THE VISION

To build a strong, competitive and diverse economy driven by adaptive, value adding and sustainable industries, specialising in mining, agriculture and tourism, through projects that contribute to the economic, environmental and social wellbeing of communities in the Far West.

FAR WEST

Regional Economic Development Strategy

2018 – 2022

Regional Development Australia
FAR WEST NSW

BROKEN HILL
CITY COUNCIL

CENTRAL DARLING
SHIRE COUNCIL

PREFACE

The NSW Government has assisted local councils and their communities to develop 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 and future projects would be subject to further evaluative processes.

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

Importantly, the Strategy should be viewed as the first stage of a process that will assist those with an interest in the economic development of the Region, particularly 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, and assists in bringing together key stakeholders and mobilising resources. In so doing, it can facilitate faster access to dedicated NSW Government funding, such as the Growing Local Economies Fund, as well as help to capitalise upon other economic opportunities.

This Strategy, prepared by Balmoral Group Australia Pty Ltd (BGA) on behalf of the Region, was formed in collaboration with key stakeholders and the broader regional community, and benefited from economic-analytical assistance provided by the NSW Government's Centre for Economic and Regional Development (CERD).

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

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

INTRODUCTION

The Far West Regional Economic Development Strategy (the Strategy) was developed to identify economic development opportunities that capitalise on the Far West's endowments and industry specialisations. The Far West Functional Economic Region (the Region) is composed of the Broken Hill and Central Darling Local Government Areas (LGAs) and the Unincorporated Far West Region. It is a sparsely populated remote region. The City of Broken Hill is a focal point of the economy, while the small urban centres of Wilcannia, Silverton, Packsaddle, Tibooburra and Menindee play important roles in the Region.

The Strategy aims to leverage the Region's endowments, such as:

➤ Exploited and untapped mineral resources like lead, zinc, silver, iron and cobalt ore deposits

➤ Vast agricultural land supporting traditional wool and beef enterprises as well as emerging goat and kangaroo meat enterprises

➤ The landscapes and abundance of space to support festivals, events and camping experiences

➤ A wealth of cultural heritage underpinned by Aboriginal and European history.

This Strategy recognises the imperative to face the Region's challenges such as declining population, droughts and mining downturns. It does this by supporting current strengths, as well as exploring opportunities to give the Region the best chance of achieving long-term, if not permanent, sustainability and vibrancy.

This Strategy is the culmination of collaboration between the Broken Hill and Central Darling Shire Councils, the Villages of the Unincorporated Far West, the business community and BGA.

This process successfully identified several core strategies to achieve a prosperous economic future. For each strategy, primary actions and infrastructure priorities have been identified, as well as appropriate implementing parties for lead, support and stakeholder roles. A concerted focus and effort will be required to achieve all of the outcomes. Considerable vetting of each aspect of the recommended strategies determined viability and compatibility with available resources.

The Strategy aims to:

➤ Support growth in Agriculture and Mining by developing regional connectivity and transport logistics to better access markets

➤ Grow the film and television industry and visitor economy by capitalising on the Region's heritage, cultural, seasonal and natural endowments

➤ Facilitate food and metal manufacturing industry growth through development of industrial land to grow economies of scale around urban centres and sustainable energy generation and storage

➤ Improve economic and social resilience by delivering telecommunications infrastructure to empower businesses and residents through improved connectivity in the digital economy

BACKGROUND

The Far West Region has an area of 146,981 km². It is located against the North-West and Western border of NSW. It is composed of the Broken Hill City and Central Darling Shire Councils, as well as the Unincorporated Far West. The Region is rich in heritage, culture, mining and agriculture, but does face many challenges, particularly with regard to maintaining economic vibrancy in the face of demographic changes realities outlined below.

Figure 1: Region Boundary Map
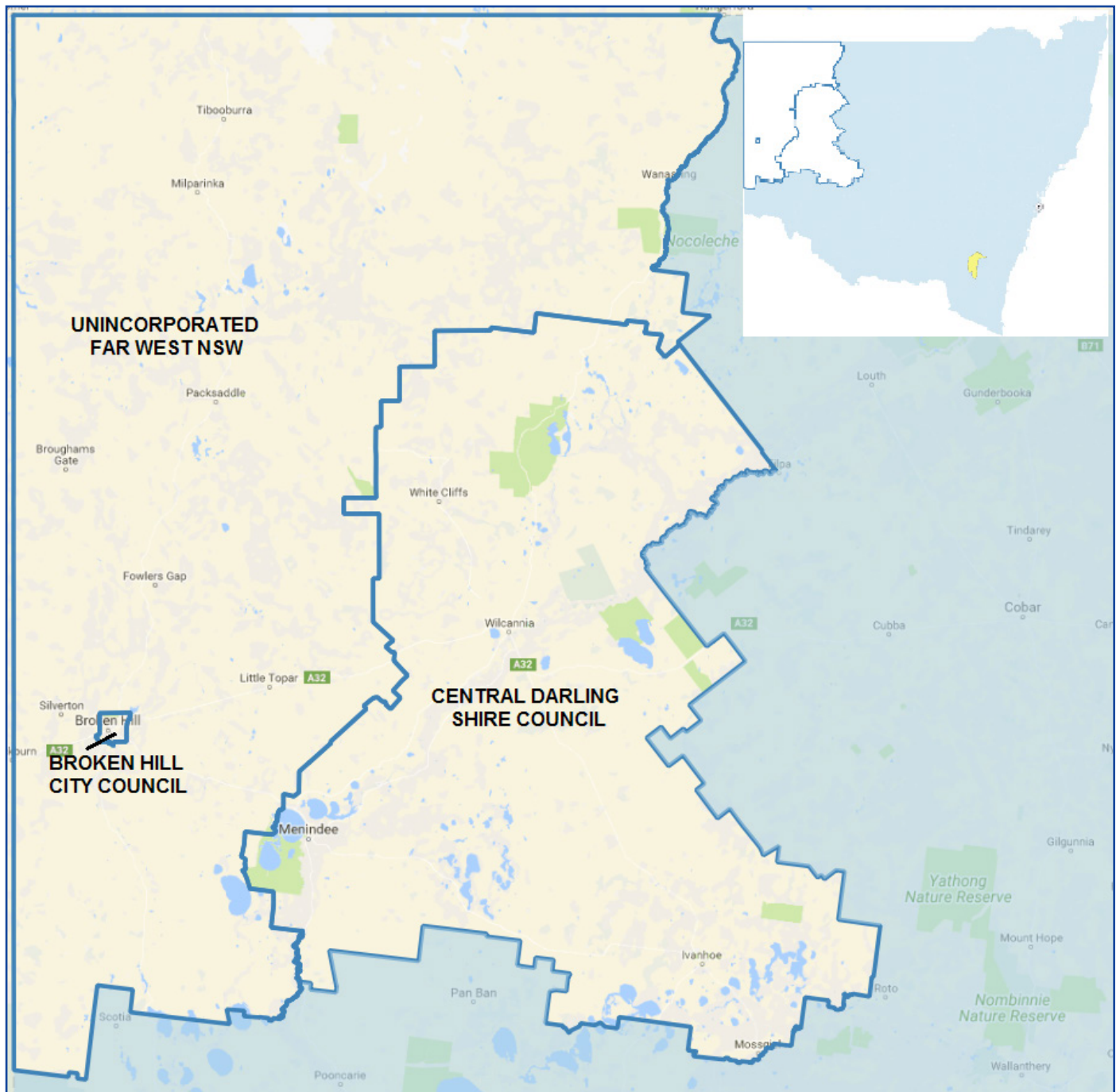
BACKGROUND CONTINUED

