

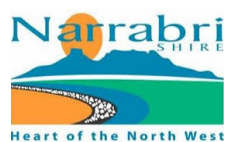
Upper North West

REGIONAL ECONOMIC DEVELOPMENT STRATEGY 2018–2022



VISION

Maximise the opportunities provided by the region's engine industries and wealth of natural assets while maintaining the quality of the environment and quality of life for a growing population.



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 a 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 that are crucial to achieving the regional vision. Projects listed in a strategy should 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 a 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.

Regional Economic Development Strategies are 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 a region's future economic activities. These strategies provide a vehicle for engaging the community in a 'conversation' about regional needs and priorities, assist 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 on other economic opportunities.

The Upper North West Regional Economic Development Strategy is the culmination of collaboration between the Moree Plains Shire, Narrabri Shire, Gwydir Shire and Inverell Shire councils, key stakeholders, the broader regional community and the NSW Government's Centre for Economic and Regional Development (CERD).

It is presented in two documents: the *Upper North West Regional Economic Development Strategy 2018–2022*, which allows the reader to quickly and easily determine key content, and the accompanying *Upper North West Regional Economic Development Strategy 2018–2022: Supporting Analysis*, which details the methodology, evidence and development process.

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



Introduction

The *Upper North West Regional Economic Development Strategy 2018–2022* (the Strategy) sets out a long term economic vision and associated core strategies for the functional economic region (the Region) encompassing the Moree Plains Shire, Narrabri Shire, Gwydir Shire and Inverell Shire local government areas (LGAs).

It identifies the core strategies and immediate actions needed to pursue this vision. The objectives of this Strategy are to:

- build on existing strengths in the Region and enhance these
- identify new opportunities to enhance the development, performance and competitiveness of the Region
- facilitate and support sustainable growth



Economic research suggests that regions are becoming increasingly specialised in the key industries¹ that drive them, and their relative strengths (endowments) play a key role in determining those specialisations.²

This Strategy is based on industry specialisations and opportunities that leverage the Region's key endowments – including its highly productive agricultural land, access to a reliable source of water, location and transport infrastructure, industry-specific assets and institutions, mineral and gas resources, renewable energy resources and tourism assets – to guide investment and other actions over the period 2018 to 2022. Four core strategies have been identified to capture the opportunities, manage risks and deliver on the vision for the Region:

- A** Improve freight efficiency in the engine industries of Agriculture and Mining
- B** Encourage investment, increased productivity and value adding
- C** Invest in people, skills, community and lifestyle to address the Region's skills gap
- D** Diversify the economy through emerging industry sectors

1. For the purposes of regional development, it is useful to classify industries as:
 - Engines – industries that bring money into the Region (e.g. agriculture) and drive the local economy
 - Enabling – industries that support the engines (e.g. veterinary services to agriculture)
 - Population-serving – industries that support the local population (e.g. retail).

Typically, the fortunes of the population-serving industries depend on the success of the engines; therefore it is useful to focus on the engine sectors that drive growth.

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

Background

The Upper North West Region is located in northern NSW and forms the north-western corner of the New England North West. The Region covers an area of 48,778 square kilometres and spans the Namoi, Gwydir and Border River catchments, which are part of the broader Murray Darling Basin. The Region has elevated plateaus, rolling to steep hills and extensive fertile plains. The warm, temperate climate is characterized by hot summers and cool-to-cold winters.

In 2016, the Region housed an estimated resident population of 49,175,³ with the major population centres being Inverell (township population 9,547), Moree (township population 7,383) and Narrabri (township population 5,903).

