



LITHGOW REGIONAL ECONOMIC DEVELOPMENT STRATEGY 2018 - 2022

*A diverse robust economy, a skilled workforce
and an attractive lifestyle creating opportunities
for all and a community sharing its outstanding
natural environment and heritage with the world.*

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 on-going basis to identify additional high value projects over time. By complimenting 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 Centre for Economic and Regional Development (CERD), on behalf of the region and was formed in collaboration with the Lithgow City Council, key stakeholders and the broader regional community.

It is presented in two documents, the Lithgow Regional Economic Development Strategy 2018–2022 which allows the reader to quickly and easily determine key content, while the accompanying Lithgow 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.

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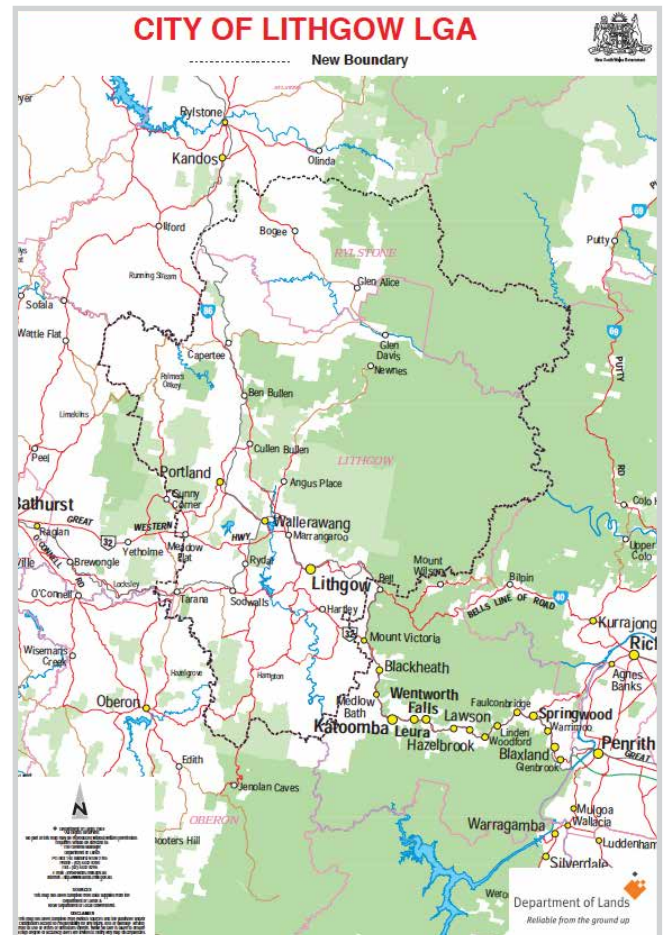
Introduction

The Lithgow Regional Economic Development Strategy 2018–2022 sets out a long-term economic vision and associated strategy for the Lithgow City Council Local Government Area (LGA) (the region).

It builds on the region's endowments and specialisations to guide investment over the next four years.¹ Economic principles suggest that endowments and specialisations play a key role in the development of regional economies.²

The Strategy aims to leverage the region's endowments: its topography; cool climate; natural resources; recreational amenity; proximity to Sydney and Central West NSW; energy, rail and education infrastructure; affordable lifestyle; industrial and cultural heritage; network of villages; and diverse public and private institutions. These endowments are the basis of the region's current specialisations in mining; niche manufacturing; electricity supply; health insurance; public administration and safety; agriculture; tourism and rail transport. They also support the potential for the region's emerging specialisation in areas of education and training; logistics; aged care and construction.

These endowments and specialisations were identified using a range of data analyses and confirmed through a comprehensive community consultation process.



The Strategy, which builds on the endowments and specialisations, aims to:

- Drive local business capability and inward business investment.
- Activate and cultivate a community of economic development leadership.
- Create labour force capability in line with future business needs.
- Prioritise liveability/lifestyle infrastructure and local place-making.
- Foster a collaborative and vibrant community led by a diverse and inclusive culture.
- Develop tourism and marketing opportunities.