The Region contains 0.4% of the NSW population on 18.4% of the total area. Between 2006 and 2016, Broken Hill's population decreased at an average rate of 0.5% per year. The population of Central Darling and Unincorporated NSW decreased at an average rate of 0.02% and 0.2% per year between 2006 and 2016, respectively.[1]

Based on projected fertility, deaths and migration, the NSW Department of Planning[2] estimates that the Region will decline by approximately 2,900 people, or 13.68%, from 2011 to 2036.[3] This can be seen in Table 1.

Table 1: Department of Planning Population Projections

Broken Hill & Central Darling LGAs								
TOTALS	2011	2016	2021	2026	2031	2036	Change	% Change
Total Population	21,200	20,800	20,300	19,750	19,100	18,300	-2,900	-13.68%
Total Households	9,350	9,300	9,200	9,000	8,750	8,450	-900	-9.63%
Average Household Size	2.267	2.237	2.207	2.194	2.183	2.166		
Implied Dwellings	11,300	11,200	11,100	10,850	10,600	10,250	-1050	-9.29%

Source: NSW Department of Planning and Environment

1. Australian Bureau of Statistics (ABS) 2006 and 2016 Census Data.

2. NSW Department of Planning Population Projections at http://www.planning.nsw.gov.au/Research-and-Demography/Demography/Population-projections

3. The projections do not take into account changes in government policy, investment, and other exogenous effects. For example, the hailstorm event in 2016 damaged many buildings, which led to a significant number of roofers entering and working in the Region. The development of new mining operations is another factor that may alter these projections in unpredictable ways. Therefore, these projections serve to illustrate the imperative to actively manage the economy in the context of background demographic trends.

BACKGROUND CONTINUED

There are implications of the projected decline in the resident population and the ageing of the population and hollowing out of the workforce age cohorts for the economic development aspirations of the regional community. The strategies for the Region's economic development and growth need to consider industries that do not require resident population growth to generate economic wealth.

The Strategy recognises these challenges and positions the Region to take advantage of local endowments to create a sustainable economic future. It focuses on developing and maintaining the advantages that underpin Agriculture and Mining, as well as fostering emerging and niche industries that have growth potential.

Figure 2 identifies the top six industries by employment and contributions to gross regional product (GRP) in 2015-16. With the exception of Mining, the percentage contribution of these industries to GRP was less than the percentage of the workforce they employed, which reflects their less capital-intensive nature.

Employment in Accommodation and Food Services and Retail Trade was explored through consultations with the business community. It emerged that these sectors rely heavily on temporary workers in both the Mining and Construction sectors.