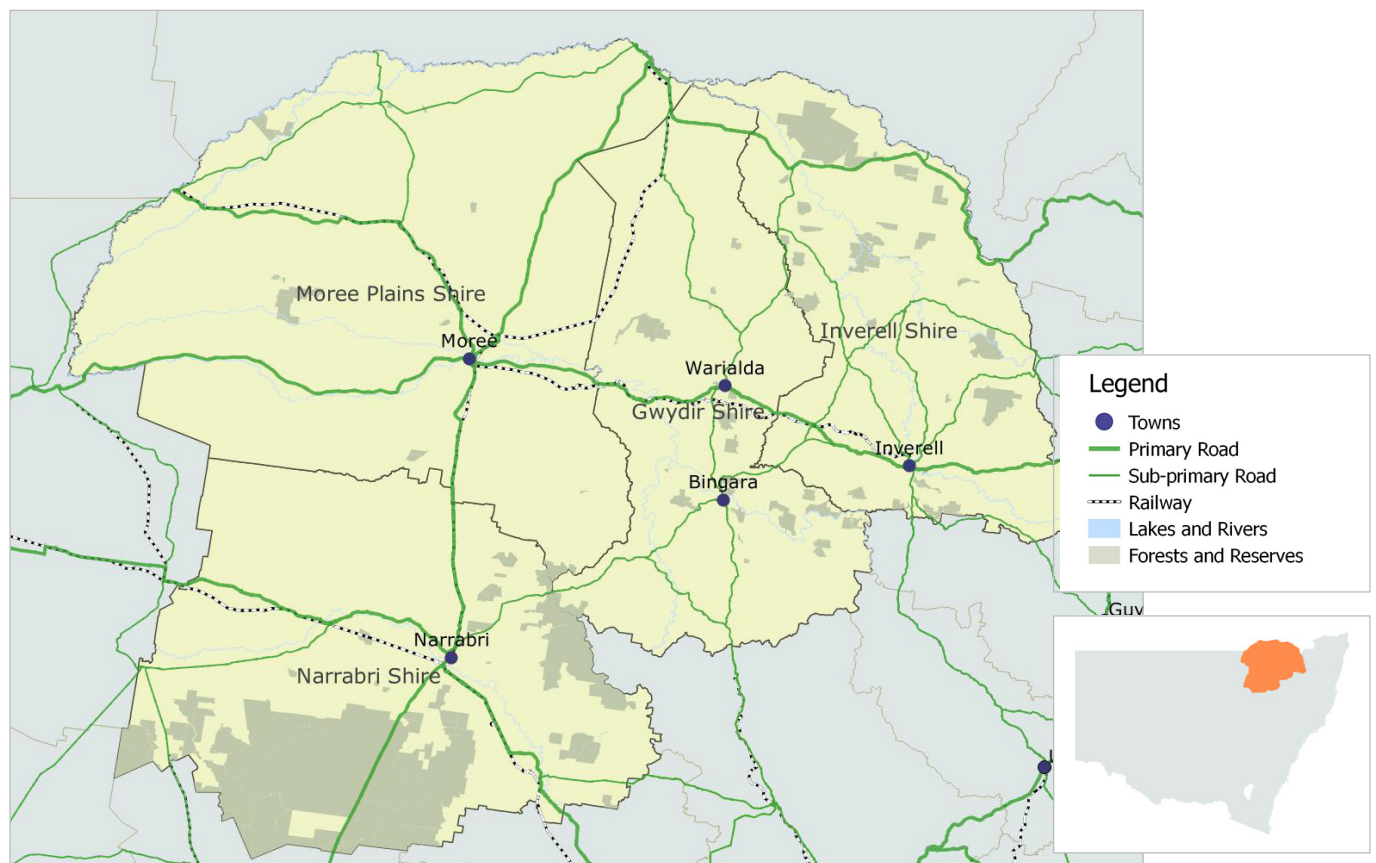
Gwydir Shire has two small towns: Warialda (population 1,186) and Bingara (population 1,074).⁴ Most towns in the Region are within 6–7 hours of Sydney, 5–7 hours of Brisbane and 3.5–5 hours of Toowoomba. The Inland Rail line, which will connect Melbourne and Brisbane, will pass through Moree and Narrabri.

The population of the Region declined by 5.2% between 2001 and 2006, but it has remained steady since 2006; however, Inverell Shire has experienced continued population growth, and Moree Plains Shire has experienced a small declines. The age-profile of the Region's population is similar to that of other inland regional NSW areas.

3. Based on the Australian Bureau of Statistics (ABS) Estimated Resident Population (ERP) 2016. According to ABS, the ERP is 'based on Census counts of usual residents that are adjusted to account for usual residents missed in the Census, including residents estimated to have been temporarily overseas on Census night'.

4. ABS Census 2016 Urban Centre/Locality population data.

Figure 1: The Upper North West Region



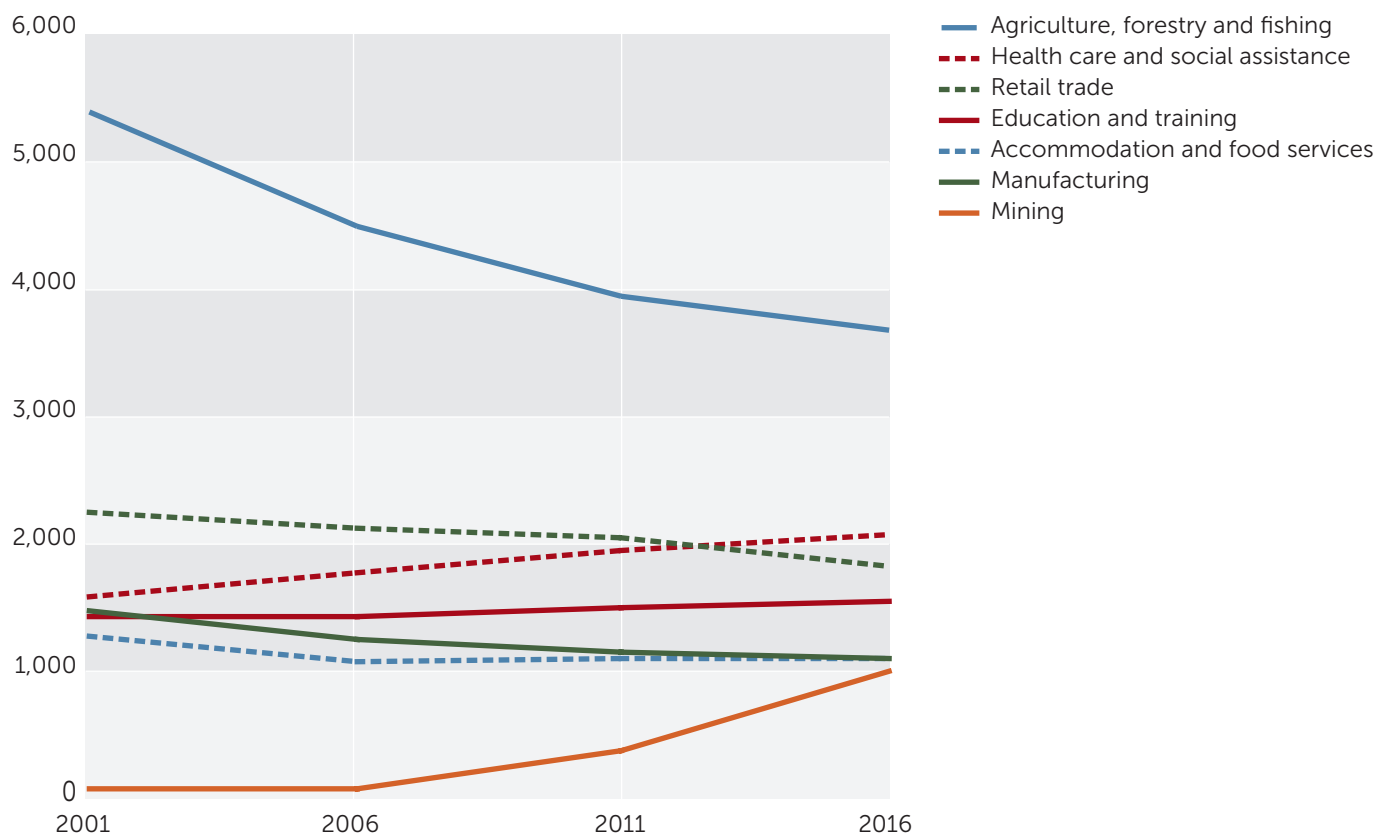
In terms of direct employment, Agriculture, Forestry and Fishing is the largest industry sector, followed by Health Care and Social Assistance and Retail Trade (see Figure 2). Employment in Agriculture, Forestry and Fishing has fallen significantly since 2001 due to a range of factors, including the 'millennium drought' and improvements in technology leading to replacement of labour with capital.

