of workers into and out of Tweed Shire



# Risks

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

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

## Connectivity risks:

- Poor mobile telecommunication connectivity remains unresolved and impedes the productivity of businesses.
- Limited public transport services mean access to precincts is limited and places are less integrated than they could be.
- Rising congestion in Tweed Heads undermines its amenity and productivity, diminishing the economic value of its endowments.
- Flooding is damaging road links posing risks to safety and productivity, requiring extensive river bank stabilisation works.

## Resources risks:

- Cost differentials and the intensity of competition for resources from the Gold Coast and Brisbane reduces the attractiveness for businesses to locate in the Shire.
- Relatively high dependency on tourism means workers rely on cyclical activity, reducing staff numbers and opportunity in the off-peak seasons.

- Tweed needs to manage tourism to ensure it does not negatively impact on its environmental and residential amenity, and its infrastructure can cater for seasonal demands.
- Labour shortages in the working population between the ages of 15-64 make it difficult to service older & younger residents.
- Further flooding may impose further financial burdens on Tweed Shire residents and businesses.
- Uncertainty of water supply to provide for anticipated populations particularly given the predicted impacts of a changing environment.
- Lack of contingency for water supply during droughts and other climatic events.

## Liveability risks:

- The growing unaffordability of the Tweed housing market.
- Shortages of affordable housing make it harder to attract workers to the Tweed Shire. The shortage is driving up rental prices in Tweed Shire and placing huge pressure on family budgets.
- Cultural, sporting and social infrastructure are inadequate to attract and retain families.
- Ongoing migration increases conflict between 'tree changers' and traditional agricultural and industrial land uses.
- Education campus offerings are out of step with local demand.
- Providing essential infrastructure for existing residence and new residential development such as connection to sewerage services lifestyle.

## New Ideas Risks:

- Tweed has significant environmental constraints that make it important to ensure planning is done in a very sensitive and more sustainable manner. This is contributing to a lengthy development consent processes.
- A lack of coordination and integrated services across different level of government and agencies impedes economic development.
- Differential cost and regulatory requirements from various levels of government and government agencies increase both compliance costs and distortions.
- Regulations are not scaled appropriately for small to medium enterprises; this results in relatively high compliance costs compared to large enterprises.
- Businesses may be approached by interstate governments to relocate elsewhere.

## Other Risks:

- Economic and governance – interstate difficulties may mean the Tweed – Gold Coast economic region may not reach as full a degree of integration as is reasonable.
- Environmental and societal – population increases place pressure on the natural environment.
- The related impacts of disruptive market forces such as a lack of regulation of Short Term Holidays Lets.

# Strategy

The five 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 have previously established that Tweed Shire's key specialisations lie in:

- Engines of Growth like tourism, specialised agriculture and food and wood product manufacturing and aquaculture
- Enabling Industries like tourism support services and financial, professional & technical services and commercial construction
- Population Serving activities like health, residential care, education, residential construction, retail and arts & recreational services.

These specialisations suggest some key imperatives:

1. leverage Tweed Shire's tourism endowments in a culturally and environmentally sensitive way
2. cultivate Tweed Shire's specialised economic precincts and activities
3. increase cross border integration and offset tax and regulatory distortions
4. develop a Precinct Strategy for the Tweed Valley Hospital Development
5. grow the population and internal markets of the Region.





# 1. Leverage Tweed Shire's Tourism Endowments in a Culturally and Environmentally Sensitive Way

## Strategic Context

Tweed Shire is a hub of tourism activity on Australia's eastern coastline and is strategically positioned between other activity centres in the Gold Coast and Byron Bay. The Region's foremost advantages for tourism lie in the quality of its diverse natural settings, with the Tweed itself tracing a path from caldera to beaches.

Increased food and agri-tourism opportunities that can complement the Region's natural advantages, as well as creative and cultural tourism in Murwillumbah leveraging the Margaret Olley Gallery. The new North Coast Destination Management Plan also identifies nature-based tourism as a key growth opportunity. Focus should rest on instances where the natural environment can be connected respectfully with the cultural values and stories of the Region's first residents, the Goodjinburra, Tul-gi-gin and Moorang-Moobar people.

## Infrastructure Priorities      Tweed River Nature Link Program

### Opportunities

- Pursue new ways of celebrating indigenous and multicultural heritage
- Make the most of Tweed Shire's natural endowments for tourism industries in a culturally sensitive way
- Engage with the Aboriginal community to improve access to economic opportunity.