Figure 2: Far West Industry Contribution to Employment and GRP
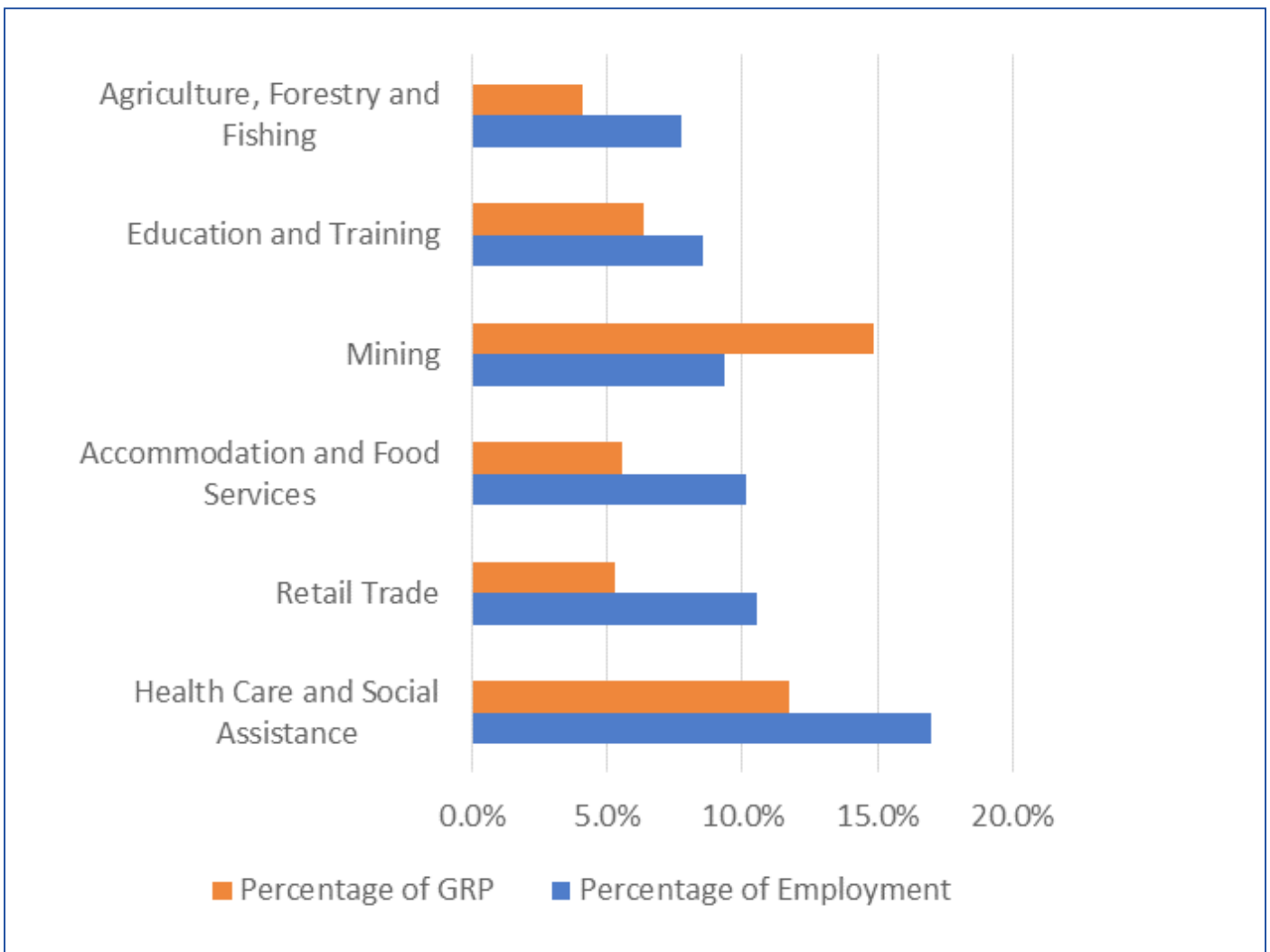
Source: CERD DATA, BGA WORK PRODUCT

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.[4]"

A region seeking to encourage economic development should concentrate on factors that enable the growth of endowment-based industries. Endowments can lead to opportunities from which commercial and industrial interests may leverage and develop specialisations.

Key endowments for the Far West are presented in the table below:

Ferrous and non-ferrous ore mining

➤ A zinc, lead and silver mine operated by Perilya Limited (an Australian base metals mining and exploration company). In January 2018, their North Mine was granted approval to reopen, creating 140 new jobs in the Region.[5]

➤ Castillo Copper[6] has revealed further evidence of widespread cobalt deposits as of late 2017.

➤ The Hawson's Iron Project near Broken Hill has been identified as the world's leading undeveloped high quality iron ore concentrate and pellet feed project. This project was given Major Project Status by the Commonwealth Government in April 2018.[7]

➤ The Broken Hill-Rasp Mine covers the historic Broken Hill Line of Lode ore body. Since re-opening in July 2012, the mine has an average annual metal production of 30,000 tonnes of zinc metal in concentrate, 20,000 tonnes of lead metal in concentrate, and over 1.0 million ounces of silver in the lead concentrate.[8]

➤ Government has announced releasing new areas for conventional gas exploration in the Bacannia Trough and Pondie Range Trough, both north of Wilcannia, for initial assessment.[9]

➤ Cristal Mining operates two mineral sands mines in the Murray Basin and a Mineral Separation Plant (MSP) at Broken Hill in NSW.

➤ Cobalt Blue's Thackaringa Cobalt Project is also generating global interest. This has ignited a huge interest in the Broken Hill region of Australia to challenge the Democratic Republic of Congo's (DRC) dominance. Several juniors are now hoping to replicate Cobalt Blue's success and turn the district into a premier cobalt mining centre.

Agricultural land

➤ The Far West supports a range of agriculture enterprises focused primarily on rangeland wool and beef production.

➤ The warm climate allows for the niche export of horticultural produce, supported by the Menindee Lakes and Lower Darling River System. Horticulture attracts high prices due to early ripening, however, changes to water availability and management have led to reduced productivity.[10]

➤ Agricultural land in the Far West supports large populations of native kangaroos and feral goats. Although they compete with stocked animals for feed and water, they are increasingly seen as an opportunity to diversify incomes during drier years.

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

5. http://www.planning.nsw.gov.au/news/2017/29122017-broken-hill-north-mine-recommencement-to-bring-jobs-and-economic-growth-to-the-region

6. https://www.castillocopper.com/project-broken-hill/

7. https://www.carpentariares.com.au/hawsons-iron-project/

8. https://www.cbhresources.com.au/operations/rasp-mine/

9. https://www.resourcesandenergy.nsw.gov.au/__data/assets/pdf_file/0009/719379/Strategic-gas-exploration-sites-identified-in-Western-NSW.pdf

10. Submission by the Lower Darling Horticulture Group to the Murray Darling Basin Royal Commission, 12 March 2018.

ENDOWMENTS CONTINUED

Sun, sky, open spaces and landscape

➤ The Region has one of the highest levels of solar radiation in NSW.