In 2015–16 it was estimated that the value of agriculture output per agriculture worker in the Region was more than double the NSW average. The fall in employment in agriculture has, in part, been offset by the growth in employment in Mining. This is a result of the substantial expansion of coal mining in the Gunnedah Basin south of Narrabri. The Region is a net importer of labour. The 2016 ABS Census records that 1,015 people from the Upper North West worked outside of the Region and 2,210 people commuted into the Region. Narrabri has the highest influx of workers, with most employed in the coal mines on the southern edge of the Region.

The median incomes in Narrabri Shire and Moree Plains Shire are markedly higher than other LGAs in the Upper North West and marginally higher than 'NSW excluding Greater Sydney'. However, the overall unemployment rate in the Region (6.4%) is slightly higher than the Inland Regional NSW average (6.2%) and there are pockets of disadvantage.



Figure 2: Historical employment by industry



Source: ABS Census of Population and Housing by place of work.

See notes in Upper North West Regional Economic Development Strategy 2018-2022: Supporting Analysis.

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.⁵

A region seeking to encourage economic development should concentrate on factors that enable the growth of endowment-based industries. It should also build local leadership and institutional capacity and capabilities to facilitate businesses and public agencies so they can capitalise on the opportunities that a region's endowments present.

Highly productive agricultural land and agricultural know-how

The Region is home to some of the most productive agricultural lands in NSW.

The Region has rich, fertile soils coupled with a favourable climate and access to water. The flat plains are well-suited to the efficient production of high-value broadacre crops. Large tracts of land throughout the Region are classified as Biophysical Strategic Agricultural Land of 'State and National Significance', meaning the land has quality soil and water resources capable of sustaining high levels of productivity.⁶

The northern parts of the Region are located in an area of NSW recognised as the 'Golden Triangle', producing some of the highest quality wheat in Australia. The Region has an emerging horticultural sector, and it is a major producer of grains, cotton, pulses, oil seeds and pecan nuts.

The Region is also known for producing quality livestock, including international award-winning Beef. There is a concentration of cattle and sheep studs in Gwydir and Inverell Shires. The Region is an optimum location for intensive livestock production due to the suitable climate and topography, secure water, ready access to feed (grain, oil seeds, legumes, hay and silage), processing facilities, and access to domestic and export markets.

The Region has a reputation for its resilient, innovative and award-winning farmers, who are early adopters of new land management practices, production techniques, business models and technology. Agriculture supports several major grain, cotton and cotton seed and livestock processing plants as well as large scale storage, transport and logistics operations.

Increasing the productivity and profitability of the agricultural sector is constrained by factors such as poor telecommunications and pinch-points in the road and rail transport networks.

Access to water

The Region has regulated access to surface and ground water resources, including artesian water. Access to water underpins the high productivity of the agricultural sector. Groundwater supplies from the alluvial aquifers of the Namoi, Gwydir and Macintyre–Barwon Rivers are high quality with a very low salt content and are ideal for irrigation, stock water, industrial processing and town water. Hot artesian water is a significant tourism attraction in the western areas of the Region.

The Region currently produces 40% of NSW's cotton, so changes to water access will have a significant impact on its economy. For example, water allocations for producers were reduced with the introduction of the Murray Darling Basin Plan and water-sharing agreements. Water users across all sectors have invested meaningfully in water saving technologies and other initiatives, but there is limited opportunity to make further savings. Any further reductions in water allocations poses a substantial risk for the regional economy.

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

6. Safeguarding our Agricultural Land (2012), NSW Department of Planning and Infrastructure.

Location and transport infrastructure

Compared with other non-metropolitan regions in New South Wales, Upper North West has good transport infrastructure. The Newell, Kamilaroi, Gwydir and Carnarvon Highways and Bruxner Way and the Fossickers Way/Warialda Road are part of the National Road Freight Network and provide road access to markets and ports in Sydney, Newcastle, Victoria and Queensland. High mass limit and high productivity vehicles can use some of the roads in the northern and western areas of the Region.