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

This Strategy is the culmination of collaboration between the Lithgow City Council, community stakeholders and the NSW Government's Centre for Economic and Regional Development (CERD).

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

Background

In 2016, the Lithgow region was home to 21,090 people, with 11,530 residing within the city of Lithgow. People who work in the region typically live in the region: eighty per cent of the jobs in the LGA are held by residents.³

The region's population has remained stable over the last 25 years and has a low rate of projected population growth over the coming two decades. As with many regional areas, the region has an increasing portion of older population cohorts and a 'hollowing-out' of its working age population.

Employment is an important indicator of endowments and specialisations within a region.

The local economy is transitioning away from coal mining into a more diversified economy, with ten industry sectors each employing over four per cent of the workforce. It has a high presence of multi-national organisations including Centennial Coal (coal mines), Energy Australia (Mount Piper power station), Thales (Lithgow Arms Factory), Ferrero (Tic Tacs and Nutella), Emirates (One & Only Wolgan Valley Luxury Resort), and the Veilola Water Treatment Plant. It is also the home to the Westfund Health Insurance head office.

Although mining is still a significant sector due to the region's access to the NSW Western Coalfield coal seam, sector workforce movements now have Public

Administration and Safety as the region's major employing sector. This includes the State Debt Recovery Office, Lithgow Correctional Centre and NSW Police Call Centre.

The region's mining sector is cyclical, with future directions being contingent on a number of factors, as evidenced by Angus Place Mine being placed on care and maintenance in 2015, contributing to the reduction in mining jobs. There is an expectation it will re-open when market conditions improve. The coal mines are also well placed to supply Mount Piper power station. The mining consent for the Airly Mine expires in 2037, Clarence Coal Mine expires in 2026 and for Springvale Mine in 2028. However, modifications to existing consents and new consents in the future, coupled with improved market conditions, may see mine lives extended. Collectively these mines employ over 870 people (March 2018). While Council understands Lithgow represents an economy in transition, it also wishes to ensure the coal and electricity generation sectors remain supported during this transition period.