➤ The Region's open spaces provide many opportunities for astronomy and stargazing due to the clarity of the outback sky.

➤ Large annual cultural festivals throughout the world such as Burning Man in Black Rock, Nevada or Coachella in Indio, California utilise flat majestic landscapes such as those found in the Far West Region.

➤ The unique landscape can provide the quintessential "Aussie tourism experience".

➤ Recent changes in Crown land legislation will allow leasehold land to be sold and converted to freehold. This allows business to take advantage of the Region's ample land to enable value-adding opportunities.

Heritage and culture

➤ Broken Hill is Australia's only National Heritage Listed city. It is listed alongside other nationally recognised assets such as the Great Barrier Reef, Sydney Opera House and Australian War Memorial.

➤ The area has rich Aboriginal heritage, including the traditional lands of the Malyangaba, Bandjigali, Wandjiwalgu, Wiljali, Danggali, Barkindji, and Barindji peoples.

➤ The Region is the birthplace of BHP and has a long history in industrial commerce. The Line of Lode is part of the original mine that began production in Broken Hill in the 1880s.

➤ Since 1968, more than 50 feature films and television series have been made in the Region, as well as many commercials. This draws temporary workers and visitors to the Region. Many Tourism operators and events try to capture this market. For example, the Perfect Light Film Festival.

➤ The Region attracts artists of both Aboriginal and European styles due to its amazing light and landscapes.

SPECIALISATIONS

A simple form of analysis that can be used to gain an understanding of a region's competitive advantages[11] 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 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 quantitative data analysis, such as Input-Output analysis providing measures of industry sector contributions to Gross Regional Product and value-added, to arrive at the findings for the Far West Region Strategy.

When analysing regional economic development strategies, different economic strengths of sectors and their employment specialisations can be categorised as engine industries, enabling industries and population serving industries. In the context of the Far West Region, Agriculture and Mining industries are its only significant engines of growth, however these are not equally distributed spatially.

These categories can be defined as:

➤ Engines of growth – industries well-linked to external markets and bring money into the Region (e.g. Agriculture)

➤ Enabling industries – industries that support engine industries (e.g. Engineering and Manufacturing)

➤ Population serving industries – industries that support people in the Region (e.g. Education & Training and Health Care & Social Assistance)

Figure 3 charts 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[12]), 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.

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

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

SPECIALISATIONS CONTINUED

Figure 3: Employment by sector in the Region – degree of specialisation and future potential
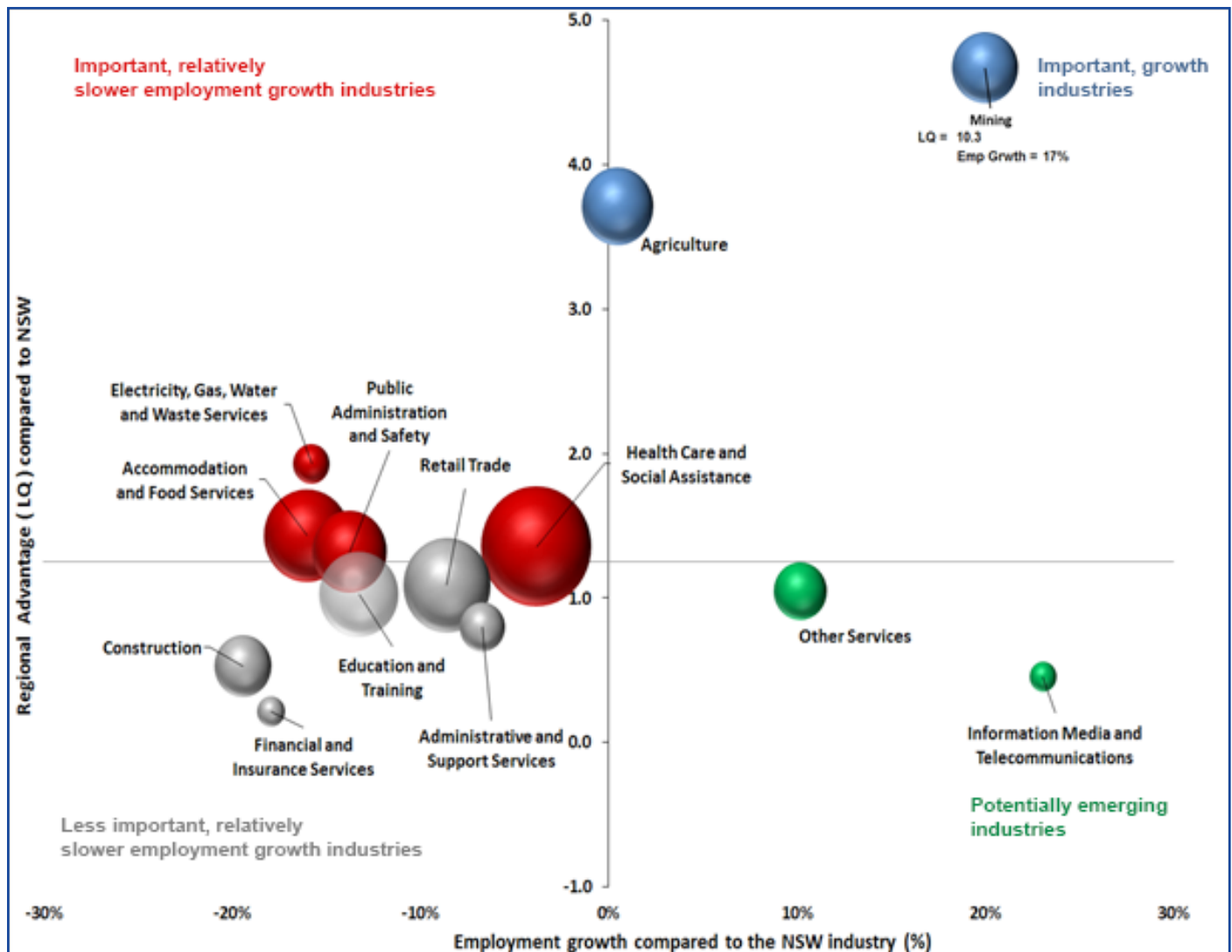
Source: ERD data, CERD work product