Moree and Narrabri have daily rail passenger services to Sydney and Regular Passenger Transport (RPT) air services to Sydney and Brisbane. RPT air services also operate between Inverell and Brisbane. These air services underpin the viability of the business sector, the delivery of government and health services, and connectivity for the regional community. They are also critical for attracting investment and skilled labour.

The Mungindi Branch Railway line (which passes through Moree and Narrabri) is part of the National Rail Freight Network and provides access to the Port of Newcastle, Port Botany and Port Kembla.

The proposed Inland Rail line will pass through the Region and will provide rail access to the Ports of Brisbane and Melbourne.

The Region has significant bulk grain and cotton handling facilities, two major transport and logistics hubs with intermodal terminals in Moree and Narrabri (which will be on the Inland Rail line), and an intermodal terminal in Wee Waa.

More investment in road and rail infrastructure is needed to improve efficiency and connectivity and to ensure that the Region can effectively leverage Inland Rail.

Some inefficiencies in the road network are affecting the competitiveness of the Region's engine industries: pinch points limit the size of trucks and machinery that can be used, load and size limited bridges, and unsealed and low-lying roads become impassable during wet weather.

Additionally, the Region's key airports need to be upgraded to meet increased use both by freight and passengers, and to accommodate changes in the size of planes being introduced by the airline companies.

Industry-specific assets and institutions

A prominent feature of the Region is the substantial private investment that enables agricultural industries to achieve high levels of productivity. Not only has the Region invested in transport and water infrastructure, but additional agricultural assets, including storage, drying and fumigation facilities, processing plants (e.g. cotton gins, seed crushing plants, mills, meat processing plant in Inverell), saleyards and feedlots. There has also been substantial private and public investment supporting key industries, including mining (in exploration and site-specific infrastructure) and renewable energy (transmission lines).





The Region also has a concentration of government and private sector research facilities that support industries in the Upper North West as well as areas outside the Region. These facilities include:

- institutions and facilities supporting research into cotton, grains and other forms of agriculture
- the CSIRO Australia Telescope Compact Array near Narrabri
- the Living Classroom at Bingara, which is researching carbon sequestration

Mineral and gas resources

The Region has significant mineral and gas resources. Narrabri Shire is located at the northern end of the Gunnedah Basin and has high quality coal and coal seam gas (CSG) resources. There are four operating coal mines in Narrabri Shire, and a fifth is proposed. There is also an application to extract CSG from the Pilliga Forest area along the south western edge of the Region. The northern section of the Region is part of the Surat Basin and has coal and gas resources. While this area is subject to exploration licences, there are currently no plans for coal mining or gas extraction. There is also a small coal basin in the Ashford area in the north part of Inverell Shire, for which a mining lease is being sought.

The Region also has a diversity of rocks, minerals, precious metals and gemstones: the area from Glen Innes through to Inverell and Bingara is recognised as one of the most productive areas for gemstones in Australia.

Renewable energy resource

The Region has abundant high-quality natural resources for wind, solar and other sources of renewable energy that are close to high voltage (330kV and 132kV) transmission lines and which have highway access. The north-eastern part of the Region (to the east of Inverell) has strong natural climatic (wind, light intensity, temperature) and topographic advantages. The Region is an ideal location for solar projects. Renewable energy assets already operating include:

- Moree Solar Farm
- Wilga Park gas fired power station near Narrabri;
- Hydroelectricity from Copeton Dam
- Sapphire and White Rock hybrid wind and solar farms located along the border of Inverell and Glen Innes-Severne LGAs

Proposed renewable energy assets include:

- solar farms at Narrabri South, Wee Waa and near Bonshaw in Inverell Shire
- biomass-digester to produce bio-gas to run the plant at Bindaree Beef in Inverell
- the Circular Economy' initiative, Gwydir Shire Council



Quality cultural, natural and tourism assets and experiences

The Region has a range of quality cultural and natural assets that add to the lifestyle of residents and the experience for tourists visiting the Region. These assets include:

- significant Aboriginal sites and assets, including the Myall Creek Massacre Memorial, the Dhiyaan Centre in Moree – which is an important keeping place and family history centre for the Kamilaroi people, Euraba Paper Company, the Deriah and Terry Hie Hie Aboriginal areas, the Aboriginal art galleries and experiences in Moree, and the Nhunta Karra Kara Track in the Goonooigall State Conservation Area
- agricultural tours and experiences, including the Living Classroom in Bingara, and tours of the Stahmann’s Trawalla Pecan Nut Farm (largest in the southern hemisphere), cotton farms and gins
- a diversity of events and festivals, as well as quality event venues such as The Crossing Theatre in Narrabri, historic Inverell Town Hall and the art deco Roxy Theatre in Bingara
- Australia Telescope, near Narrabri
- hot mineral-rich ground water from the Great Artesian Basin, popular for bathing
- Copeton and Pindari Dams and the Regional rivers and lakes, popular for camping, fishing and boating
- the Moree Water Park, an important water-based attraction and international-standard events venue
- Gwydir Wetlands State Conservation Area (including the internationally significant Ramsar wetlands) which has the potential to become a high profile attraction
- iconic, unique landforms, including Sawn Rocks, Mount Kaputar, Dripping Rock, Waa Gorge, the Rocky Creek Glacial Area, Cranky Rock and the limestone caves in the Kwiambal National
- other National Parks, State Conservation Areas, Nature Reserves and State Forests, such as Mount Kaputar National Park and the Pilliga Forest

Specialisations

Understanding a region's competitive advantages is a complex process

A commonly used simple form of analysis used to identify a region's competitive advantages⁷ is the Location Quotient (LQ), which measures the employment concentration in industry sectors within a regional economy in relation to the same sectors across NSW. The higher the LQ, the more specialised a region is in that industry relative to NSW. For the purpose of this analysis, LQs are used as a proxy measure for those sectors and industries that represent a region's competitive advantages.