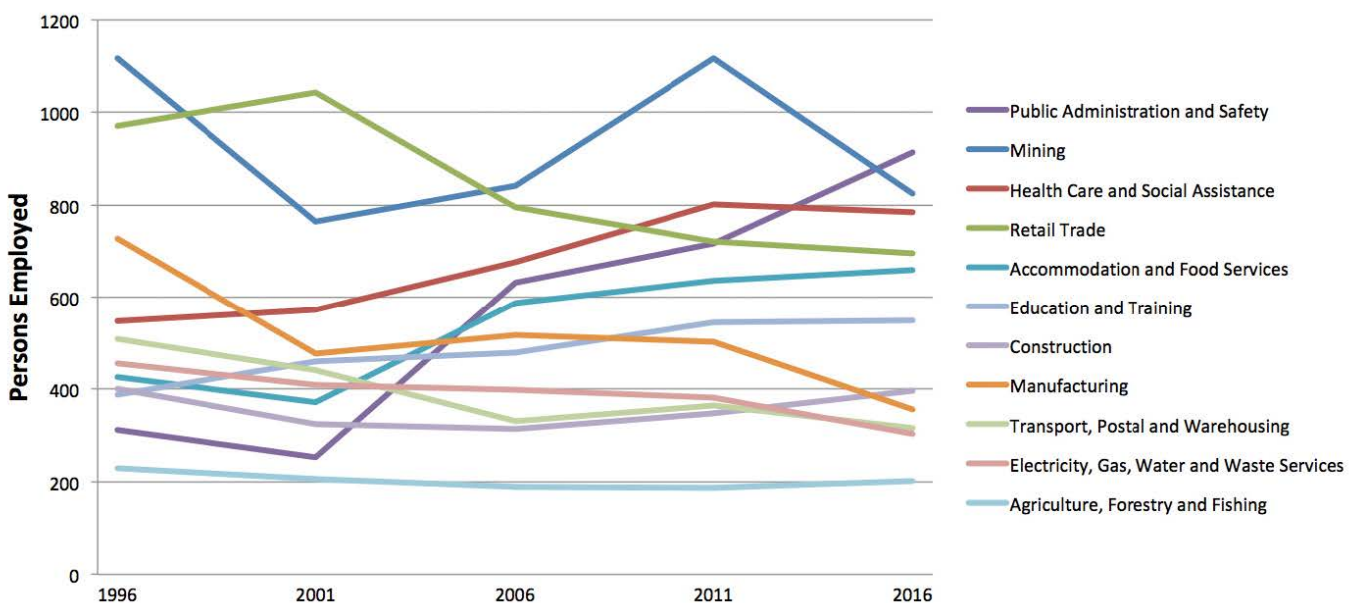


Figure 2. Employment in the Region, 2001–2016

³ The most popular places of work for the region's residents outside the region were Blue Mountains (6.4 per cent) and Bathurst Regional LGA (6.3 per cent).



'Lithgow is home to 21,090 people'

Local manufacturing has shown an overall decline in employment numbers. This is consistent with broader employment trends in capital-intensive industries and could also be associated with reduced employment in small to medium enterprises that supply the mining industry. However, Thales and Ferrero, two of the largest employers in the region, report stable or growing workforces with both continuing to expand their product range.

The decline in employment in the energy sector is linked to the closure of the Wallerawang power station in 2015. Although this had a substantial impact on Lithgow's economy, the Wallerawang site has the potential for alternative power generation methods or redevelopment and new business activities. It offers a high security site, with a range of office buildings and storage sheds, and rail infrastructure. Its high capacity electricity network connection may provide an opportunity for a new energy industry. Energy Australia has sought expressions to repurpose the site.

There is an increasing focus on Education and Training in Lithgow, based around the establishment of the Western Sydney University Campus and the University of Notre Dame's Australian School of Medicine Rural Clinical School, as well as the existing TAFE Western Lithgow College. There is an opportunity to further capitalise on this investment to address the emerging skills gap as the region adapts to changing workforce needs.

Accommodation and Food Services (associated with tourism) has shown ongoing employment growth as the region leverages off its proximity to Sydney and its recreational amenity. Recently, Emirates developed a luxury 'conservation-based resort' in the Wolgan Valley, and the Lithgow Workies Club made a significant investment in business accommodation and conference facilities.

Health Care and Social Assistance is a major employing sector. Lithgow has a large modern hospital, two aged care facilities that are in the process of expanding and the Treeview estate retirement village. The region has affordable land, electric rail system to the Blue Mountains and Sydney, and is located within an hour's drive of the Blue Mountains. Lithgow is well placed to provide "aging in place" retirement living to both Lithgow and Blue Mountains residents.

Unlike most regional economies agriculture is not one of the major employers, due to two-thirds of the LGA being National Park or State Forest. The dominant production system is beef-cattle farming, however, there is opportunity to capitalise on the cool climate, high rainfall and proximity to Sydney markets to intensify and diversify agricultural production.

As the economy transitions away from mining into a more diversified economic base, people are being impacted differently, as the community adapts to changing workforce needs and an evolving civic identity. The region has an over-supply of unskilled labour contributing to an unemployment rate that is 1.6 percentage points higher than the state average.⁴ At the same time there is an under-supply of skilled labour. Business growth is being constrained by a shortage of skilled workers, and businesses are importing qualified staff from outside the region. Community consultation revealed a need for strong local leadership to bring the community together, to navigate a changing civic identity and maximise the economic benefits of this transition.

"an increasing focus on Education and Training"

⁴ According to the 2016 Census, unemployment in the Lithgow LGA was 7.7% in 2016, which was higher than the unemployment rate for Regional NSW (6.6%) and above the unemployment rate of NSW (6.1%).