Health Care and Social Assistance

The Health Care and Social Assistance sector is the largest employer in the Region and a major population serving industry, accounting for 1,371 (17%) of jobs with a LQ of 1.4 in 2016. Most of these jobs (96%) are in Broken Hill, meaning many in the Region must travel to Broken Hill for Health Care and Social Assistance Services. It is unlikely that health care will emerge in Broken Hill as a major exporting industry as those outside of the Region who require treatment will likely prefer closer options, unless health tourism is considered.

Mining

The Mining industry in the Region employed a workforce of 757 in 2016, accounting for 9.4% of jobs with a LQ of 10.3. Almost all of these jobs (99%) are located in the Broken Hill LGA. Employment is highly variable, increasing 30% between 2001-06, declining 7.7% between 2006-11, and then increasing again by 19.4% between 2011-16. It is a major engine industry in Broken Hill, as changes in employment in this sector have significant flow-on effects throughout its economy.

SPECIALISATIONS CONTINUED

The presence of lead, zinc, silver, iron and cobalt ore deposits provide the Mining sector with a diverse mineral base for export, limiting some of the income variability that would otherwise be caused by price volatility. The Mining sector is highly dependent on a wide range of industries for goods and services. In 2015-16, the Non-Ferrous Mining sub sector imported inputs from the:

➤ Construction sector

➤ Electricity Transmission, Distribution, On Selling and Market Operation sector

➤ Structural Manufacturing sector

➤ Automotive and Other Repair sectors

➤ Professional and Scientific Services sector

Mining therefore supports a wide base of economic activity in the Region.

Agriculture, Forestry and Fishing

Overall this sector employed 629 people in the Region in 2016, accounting for 7.8% of jobs with a LQ of 3.7. Almost all of these jobs are located outside of Broken Hill, with the Central Darling accounting for 41% and the Unincorporated Far West accounting for 39%, making it the largest employer in those two areas.

The sector also experiences a high degree of variability in employment, declining by 41.8% between 2001-06, followed by an increase of 20.5% to 2011, and being fairly stable to 2016. It is an engine industry in the Central Darling Shire and Unincorporated Far West.

Specialised Sheep Farming increased from a workforce of 223 to 305 in the ten years to 2016, an increase of 37%. Specialised Beef Farming increased from 34 to 107 (214%) over the same period. In comparison, Mixed Sheep-Beef Cattle Farming remained unchanged.

Many farmers see diversification into kangaroo or goat meat as a potential source of permanent income, however, they believe the Region lacks the supporting infrastructure and services to drive significant growth. Restrictions on the ability to develop Crown land were cited as one of the impediments to building growth or diversifying. Legislative changes that allow the transfer of Crown land leaseholds into freeholds may be the solution.

In 2015-16, the Sheep, Grains, Beef and Dairy Cattle sector (which, in the Region focuses on Sheep and Beef) imported $13.2 million in goods and services from the Agriculture, Forestry and Fishing Support Services sector. The largest outlay for the sector as a whole was various Support Services which also accounted for $32.8 million worth of exports from the Region in 2015-16.

Employment transfers between Mining and Agriculture

Inverse swings in employment between the Mining and Agriculture sectors suggest the workforce and associated skills are somewhat transferable. However, due to the spatial difference between the two sectors, an increase in Mining employment causes employment in Broken Hill to increase, but employment in the Central Darling and Unincorporated Far West to decrease. The inverse is true of Agriculture employment. Care must therefore be taken to balance the needs of both sectors to prevent spatial economic inequalities in the Region.

Tourism

Although not defined by the ABS in its own right, the effects of Tourism expenditure impacts almost every sector in the Far West, contributing 8.9% of total value-adding in 2015-16. Accommodation and Food Services, Retail Trade and Arts and Recreation Services benefit most from Tourism. In 2015-16, Tourism expenditure accounted for:

➤ 49.9% of full-time equivalent (FTE) jobs in Accommodation and Food Services ,

➤ 20.8% in Retail Trade

➤ 19.1% in the Arts and Recreation Services.

Combined, these sectors accounted for 1,751 employed individuals in 2016.

STRATEGY

The four Strategy elements for the Far West Region link directly to the opportunities presented by the Region's endowments and specialisations, and also aim to address some key regional risks that have been identified.

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. All proposed actions will be subject to further qualitative and quantitative evaluative processes.

1	Support growth in **Agriculture** and **Mining** by developing regional connectivity and transport logistics to better access markets
2	Grow the **film** and **television** industry and visitor economy by capitalising on the Region's heritage, cultural, seasonal and natural endowments
3	Facilitate **food** and **metal** manufacturing industry growth through development of industrial land to grow economies of scale around urban centres and sustainable energy generation and storage
4	Improve economic and social resilience by delivering **telecommunications** infrastructure to empower businesses and residents through improved connectivity in the digital economy

STRATEGY CONTINUED

1 | Support Agriculture and Mining by developing regional connectivity and transport logistics to better access markets

Agriculture and Mining, the two largest exporting industries in the Region, are heavily constrained by their ability to move products to market and source inputs. Therefore, the connectivity of the Region's transport infrastructure is fundamental for growth.

Infrastructure Priorities

Seal roads to cut travel costs: Priority roads in the vast road network that services the Far West should be sealed to improve access for farmers to market. Agriculture is vulnerable to poor road conditions, where rain or vehicle breakdowns (due to accelerated wear and tear) can isolate producers from market for weeks.