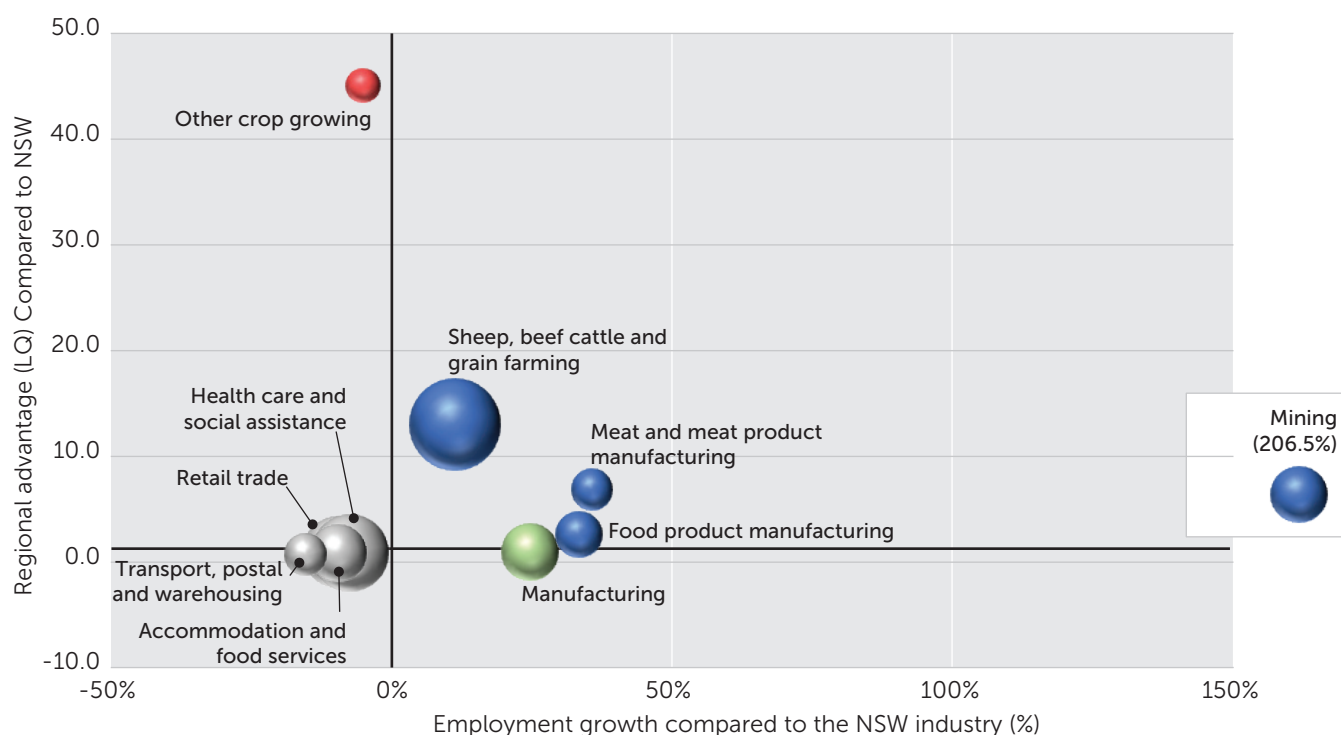
While LQs are used in this document for that purpose, they are only a partial measure of those competitive advantages. As a result, they have been considered along with additional qualitative evaluations and data analysis, including Input-Output modelling, to arrive at the findings for the Region's Strategy.

7. 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.

Figure 3 shows the industries in the Region by employment size, employment growth between 2011 and 2016, and LQ. An LQ of 1.25 or more generally indicates a regional specialisation. The higher the LQ, the more specialised an industry is in the Region relative to the NSW industry average. Industries with a larger 'bubble' in Figure 3 employed more people at the time of the 2016 ABS Census.

The colour of the bubble is used to show growth from 2011 to 2016 relative to the NSW industry average. Blue and red represent industry specialisations that have grown (blue) or declined (red) in employment relative to NSW. Grey represents industries that are not specialisations and for which employment has declined over the period relative to NSW. Green represents industries that, although not a specialisation now, could continue to grow and become a specialisation in the future.

Figure 3: Employment by sector in the Region – relative growth and concentration



Source: ABS 2011 and 2016 Census of Population and Housing.

See notes in Upper North West Regional Economic Development Strategy 2018-2022: Supporting Analysis.

As shown in Figure 3, the Region has specialisations in Mining and a number of Agriculture and related processing industries, including Sheep, Beef Cattle and Grain Farming, Meat and Meat Product Manufacturing, and Other Crop Growing (which mainly includes Cotton).