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 (2016) found that:

“the future of individual regional economies is inexorably linked to their natural endowments and attempts to retain or establish industries without an underpinning endowment are unlikely to succeed.⁵”

A region seeking to encourage economic development should 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.



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

TABLE 1. ENDOWMENTS OF THE REGION IDENTIFIED THROUGH ANALYSIS AND COMMUNITY CONSULTATION

<p>Proximity to Sydney & the Central West</p>	<p>Lithgow is 140km west of the Sydney CBD, and the 'Gateway to the Central West'. It is located at the intersections of the Great-Western Highway, Castlereagh highway, and Bells Line (B59 Lithgow-Richmond). It is a dormitory suburb of Sydney and is connected to the Sydney electric rail system, with about 15 train services per day. Lithgow is 150 km from Mascot Airport in Sydney and will be 100km from the Western Sydney Airport which is expected to open in 2026. Lithgow's proximity to Sydney and the Central West makes it a suitable location for the distribution of goods.</p>
<p>Natural Environment & Recreational Amenity</p>	<p>Nearly two thirds of the region is national park or state forest. Turrone, Gardens of Stone and Wollemi National Parks, all lie within the LGA, along with multiple state forests, the Capertee Valley and the Hassans Wall Reserve. As well as natural beauty and amenity, they provide recreational opportunities such as bushwalking, camping, rock-climbing, abseiling, canyoning, mountain biking, 4WD and dirt biking. Various water features offer a wide variety of water sports such as fishing, canoeing, sailing, and water skiing, while also catering for camping.</p>
<p>Climate & Rainfall</p>	<p>Lithgow benefits from a cool climate that is suited to industries that require cooler temperatures to minimise climate control costs, such as data centres, greenhouses and food manufacturing. It is also attractive for people who are looking for a "Chill Change". Lithgow has a high annual rainfall of 860 millimetres,⁶ making it suitable for intensive agriculture including private forestry.</p>
<p>Aboriginal & Industrial Heritage</p>	<p>The region has a rich Aboriginal and European heritage. There are many significant Aboriginal sites within the region. The region has retained its industrial heritage, some examples include the Zig Zag Railway, Small Arms Factory Museum, Blast Furnace Park and Eskbank House. These are potentially important resources for improved regional tourism.</p>
<p>Mineral Resources</p>	<p>The region has access to the NSW 'Western Coalfield' coal seam, and several coal mines. It has state significant sand and construction resources. There are also high grade oil shale deposits at Glen Davis, however, oil shale has not been mined since World War II.</p>
<p>Affordable Land</p>	<p>Lithgow land and house prices are affordable compared to Sydney and surrounding regions, making it an attractive place to relocate to and/or invest.</p>
<p>Rail & Energy Infrastructure</p>	<p>The region has two power stations with associated transmission infrastructure. Mount Piper is still operational, while Wallerawang closed in 2015 and Energy Australia have sought expressions of interest to repurpose the site. It has numerous rail lines that were built around coal mining, oil shale mining, power generation and passenger transport. The Main Western Line (Sydney to Perth) passes through Lithgow and Wallerawang. Some rail lines are used for tourism such as Capertee Tourist Train and Wolgan Valley Rail Trail.</p>
<p>Private & Public Institutions</p>	<p>The region is well supported by a number of multi-national employers, health and education institutions and the Lithgow Correctional Centre that is able to supply pool of labour within the prison that may be utilised by the public and private sectors.</p>
<p>Education Infrastructure</p>	<p>The region is home to a range of education facilities for all ages, from primary schools and high schools through to the University of Western Sydney, University of Notre Dame Rural Clinical School and Lithgow College (TAFE), which offers courses related to job opportunities in the region.</p>
<p>Community & Lifestyle Benefits</p>	<p>Lithgow has a strong network of community groups and offers an abundance of natural and recreational amenities. These provide the foundation of an attractive place to live.</p>
<p>Cultural Hubs & Networks</p>	<p>The region has many artistic and cultural groups and hubs including, but not limited to, Lithgow Union Theatre, Lithgow City Band, Lithgow Hartley Artists in Action, Greater Lithgow Arts Council, Lithgow Living History re-enactment group, Mitchell Conservatorium, Men's Shed, SALT Women's Shed, Small Arms Factory Museum, and the Foundations Portland are in the process of re-developing the Portland Cement works into a cultural hub.</p>