### Early Stage Actions

- Collaborate with Destination Tweed to advocate for a SkillsPoint relating to tourism in Tweed Shire.
- Increase job opportunities by developing a business case for the Tweed River Nature Link program to integrate the identified projects into one overarching Master Plan.
- Investigate options for increasing connectivity to Wollumbin / Mt Warning in a culturally and environmentally sensitive way.
- Identify indigenous business and employment opportunities in consultation with the Aboriginal community and industry leaders.
- Investigate opportunities to enhance nature based tourism, including cultural heritage and agri-tourism.

### Candidate Projects

- Tweed River Nature Link
- Wollumbin / Mount Warning Connectivity Program
- Tweed Rail Corridor Opportunity study
- Waste recycling and renewable energy opportunities

## 2. Cultivate Tweed Shire’s Specialised Economic Precincts and Activities

### Strategic Context

Tweed Heads is the largest centre of the broader Northern Rivers region. Council has effectively planned for its ongoing development through the Tweed Heads CBD Masterplan.

Circumstances now suggest it is appropriate to revisit the existing Masterplan to update it and broaden it to a whole-of-Region focus. Initial focus opportunities include:

- options for repurposing the existing Tweed Hospital site
- development and land-use opportunities in Kingscliff likely to be catalysed by the new hospital in Cudgen
- the emerging food manufacturing and industrial cluster in Murwillumbah (Industry Central Wardrop Valley)
- the Pottsville Food Hub.

### Infrastructure Priorities

Infrastructure for industrial land and precinct development

#### Opportunities

- Support the expansion and accessibility of offerings at Southern Cross University Gold Coast
- Provide enabling infrastructure to activate land use changes
- Facilitate the development of emerging clusters, specialisations and businesses
- Improve the efficiency of freight movements in and beyond the Region
- Realise seamless ‘farm gate to gateway’ links through better integrated transport networks
- Improve road corridor productivity and safety
- Connect the people and businesses of the Region to digital networks and technologies of a first-rate standard

#### Early Stage Actions

- Advocate for a broader Precincts Study for Tweed Heads and Kingscliff
- Assess public and community transport necessary to:
  - support the targeted precinct planning outcomes from the Precincts Study
  - make approaches to regional service delivery effective
- Develop the Murwillumbah’s Industry Central land swap strategy to overcome production risks from a changing environment
- Support the emerging food manufacturing and industrial cluster
- Partner with local industries, TAFE NSW, and other training providers to review training gaps
- Identify and cost key road network “last mile” and pinch point constraints
- Develop a business case for Tweed River Bank Stabilisation
- In collaboration with the private sector, audit digital connectivity blackspots and identify and cost solutions.
- Provide opportunities for sustainable zero waste, bush regeneration, reforestation and carbon farming industries.

#### Candidate Projects

- Tweed Precincts Investment Program
- Tweed River Bank Stabilisation
- Tweed Shire Last Mile and Pinch-Point Investment Program
- Pottsville Food Processing and Enterprise Cluster
- Murwillumbah Industry Central enterprise and industrial cluster

### 3. Increase Cross Border Integration and Offset Tax and Regulatory Distortions

#### Strategic Context

Overall, the Tweed Shire gains many advantages from its proximity to the Gold Coast, providing an extent of services and employment opportunities to Tweed residents that are uncommon among NSW regions. While Tweed Shire and the Gold Coast function as a common market in many respects, the allocation of resources within that market is prone to distortion because of differences in costs. Relative to those in Queensland, Tweed residents are relatively disadvantaged by high costs associated with differential taxes, charges and regulations across the two States.

Closer economic integration with South East Queensland should be a key objective for the Tweed Shire. A priority action should be research into the implications of differentials between the States. Once a better evidence base is in place, collaborative action, led by the Cross Border Commissioner, should be undertaken to examine opportunities to ameliorate the disadvantages caused by differential State policies and ensure the Tweed's inherent advantages are realised to the fullest extent possible.

#### Infrastructure Priorities

Mode neutral cross border transport services business case.

Opportunities	Early Stage Actions	Candidate Projects
<ul style="list-style-type: none"> <li>Leverage Tweed Shire's position as the gateway to and from South East Queensland</li> <li>Level out the cost and regulatory impositions across the Functional Economic Region</li> <li>Engage in transformative partnerships with local, state and federal governments</li> </ul>	<ul style="list-style-type: none"> <li>Advocate for a strategic business case for a Gold Coast light rail extension to Tweed Heads South to progress Future Transport commitments</li> <li>Undertake a business cost and regulatory impositions comparative study</li> <li>Investigate opportunities to activate industrial land for purposes of integrating the high skill specialisations of the labour pool with cost advantages for land</li> <li>Work with the NSW Government Cross Border Commissioner to advocate for policy changes offsetting or eliminating disadvantages to businesses, organisations and residents in border communities.</li> </ul>	<ul style="list-style-type: none"> <li>Business Case for light rail extension from Gold Coast to Tweed Heads</li> <li>Tweed Shire Special Economic Zone</li> <li>Cross-border comparative business cost study</li> </ul>

## 4. Develop a Precinct Strategy for the Tweed Valley Hospital Development

### Strategic Context

Health Care and Social Assistance is the largest industry in the Tweed Shire by both value of output and the number of people it employs. It has also accounted for a significant amount of employment growth in the Region over time, with employment in the industry more than doubling over the fifteen years to the 2016 Census.