Build the Broken Hill heavy vehicle bypass: Broken Hill, the transport hub for the Region, experiences 24 hour movement of traffic. A heavy vehicle bypass would expedite this movement, while providing numerous health, safety and amenity benefits to Broken Hill residents and businesses.

Many of the Region's mines are based around Broken Hill and current roads struggle to support large vehicles, such as oversize and/or over-mass.[13] It would also improve connections between the Silver City and the Barrier Highways that cross the Region.

Organisational Priorities

Connect to value-adding opportunities: There is a considerable opportunity to take advantage of the Region's goat and kangaroo endowments, however, production is currently constrained by the lack of enabling and value-adding facilities such as:

➤ Meat processing and packaging

➤ Refrigerated warehousing and transport

➤ Improved air freight options (see Strategy 2 for more details)

Development of these facilities requires a clear supply chain from paddock to market. Coordination between producers will be required to solidify the business cases for these facilities in the future and to demonstrate supply. efficiencies. Further actions to develop value-adding industries are detailed in Strategy 3.

Streamline transport use: Coordination of industry networks will minimise travel costs. For example, coordinated movement of labour (such as high-demand shearers) and transport (such as the trucking of cattle) will improve use of limited resources, maximising their efficiency.

Goal Outcome

Interconnected business and society thrive to promote economic growth

Intermediate Outcome

➤ Businesses and residents can overcome the barrier of regional isolation

Outputs

➤ Improved regional transport links removes barriers to business to taking advantage of their location to synergise the supply chain

Activities

➤ Seal roads and invest in logistics infrastructure, such as the Broken Hill bypass

➤ Develop enabling and value adding facilities

➤ Develop a business network that maximises the productive use of labour and transport

Inputs

➤ Conduct analysis of costs and benefits associated with unsealed roads and Broken Hill bypass road

➤ Coordinate with business leaders and groups to develop business networks

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13. http://www.rms.nsw.gov.au/business-industry/heavy-vehicles/road-access/restricted-access-vehicles/oversize-overmass/index.html

2 | Grow the film and television industry and visitor economy by capitalising on the Region's heritage, cultural, seasonal and natural endowments

Currently, Outback NSW[14] receives on average 645,000 visitors per annum, with approximately 158,000 (24.4%) visiting Broken Hill and staying an average of three nights.[15] [16] This strategy focuses attention on cultural, heritage and natural attractions like National Parks and famous film locations. To achieve this, councils must work with Destination Networks Country and Outback to coordinate tourism development.

Infrastructure Priorities

Seal roads and upgrade airports: Key barriers to tourism growth are unsealed roads and basic airport infrastructure. The Region would benefit from more sealed roads and investments in airport upgrades. The Broken Hill City Council estimates that there would be $10.9 million in additional tourism expenditure in the Region from 2025 to 2034 if the airport is refurbished.[17] Sealing roads will open the Region to greater caravan use, and thereby achieve its tourism potential.

Refurbish and revitalise local attractions: Heritage buildings, facilities and signage at attractions in many of the Region's towns and surrounds could be revitalised, as many have fallen into disrepair and disuse. This contributes to certain places having a reputation as 'through towns', as opposed to 'to towns' among caravanning groups. There is an opportunity to capitalise on these unused endowments to create museums, cultural centres, memory parks, and sculpture trails. This would also improve amenity and social connection for residents.

Organisational Priorities

Create local events and festivals: The Region's councils and local businesses could focus on creating and supporting local events and festivals to highlight significant endowments. The Perfect Light Film Festival is an example of an event that leverages the Region's cultural status in cinematographic history[18].

Support development of a Film School: The Region is already a well-known destination for cinema. Capitalising on this by developing a home-grown base of expertise and practice through a film school will further cement the Region as place to film. Doing so will require increased internet access, which is discussed in more detail in Strategy 4.

Enhance the management of visitors to the Region: Tourism operators emphasised the importance of a network between assets and managing the flow of visitors through the Region to maximise impact. Two action points emerged through stakeholder consultations that would support the development of regional tourism trails:

➤ Establish a greater digital marketing and trip planning strategy, especially to maximise potential seasonal changes such as rainfall leading to desert bloom

➤ Co-ordinate with Destination Networks Country and Outback to brand and market the Region widely.

The safety of visitors is also enhanced by providing good telecommunications coverage. This is discussed in further detail in Strategy 4.

Goal Outcome

A Region that utilises its natural and cultural endowments to capture a larger proportion of the Tourism sector

Intermediate Outcome

➤ Increased tourism, heritage, cultural and commercial opportunities are facilitated by the implementation of tourism strategies

Outputs

➤ Increased Tourism advertising and promotions

➤ Successful grant funding for Broken Hill airport and road upgrades in the Region

Activities

➤ Invest in the refurbishment of the Broken Hill Regional Airport and roads

➤ Refurbish and revitalise facilities and signage to Aboriginal, outback, mining and film and television heritage sites and attractions

➤ Enhance the management of visitors to the Region

➤ Support the development of tourist assets, local flagship events, festivals, and conventions

➤ Support the development of a Film School

Inputs

➤ Coordination between Destination Networks Country and Outback, councils, stakeholders, and the Aboriginal communities

➤ Resource funding and investment into infrastructure upgrades and development

14. The Far West sits in the tourism region of Outback NSW.l
15. https://www.destinationnsw.com.au/wp-content/uploads/2012/03/Broken-Hill-LGA-profile.pdf
16. https://www.destinationnsw.com.au/wp-content/uploads/2018/04/travel-to-outback-nsw-time-series-ye-dec-17.pdf
17. Broken Hill City Council business case 2018.
18. http://www.perfectlightfilmfestival.com.au/

3 | Facilitate food and metal manufacturing industries through the development of industrial land to grow economies of scale around urban centres and sustainable energy generation and storage

Industries that add value to Agriculture and Mining, the two largest exporting industries in the Region, are heavily constrained by the availability of industrial land around urban centres. New Crown land legislation came into force in 2018, allowing eligible leaseholders in the Western Division to purchase leasehold licenses and convert them to freehold. Part of the eligibility requirements for purchasing leasehold land are that *the sale will contribute to the economic growth of the region in which both the land and the urban area are located*.[19]

Infrastructure Priorities

Make value-adding facilities viable by connecting re-zoned land to utilities: The Region has the potential to develop industries around natural endowments, including goat and kangaroo meat processing and Tourism. For these facilities to become viable, access to electricity, water, telecommunications and transport infrastructure is needed.