⁶ Australian Bureau of Metrology Climate Statistics

Specialisation

A commonly used simple form of analysis for obtaining an understanding of a regions competitive advantages⁷ 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 LQ's are 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 Lithgow region Strategy.

Public Administration and Safety is the largest sector in the region, employing 12.2% of the workforce.⁸ It is also an industry in which the region specialises when compared to the rest of NSW. Between 2011 and 2016, employment in this sector grew at a much faster rate in the region than the NSW average growth in this sector.

Other specialisations are Accommodation and Food Services; Health Insurance; Sugar and Confectionary Manufacturing; and Fabricated Metal Manufacturing. Not only are they important employers, but from 2011 and 2016, these sectors grew more strongly in the region compared with the NSW average growth in these sectors.

Mining; Electricity Supply; Agriculture and Rail Transport are also strong specialisations for the region, but relative employment growth was slower compared with the NSW sectors from 2011 to 2016.

The regional economy does not currently have a specialisation in the Education and Training; Construction and Residential Aged Care Sectors when compared to NSW. However, growth in these industries, relative to NSW, points to potentially emerging specialisations. Community consultation also revealed an emerging logistics cluster, with business leveraging off the region's proximity to Sydney and Central West; affordable land; attractive lifestyle and location on two major highways where freight restrictions over the mountains start and stop (pinch-point where load sizes can be changed).



7 A regions 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).

8 Australian Bureau of Statistics Census data, August 2016.



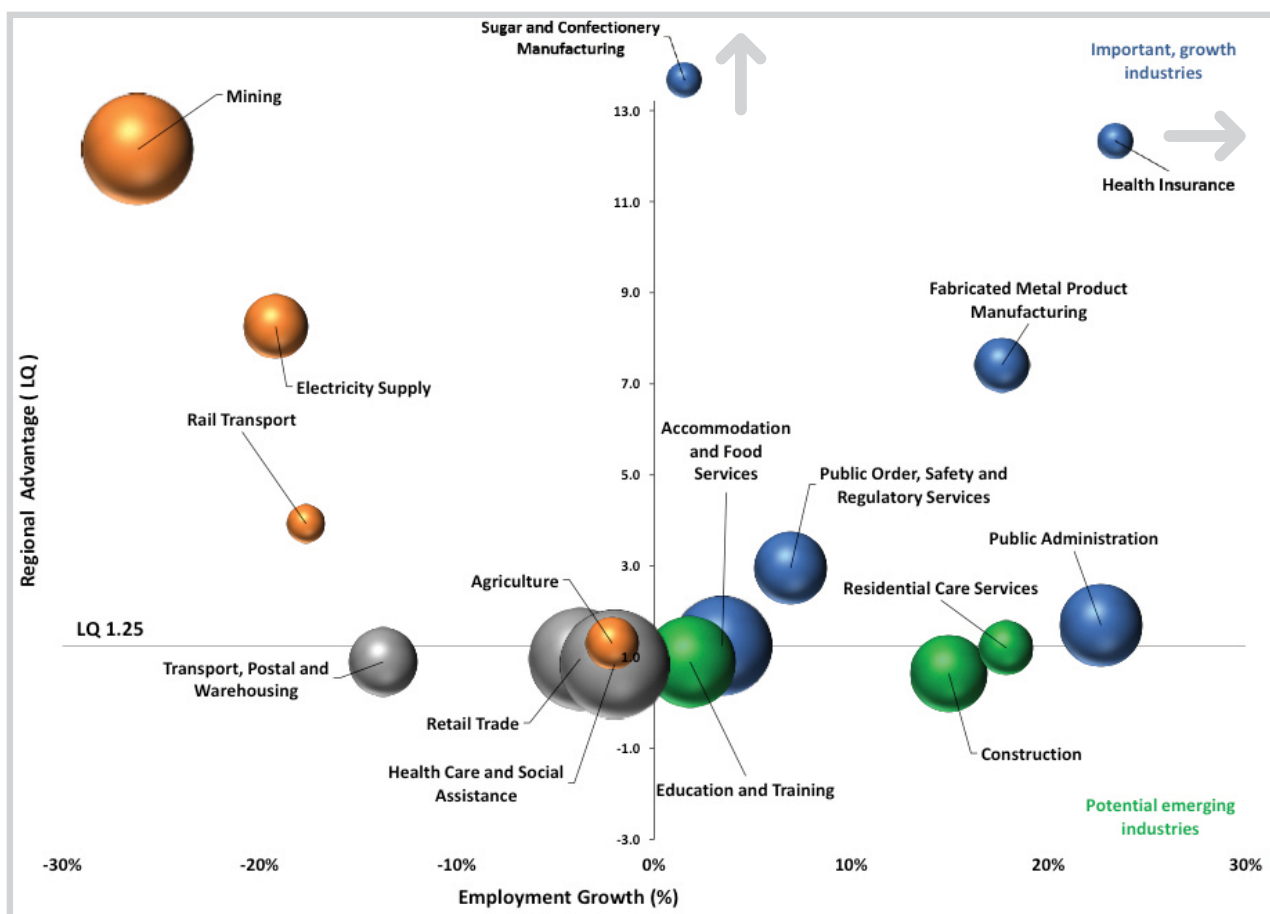
Figure 3 charts selected industries in the regional economy in 2016, where:

- Industries with a larger 'bubble' employed more people.
- Industries above the horizontal axis are more specialised when compared to NSW (i.e. an LQ greater than 1.25),⁹ industries below the line are less specialised when compared to NSW.
- Industries to the right of the vertical axis grew faster between 2011 and 2016 than comparable industries across NSW, and industries on the left grew more slowly.

'Under supply, of skilled labour'

Sectors with a specialisation are coloured blue and orange. Specialisation sectors, or potentially emerging specialisations (coloured green) that have a reliance on local endowments and/or are traded outside the region, are the focus of the Strategy.

Figure 3. Location Quotients and Employment Growth for Industries in the Region



*Note that Sugar & Confectionery Manufacturing (LQ of 20.52) has been placed lower in the chart, and Health Insurance (employment growth 40.6%) have been moved inwards to remove effects of scaling distortions.

⁹ An LQ of 1.25 is identified in economic literature as denoting a specialisation.

Values Generated by Lithgow's Industry Sectors

The Gross Regional Product (GRP) of the Lithgow regional economy is estimated at \$1.1 billion for the 2015-16 period, which represents approximately 0.2% of NSW Gross State Product (GSP) and \$52,157 GRP per capita.¹⁰

In terms of value added, the mining industry has the highest value added, equal to approximately 23 per cent of the Lithgow regional economy.¹¹ While the Finance & Insurance Services industry is not one of the top ten employers in the region, it has a relatively high Gross Value Add due to higher wages associated with this industry.

Table 2: Gross Value Added for the Largest Industries in the Lithgow LGA economy

Industry	Gross Value Add (\$m)	Proportion of the Economy
Mining	241	23%
Public Administration and Safety	83	8%
Tourism ¹²	~62	~6%
Electricity, Gas Water and Waste Services	61	6%
Construction	60	5%
Healthcare & Social Assistance	57	5%
Manufacturing	53	5%
Education and Training	50	5%
Transport Postal and Warehousing	50	5%
Financial and Insurance Services	48	5%

When the LQ analysis and the value added contribution analysis are considered together, Lithgow's growth sectors with a competitive advantage can be analysed by reviewing industries across three groups - 'Engines of Growth', 'Enabling Industries' and 'Population Serving' Industries. This categorisation can be useful in determining the focus and sequence of strategy elements.