The Shire has recently identified an opportunity to develop its health specialisations, following a funding commitment for the Tweed Valley Hospital Development. While the hospital can directly improve services and increase jobs, in other instances Health Infrastructure has implemented a 'Super Precinct' concept, whereby hospital sites are integrated with adjoining educational campuses and related uses. For example, the Cudgen site neighbours Kingscliff TAFE and could therefore be augmented to accommodate other potential uses over time, including allied health services, a university campus or other complementary uses. Early precinct planning could assess the scope of feasible additional uses within the area and provide clear direction for its development.

### Infrastructure Priorities

Tweed Valley Hospital Development Precinct Plan and investment program

### Opportunities

- Accommodate population needs through an appropriately resourced, newly planned Tweed Hospital
- Investigate the potential of a Super Precinct built around the new Tweed Hospital

### Early Stage Actions

- Advocate for a Hospital Precinct Strategy.
- Undertake a review of Super Precincts elsewhere in Australia to establish the potential applicable in the Tweed Shire.
- Undertake a road network study the new Tweed Heads Hospital.

### Candidate Projects

- Tweed Valley Hospital Development Precinct Investment Program
- Tweed Valley Hospital Development Road Network Investment Program

## 5. Grow the Population and Internal Markets of the Region

### Strategic Context

Tweed Shire's migration figures show it is highly attractive place for people to move to, reflective of its high quality of services, natural environment and amenity, proximity to the Gold Coast and ease of access to major metropolitan centres. Ongoing population growth has increased the scale of the Region's internal markets for business enabling and population serving activities, increasing the depth of capability and extent of specialisation to a point that it has few parallels across regional NSW.

The Tweed Shire can sustain and extend the benefits that population growth provides to its businesses and residents through meeting the challenges of population growth. Foremost among these challenges is identifying and funding the infrastructure and service improvements necessary to ensure population increases do not impair the living standards of existing residents or harm the natural environment that have helped make the Region so attractive.

### Infrastructure Priorities

Portfolio of infrastructure works for enabling housing supply

Opportunities	Early Stage Actions	Candidate Projects
<ul style="list-style-type: none"> <li>• Support expected growth in Tweed Shire's population by providing enabling infrastructure</li> <li>• Diversify the supply of housing types to meet the needs of the community</li> <li>• Increase services and infrastructure to accommodate a growing population</li> <li>• Improve access to cultural, sporting and social recreational facilities and services in the Tweed Shire</li> <li>• Increase private and Not-for-Profit participation in delivering social infrastructure and services</li> </ul>	<ul style="list-style-type: none"> <li>• Develop a portfolio of enabling infrastructure projects supporting greater housing supply</li> <li>• Develop business cases for key enabling infrastructure, including potable water supply that supports ongoing population growth and economic development</li> <li>• Undertake a Tweed Heads to Pottsville Transport Needs Study</li> <li>• Develop a Road Map to address customer health care service gaps across the Region</li> <li>• Implement the final stage for the Tweed Heads Civic and Cultural Centre Plaza and Social Café</li> <li>• Investigate housing opportunities with Landcom</li> </ul>	<ul style="list-style-type: none"> <li>• Portfolio of works enabling housing supply</li> <li>• Clarrie Hall Dam Raising</li> <li>• Banora Point Western Drainage Scheme</li> <li>• Water Treatment Facility Projects: <ul style="list-style-type: none"> <li>• Murwillumbah Sewer</li> <li>• Pottsville Sewer</li> <li>• Tweed Sewer</li> <li>• Uki Water Treatment Plant</li> </ul> </li> <li>• Growth roads projects: <ul style="list-style-type: none"> <li>• New Broadwater Parkway</li> <li>• Business Cases for identified roads in the Tweed Road Development Strategy 2017</li> <li>• Kirkwood Road Interchange</li> </ul> </li> <li>• Tweed Coast Road duplication</li> <li>• Tweed Heads Civic and Cultural Centre Redevelopment</li> <li>• Tweed Sports and Program Strategy, potentially including an Arkinstall Park indoor facility</li> <li>• Renewable Energy Action Plan (REAP)</li> <li>• Interconnection of water supply with South East Queensland</li> </ul>

# Implementation Plan

Strategy implementation will be overseen by the General Manager of Tweed Shire Council, drawing on 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 General Manager will meet regularly to track progress and liaise with the Regional Director, North Coast, 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.