Support the development of renewable energy generation and storage: The Region is endowed with one of the highest rates of sunshine in the State which is already attracting new investments in solar energy development.[20] Providing a method of on-demand supply of sustainable energy through battery storage facilities will provide the Region with the certainty necessary to pursue value-adding developments on industrial land.

Organisational Priorities

Assist leaseholders in demonstrating economic benefits: The requirement to demonstrate total regional benefits, not just private benefits, associated with transferring Crown land to freehold may act as a barrier to conversion. Upskilling leaseholders to understand the wider benefits should see a higher conversion rate. This will free up land to be used in the most productive way.

Balance industrial development with natural and cultural uses: The transition of land use can result in conflicts between competing outcomes. Many stakeholders expressed their desire to see the natural amenity and environmental and cultural landscape values preserved, while balancing the need for further economic development. There is also a need to balance the needs of different industries.

Goal Outcome

Economic activity in the Region increases and the economic base diversification to make better use of the Region's endowments

Intermediate Outcome

➤ Supply chains are concentrated in the Region and businesses take advantage of local resources and endowments

Outputs

➤ Industrial land is developed and adequately resourced with infrastructure, utilities and services.

Activities

➤ Facilitate the development of industrial land by providing necessary utilities and infrastructure

➤ Support the development of renewable energy generation and storage

➤ Facilitate the development of industrial land by providing assistance towards the purchase of Crown land and planning approvals

➤ Balance the requirement to develop industrial land with natural and cultural land uses
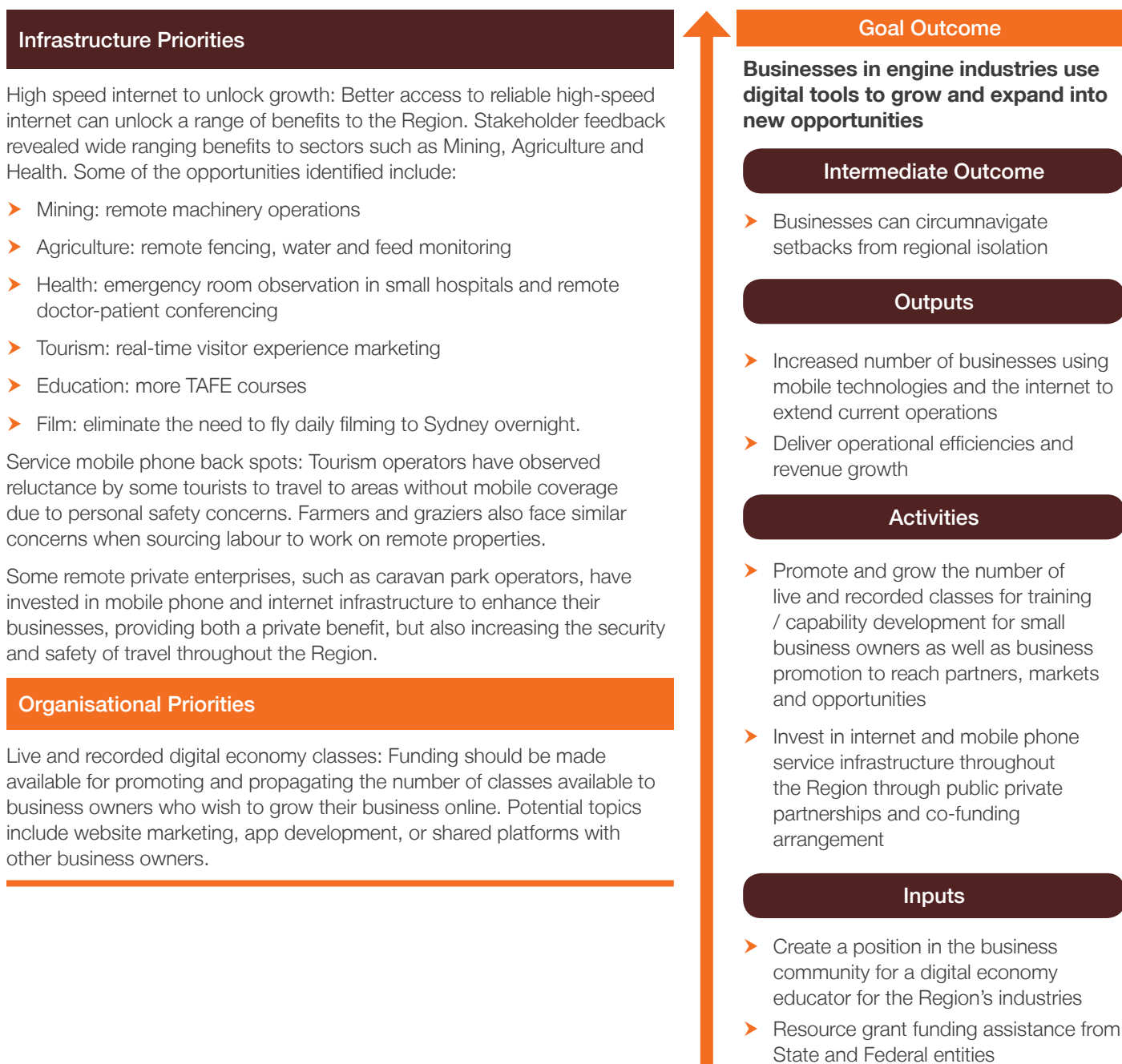
Inputs