Agriculture is the main engine industry within the Region, which is consistent with the Region being one of the most productive agricultural areas in Australia. In 2015–16, the value of the Region's agricultural output (excluding processing) was \$1.6 billion, equating to over \$30,000 per resident.⁸

Cotton and other crops are the main agricultural products. In 2015–16, the Region produced approximately 63% of NSW pulses, 40% of NSW cotton and 20% of NSW cereals. Beef cattle production accounts for approximately 80% of the value of livestock products in the Region. The Region is home to several large feedlots. Bindaree Beef, a large meat processing plant located in Inverell, drives the Region's speciality in Meat and Meat Product Manufacturing. There are also many other food-based processors that export from the Region, including cotton seed and canola oil production, pet food, flour milling and soft drinks. The main mining activity is coal mining from the Gunnedah basin in the southern end of the Region.

There are currently four operating mines, and a fifth mine (Vickery South) has been approved. Coal mining is expected to be an important industry in the Region for the foreseeable future. In the short-to-medium term, employment in the sector will increase as an existing mine (Maules Creek) moves to full production and construction commences at Vickery South. The mining industry was estimated to have contributed around \$230 million to regional exports in 2015–16.⁹

Narrabri Shire is also home to the Narrabri Gas Project, which, if approved, seeks to extract CSG from within the Pilliga State Forest. The economic impact of the project to the Region will be substantial with employment in construction and ongoing operations and a community benefit fund. Gold, gemstones, sand and aggregate are also mined in the Region.

There are other specialisations and agricultural opportunities that are not included in the data in Figure 3. The Region produces around 85% of Australia's pecan nuts, and it is a producer of other fruits and vegetables, including oranges and olives. Gwydir Shire Council has been progressing a 'Circular Economy' initiative that incorporates glass house horticulture and poultry production.

Going forward, there are opportunities to strengthen and grow the Agricultural sector through improvements in freight efficiency and encouraging greater private investment.

Renewable energy is a growth sector for the Region, with the Upper North West having solar, wind and bio-mass resources and some hydro-electricity from existing dams.¹⁰ The Region is home to several solar projects, with a large solar farm at Moree and new solar farms proposed for Narrabri and Wee Waa. The area to the east of Inverell on the border with the Glen Innes Severn LGA is highly suitable for wind and solar farming. Two large hybrid wind-solar farms are also under construction, and a third smaller wind farm is approved. There is potential for more solar and wind farm developments. At present, the key limiting factor to growth is the capacity of the grid.

The non-food manufacturing sector is a small engine industry for the Region. This manufacturing sector primarily services Mining and Agriculture. There are also other niche speciality manufacturers, including a recycling plant, and there are opportunities for additional growth that can result from access to the Inland Rail and lower-cost gas resources.

Tourism is an important industry, but it is not a specialisation. Nevertheless, it is an emerging industry for the Region, generating cash flow year-round and reducing the impacts of seasonal and cyclical activities. Through marketing, promotion and visitation, tourism helps to raise the profile of the Region and can play a part in relocation decisions. Aged and disabled services is another industry that is small and not a specialisation, but nevertheless contributes to the Region's income and lifestyle.

8. ABS 2015-16 Agricultural Census and ABS 2016 Census of Population and Housing.

9. Based on CERD Input-Output analysis.

10. Renewable Energy is a very new sector in the Region. Many of the developments were not operational at the time of the 2016 ABS Census so do not appear in Figure 3.

Strategy

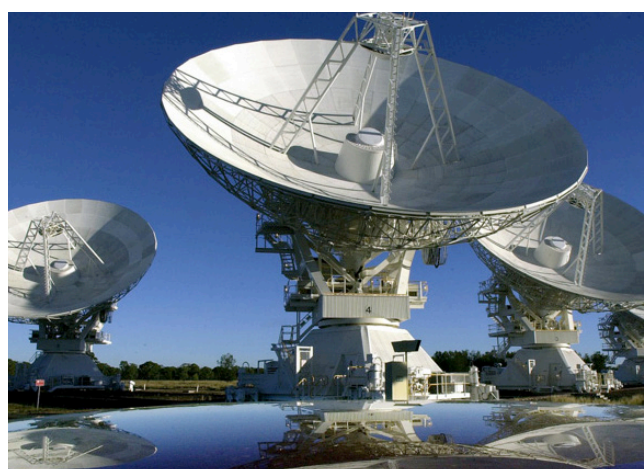
The Region has several opportunities to build on its specialisations and endowments and grow the economy

In consultation with the Region's councils, four core strategies have been identified to capture these opportunities, manage risks and deliver on the Vision for the Region. These are outlined below.

An initial set of initiatives, actions and infrastructure priorities consistent with the strategic framework have been identified to accompany the Upper North West Regional Economic Development Strategy. These were identified from a review of existing plans and relevant strategies at the state and regional level and through consultation with regional stakeholders. Stakeholders had identified key actions from the state, regional and local government plans. These actions were assessed against the new core strategies to establish relevance and economic importance to the strategies.

A key benefit of this process was to gain alignment among stakeholders about the priority projects and actions at a regional level.

It is expected that other actions capable of contributing to the attainment of the Region's vision will be identified. An action's alignment with the Strategy is the primary consideration. Actions will be subject to further qualitative and quantitative evaluative processes.