# Tweed Shire Enablers Table

Strategies and Early Stage Actions					
Enablers	Leverage Tourism in a Culturally and Environmentally Sensitive Way	Cultivate Specialised Economic Precincts and Activities	Increase Cross Border Integration and Offset Distortions	Develop a Precinct Strategy for the New Tweed Hospital	Grow the Population and Internal Markets
People and Skills	<ul style="list-style-type: none"> <li>Collaborate with Destination Tweed to advocate for a SkillsPoint relating to tourism specialisation in Tweed Shire.</li> <li>Identify indigenous business and employment opportunities in consultation with the Aboriginal community and industry leaders.</li> </ul>	<ul style="list-style-type: none"> <li>Partner with local industries, TAFE NSW, and other training providers to review training gaps.</li> </ul>	<ul style="list-style-type: none"> <li>Investigate opportunities to activate industrial land for purposes integrating the high skill specialisations of the labour pool with cost advantages for land.</li> </ul>	<ul style="list-style-type: none"> <li>Undertake a review of Super Precincts elsewhere in Australia to establish the potential available in the Tweed Shire.</li> </ul>	

# Tweed Shire Enablers Table

## Strategies and Early Stage Actions

Enablers	Develop Tourism in a Culturally and Environmentally Sensitive Way	Cultivate Specialised Economic Precincts & Activities	Increase Cross Border Integration and Offset Distortions	Develop a Precinct Strategy for the New Tweed Hospital	Grow the Population and Internal Markets
<p>Government, regulation, services and information</p>	<ul style="list-style-type: none"> <li>• Investigate opportunities to enhance nature based tourism, including cultural heritage and agri-tourism.</li> </ul>	<ul style="list-style-type: none"> <li>• Assess public and community transport necessary to:               <ul style="list-style-type: none"> <li>◦ Support the targeted precinct planning outcomes from the Precincts Study</li> <li>◦ make approaches to regional service delivery effective.</li> </ul> </li> <li>• Develop the Murwillumbah’s Industry Central land swap strategy to overcome production risks from flooding and support the emerging food manufacturing and industrial cluster.</li> <li>• Provide opportunities for sustainable zero waste, bush regeneration, reforestation and carbon farming industries.</li> </ul>	<ul style="list-style-type: none"> <li>• Undertake a business cost and regulatory impositions comparative study.</li> <li>• Work with the NSW Government Cross Border Commissioner to advocate for policy changes offsetting or eliminating disadvantages to businesses, organisations and residents in border communities.</li> </ul>	<ul style="list-style-type: none"> <li>• Advocate for a Hospital Precinct Strategy.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop a Road Map to address customer health care service gaps across the Region.</li> <li>• Implement the final stage for the Tweed Heads Civic and Cultural Centre Plaza and Social Café.</li> <li>• Investigate housing opportunities with Landcom.</li> </ul>



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Strategies and Early Stage Actions					
Enablers	Develop Tourism in a Culturally and Environmentally Sensitive Way	Cultivate Specialised Economic Precincts & Activities	Increase Cross Border Integration and Offset Distortions	Develop a Precinct Strategy for the New Tweed Hospital	Grow the Population and Internal Markets
Infrastructure	<ul style="list-style-type: none"> <li>• Increase job opportunities by developing a business case for the Tweed River Nature Link program to integrate the identified projects into one overarching Master Plan.</li> <li>• Investigate options for increasing connectivity to Wollumbin / Mt Warning.</li> </ul>	<ul style="list-style-type: none"> <li>• Advocate for a broader Precincts Study for Tweed Heads and Kingscliff.</li> <li>• Identify and cost key road network “last mile” and pinch point constraints.</li> <li>• Develop a business case for Tweed River Bank Stabilisation.</li> </ul>	<ul style="list-style-type: none"> <li>• Advocate for a strategic business case for a Gold Coast light rail extension to Tweed Heads to progress Future Transport commitments.</li> </ul>	<ul style="list-style-type: none"> <li>• Undertake a road network study for the new Tweed Heads Hospital.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop a portfolio of enabling infrastructure projects supporting greater housing supply.</li> <li>• Develop business cases for key enabling infrastructure, including potable water supply that supports ongoing population growth and economic development.</li> <li>• Undertake a Tweed Heads to Pottsville Transport Needs Study.</li> </ul>
Utilities		<ul style="list-style-type: none"> <li>• In collaboration with the private sector, audit digital connectivity blackspots and identify and cost solutions.</li> </ul>			

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