➤ Resource utilities and infrastructure upgrades and connections

➤ Resource Crown land eligible for sale and development

➤ Coordinate with community, business and government stakeholders

19. NSW Department of Industry, Eligibility Criteria to be Considered when Purchasing a Western Lands Lease in the Western Division

20. https://www.agl.com.au/about-agl/how-we-source-energy/broken-hill-solar-plant

STRATEGY CONTINUED

4 | Improve economic and social resilience by delivering telecommunications infrastructure to empower businesses and residents through improved connectivity in the digital economy

According to ABS 2016 Census data, 26% of dwellings in the Far West have no access to the internet, which is much higher than the state average of 15%.[21] Additionally, mobile phone connectivity in the Region is poor outside of Broken Hill and the main highways. These factors compound distance-induced barriers to growth.

Infrastructure Priorities

High speed internet to unlock growth: Better access to reliable high-speed internet can unlock a range of benefits to the Region. Stakeholder feedback revealed wide ranging benefits to sectors such as Mining, Agriculture and Health. Some of the opportunities identified include:

➤ Mining: remote machinery operations

➤ Agriculture: remote fencing, water and feed monitoring

➤ Health: emergency room observation in small hospitals and remote doctor-patient conferencing

➤ Tourism: real-time visitor experience marketing

➤ Education: more TAFE courses

➤ Film: eliminate the need to fly daily filming to Sydney overnight.

Service mobile phone back spots: Tourism operators have observed reluctance by some tourists to travel to areas without mobile coverage due to personal safety concerns. Farmers and graziers also face similar concerns when sourcing labour to work on remote properties.

Some remote private enterprises, such as caravan park operators, have invested in mobile phone and internet infrastructure to enhance their businesses, providing both a private benefit, but also increasing the security and safety of travel throughout the Region.

Organisational Priorities

Live and recorded digital economy classes: Funding should be made available for promoting and propagating the number of classes available to business owners who wish to grow their business online. Potential topics include website marketing, app development, or shared platforms with other business owners.

Goal Outcome

Businesses in engine industries use digital tools to grow and expand into new opportunities

Intermediate Outcome

➤ Businesses can circumnavigate setbacks from regional isolation

Outputs

➤ Increased number of businesses using mobile technologies and the internet to extend current operations

➤ Deliver operational efficiencies and revenue growth

Activities

➤ Promote and grow the number of live and recorded classes for training / capability development for small business owners as well as business promotion to reach partners, markets and opportunities

➤ Invest in internet and mobile phone service infrastructure throughout the Region through public private partnerships and co-funding arrangement

Inputs

➤ Create a position in the business community for a digital economy educator for the Region's industries

➤ Resource grant funding assistance from State and Federal entities

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21. ABS Regional Statistics by ASGS2016, Annual (2010-11 to 2015-16).

Summary of Strategies and Actions

The following table summarises the strategies and the actions applied to them into four categories (people and skills, government, regulation and information, infrastructure and utilities). It serves to illustrate the broad range of policy initiatives that the Strategy supports.

Actions in bold have been identified as priorities for execution. These priorities were identified on the basis of particularly strong evidence throughout the research and analysis.

Enablers	Support Agriculture and Mining by developing regional connectivity and transport logistics to better access markets	Grow the film and television industry and visitor economy by capitalising on the Region's heritage, cultural, seasonal and natural endowments	Facilitate food and metal manufacturing industry growth through the development of industrial land to grow economies of scale around urban centres and sustainable energy generation and storage	Improve economic and social resilience by delivering telecommunications infrastructure to empower businesses and residents through improved connectivity in the digital economy
People and skills	➤ Develop a business ecology network that maximises the productive use of labour and transport.	➤ Work together to link attractions ➤ Support the development of a film school	➤ Develop skills to help make the case to convert leasehold to freehold	➤ Promote and grow the number of live and recorded classes for small business owners to reach partners, markets, and opportunities
Government, regulation and information	➤ Encourage the co-location of industries with economic synergies.	➤ Develop a Region-wide branding and marketing campaign ➤ **Support the development of local tourism assets, flagship events, festivals and conventions**	➤ **Provide assistance towards the purchase of Crown land and planning approvals** ➤ Balance the requirement to develop industrial land with natural and cultural land uses	
Infrastructure	➤ **Seal roads and invest in logistics infrastructure, such as the Broken Hill bypass.**	➤ Invest in the refurbishment of the Broken Hill Regional Airport and roads ➤ Refurbish and revitalise local historical attractions		➤ **Invest in internet and mobile phone service infrastructure throughout the Region**
Utilities			➤ Facilitate the development of industrial land by providing necessary utilities ➤ Support the development of renewable energy generation and storages	

IMPLEMENTATION

The effective implementation of the Strategy will involve the key stakeholders and regional community that contributed to its development, including Broken Hill Regional Council, Central Darling Shire Council and the Villages of Unincorporated NSW as well as 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. It is therefore recommended that an Advisory Committee made up of representatives from each council and other groups such as business chambers be established to progress the implementation of actions listed to implement this Strategy, apply the Strategy's framework to identify new actions to be added to the Action Plan, develop key performance indicators and evaluate outcomes. The Advisory Committee would meet quarterly. Representatives of the advisory committee will also meet six-monthly with a representative of the 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, the Advisory Committee will initiate the conduct of a formal review of the Action Plan and associated governance processes, 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, the Advisory Committee will also begin the process of updating or refreshing the Strategy.

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