Opportunities

Key sectors and opportunities:

- Agriculture
- Mining and gas
- Manufacturing
- Renewable energy
- Tourism

Key challenges and risks:

- Poor telecommunications
- Transport infrastructure issues
- Labour force issues

Strategies

A

Improve freight efficiency in the engine industries of Agriculture and Mining

B

Encourage investment, increased productivity and value adding

C

Invest in people, skills, community and lifestyle to address the Region's skills gap

D

Diversify the economy through emerging industry sectors

A. Improve freight efficiency in the engine industries of Agriculture and Mining

The Upper North West Region exports an exceptionally high volume of output. The output includes: coal (more than 35 million tonnes per annum) which is likely to increase to around 50 million tonnes per annum when the Vickery South mine comes online); grains, pulses, cotton¹¹ and oilseeds (nearly 3 million tonnes per annum); livestock and livestock products; fruit, nuts and vegetables; and processed and manufactured products (both food and non-food). Moree Plains Shire is the largest exporter of bulk agricultural commodities in the broader New England North West region, with Narrabri Shire being the largest exporter of containerised freight.

The Region is highly dependent on road and rail transport, with significant inter- and intra-regional truck and rail freight movements. Due to both the volume of commodities produced and the distance from processing plants, ports and domestic markets, freight is a major cost for producers.



Improving freight efficiency would increase productivity and profitability; this can be achieved by increasing the connectivity of road and rail infrastructure, reducing travelling times and enabling the use of larger trucks and longer and heavier trains.

Key initiatives:

- upgrade key roads to improve inter and intra-region connectivity, provide all-weather access and enable use of high mass limit and high productivity vehicles (HML/HPV) for freight transport
- upgrade and extend the freight rail network; and ensure full and efficient connectivity to the proposed Inland Rail line

Key infrastructure priorities:

- Roads
 - upgrade (including sealing, alignments, raising road height above flood levels) key freight routes and feeder roads
 - remove pinch points, including load limited bridges and culverts and intersections that cannot be navigated by large truck
 - improve truck access to and within the key industrial areas and grain receival sites. This includes the Narrabri and Moree transport and logistics hubs, the GrainCorp receival site in Narrabri and the new industrial area in Inverell
- Rail
 - upgrade the Mungindi branch line between Turrawan and Narrabri to ensure full connectivity (for the long, heavy trains) between the Hunter Coal Chain network and the Inland Rail
 - extend rail infrastructure (spurs, sidings and loops) to ensure full connectivity between the existing rail infrastructure (including the lines servicing the transport and logistics hubs in Narrabri and Moree) and the Inland Rail line
 - continue to upgrade the Walgett, Pokataroo and Moree to Weemalah branch lines to remove load and speed restrictions
 - re-open the section of the Mungindi branch line between Weemalah and Mungindi to provide rail access to crops produced in the Mungindi area and across the border in southern Queensland



B. Encourage investment, increased productivity and value adding

With the high value of the Region's output, small increases in productivity will translate into significant economic returns. This core strategy focuses on providing a framework that will facilitate productivity gains in the key engine industries of Mining and Agriculture, and also encourage new investment by existing producers and businesses and external organisations.

Key initiatives:

- provide a positive, supportive environment to facilitate industry and business growth and development, including providing a positive regulatory environment
- improve telecommunications infrastructure and services within the Region to enhance connectivity, enable the adoption of new technologies and systems. and improve access to information, education, services and markets
- retain air services (by ensuring services remain regulated and by continuing to upgrade airports)
- support the agricultural sector to improve productivity, build resilience and reduce risk
- position and promote the Region as a location of choice for investment and businesses

Key infrastructure priorities:

- improve telecommunications infrastructure, including additional mobile phone towers
- provide high speed internet services (fibre to the premise) to the industrial precincts
- upgrade and maintaining airport infrastructure to ensure retention of services
- construct the Mole River Dam (if feasible)



C. Invest in people, skills, community and lifestyle to address the Region’s skills gap

Retaining existing and attracting new businesses and residents is essential, both for increasing the size and capacity of the Region’s workforce and for driving growth. Access to labour is an issue faced by all industry sectors across the Region as producers, businesses and service providers struggle to attract and retain staff, particularly those who are skilled or semi-skilled.

This core strategy will target workers looking to move from other regions and also workers who may want to move away from the Region. Workers making location decisions (whether that is to move to the Region or move away) consider a range of factors, including the attractiveness, amenity and appeal of the area, access to facilities and services (including retail, medical and health, education, child care, telecommunications), suitable and affordable housing, employment prospects, and the vibrancy and inclusiveness of the community.

At present, some of the communities in the Region are not meeting these requirements.

Ensuring that the Region is an attractive place to live, work, and visit, and has the facilities and services needed, is part of the foundation for the Region’s economic growth.

Key initiatives:

- define and assess labour force needs – work with Regional Development Australia, Government agencies, and key stakeholders to identify the labour force, skills gaps and training requirements in the Upper North West Region and formulate a work force strategy

- ensure that vocation training programs and training facilities are aligned with existing and likely future needs of the Region
- improve and expand education, health and other services throughout the Region to tackle the access to quality education (issue identified in community consultation). For example, the recent establishment of a Country Universities Centre in the Region, with a campus in Moree and Narrabri
- enhance the appeal and liveability of the Region through ongoing improvements to the presentation of the towns and villages and improving and expanding the Region’s sporting, recreational and cultural facilities to retain residents
- position and promote the Region as an attractive location to live and work in order to address the skilled labour gap

Key infrastructure priorities:

- substantially refurbish and expand the Moree Hospital and developing the Moree Medical Centre
- establish mental health facilities, including secure hospital beds
- invest in key sporting, recreation and cultural facilities (e.g. Moree Water Park, Moree Civic Hall, Copeton Dam)
- Develop the Moree Sports, Health, Arts and Education Academy (SHAE)



D. Diversify the economy through emerging industry sectors

The Region is highly dependent on agricultural and mining businesses. Emerging industries such as tourism, renewable energy production, manufacturing and processing and coal-seam gas can leverage the Region's endowments and provide opportunities to diversify the regional economy. These sectors can provide revenue that is not dependent on agriculture and coal mining, improving cash flow in the local communities, and making the economy resilient to 'shocks'.

They also can provide diversified employment opportunities. As such, it is important that these industry sectors are supported.

Key initiatives:

- continue to strengthen and grow the Region's tourism industry through product and infrastructure development, building the events sector and marketing and promotion
- encourage and support the growth of the renewable energy sector by supporting enterprise to source land, help manage community concerns, and advocate for the upgrading of transmission capacity
- leverage the coal seam gas sector (if CSG extraction is approved) to attract gas-dependent activities. This will diversify the economy on the back of engine industries
- support the growth of manufacturing and processing

Key infrastructure priorities:

- upgrade and develop tourist attractions and assets including the Moree Water Park, the Living Classroom, Cranky Rock Reserve, Copeton Dam mountain bike trails and Yarrie Lake
- improve conference, meeting and event venues, including the Moree Civic Hall
- augment the electricity transmission infrastructure to enable renewable energy generators to connect to the grid

Strategies and key actions				
Enablers	Improve freight efficiency for the engine industries of Agriculture and Mining	Encourage investment, increased productivity and value adding	Invest in people, skills, community and lifestyle to address the Region's skills gap	Diversify the economy through emerging industry sectors
	Infrastructure	<ul style="list-style-type: none"> Upgrade (including sealing, alignments, raising road height above flood levels etc.) key freight routes and feeder roads Remove pinch points (load limited bridges and culverts and intersections that cannot be navigated by large trucks) Improve truck access to and within the key industrial areas and grain receival sites Upgrade the Mungindi branch line to ensure full connectivity between the Hunter Coal Chain network and the Inland Rail Extend existing rail infrastructure (spurs, sidings and loops) to ensure full connectivity with Inland Rail line Progressively upgrade the branch lines to remove load and speed restrictions Re-open the section of the Mungindi branch line between Weemelah and Mungindi to provide rail access to crops produced in the Mungindi area and across the border in southern Queensland 	<ul style="list-style-type: none"> Improve telecommunications infrastructure, including additional mobile phone towers Extend and augment the utilities infrastructure to enable the expansion of and development within key Industrial estates/transport and logistics hubs Provide high-speed internet services (fibre to the premise) to the industrial precincts Upgrade and maintain airport infrastructure to ensure retention of RPT services Construct the Mole River Dam (if feasible) 	<ul style="list-style-type: none"> Substantially refurbish and expand the Moree Hospital, and develop the Moree Medical Centre Establish of mental health facilities, including secure hospital beds Invest in town and village upgrades Invest in key sporting, recreation and cultural facilities

Strategies and key actions				
	Improve freight efficiency for the engine industries of Agriculture and Mining	Encourage investment, increased productivity and value adding	Invest in people, skills, community and lifestyle to address the Region's skills gap	Diversify the economy through emerging industry sectors
Enablers		<ul style="list-style-type: none"> Support retention of RPT services through regulation Provide a positive, supportive environment (including regulatory) to facilitate industry and business growth and development Leverage opportunities to value-add and to capitalise on major proposed construction projects 	<ul style="list-style-type: none"> Improve and expand education, health and other services throughout the Region Explore opportunities to bring on more housing and greater variety of housing choice to address housing shortages 	<ul style="list-style-type: none"> Encourage and support the growth of the renewable energy sector Support the growth of manufacturing and processing Leverage the coal seam gas sector approved) to attract gas-dependent activities
Government regulation, services, information, land use		<ul style="list-style-type: none"> In support of the NBN roll-out, organise forums to brief and educate residents and businesses about the NBN connection process and opportunities 	<ul style="list-style-type: none"> Focus on building the size and capacity of the regional workforce 	
People and skills		<ul style="list-style-type: none"> Position and promote the Region as a location of choice for investment and businesses 	<ul style="list-style-type: none"> Position and promote the Region as an attractive location to live, work and visit 	<ul style="list-style-type: none"> Continue to strengthen and grow the Region's tourism industry through marketing and promotion
Marketing and promotion	<ul style="list-style-type: none"> Promote Narrabri and Moree as key hubs on the Inland Rail route 			

The actions in bold have been assessed as being most significant for economic development.

Implementation

A more detailed action plan and list of infrastructure priorities that are consistent with the Strategy is included in the *Upper North West Regional Economic Development Strategy 2018–2022: Supporting Analysis*

The councils are the key institutions in respect to implementing this Strategy. Even so, responsibility to implement actions within this Strategy does not lie with the councils alone and requires other key organisations to drive specific actions. The councils will work closely with the business community and other private, public and community stakeholders to ensure the successful implementation of this Strategy.

While the councils are the custodian of the Strategy and the primary stakeholders, the State and Federal Government agencies, local institutions, businesses and the broader community each have a role to play in its implementation.

The Strategy is a living document. The councils will work closely with other stakeholders to review the action plan and, by applying the Strategy's framework, identify new actions that progress towards the vision. Near the end of the period of the Strategy, the councils will begin the process of updating or refreshing the 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 License (<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), (2018).

Published: July 2018

Photography courtesy of the councils of Moree Plains, Narrabri, Gwydir and Inverell shires.