'Engines of Growth' are key drivers often reflecting a towns original reasons for being. These sectors typically offer the best prospects for growth, given they reflect both distinctive capabilities already in place, linked to external markets and opportunities. Engine sectors of the Lithgow economy include, Public Administration and Safety, Mining, Manufacturing, Health Insurance, Tourism, Agriculture, Rail Transport and Logistics. Aged care that extends service provision beyond the resident population can also be regarded as an 'engine' of growth.

'Enabling Industries' are typically business facing industries, providing the 'Engines of Growth' with key support services. Enabling industries tend to cluster in larger centres, which offer markets that easily bridge client firms and pools of skilled workers. Energy Supply, Construction, and Education and Training are the region's enabling industries.

'Population Serving Industries' tend to be focused on serving the people who live in a region more so than the businesses operating within it. Healthcare and Social Assistance and Retail are the region's 'population serving' sector.

¹⁰ Centre for Economic and Regional Development (CERD) Input Output table based on the ABS Input Output (IO) Tables for New South Wales 2015-16. The regional input output tables were generated using the GRIT method and IO9 software. ¹¹ Gross Value Added (GVA) measures the value of goods and services produced in a region. ¹² Accommodation and Food Services is one of the Australian and New Zealand Standard Industrial Classifications (ANZSIC) industries that reflects the effects of tourism. However, there is no specific ANZSIC industry that captures all of its impacts. Analysis undertaken by CERD indicates that tourism contributes to 5.9% of gross value add and 8.4% of employment. This indicates that the Lithgow regional economy has a specialisation in tourism.

Strategy

The Strategy sets out a vision for the region, the strategies, and early stage actions required to achieve the vision. The six Strategy elements for the Lithgow region link directly to the opportunities presented by the region's endowments and specialisations and aim to address some key regional risks and barriers to growth.

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.

Lithgow City Council will have over-arching responsibility of implementing the Strategy. It will prioritise elements and allocate to specialist areas within Council, which will ensure an all-of-council approach. Council will also identify and engage relevant stakeholders to maximise community engagement and support of the Strategy.



Strategy

KEY INFRASTRUCTURE PRIORITIES

Key infrastructure priorities for the region to progress regional economic development include



Digital connectivity



Extension of services to activate employment lands



Road upgrades locally and to Sydney



Water security



Lithgow Main street revitalisation

1. Drive local business capability and inward business investment.

Given the proximity to Sydney, its range of endowments and its diverse economic base, Lithgow is well placed to foster business investment in the region. There are opportunities for increased utilisation of land and existing infrastructure and activation of new industrial lands to improve business investment.

The goal of this Strategy is to grow existing business, attract new business investment, provide career pathways for the region's youth, increase the working age population and ensure sustainable economic development.

This Strategy proposes coordination of industry sectors to investigate, develop and market opportunities including, a Defence Park, Business Park, re-purposing underused infrastructure, 'Smart Work' hub, inter-modal terminal, logistics hub, and a renewable energy industry. Other opportunities include, intensifying agricultural production and building on the existing aged care industry.

INFRASTRUCTURE

Digital connectivity: to enhance liveability and business competitiveness. Includes fast and reliable internet access (NBN rollout) and improved mobile reception in parts of the region.

Extend services to employment lands: to increase the availability of employment lands including industrial lands.

Road upgrade: to remove freight restrictions and deliver shorter travel times to and from Sydney.

Local road infrastructure: to enhance traffic flow and management while providing a platform for economic growth.

Improved passenger rail services: to better connect the region to Sydney.

Freight/Inter-modal Terminal: to support the growing cluster of logistics business, and other business in Central Western NSW affected by freight costs caused by freight restrictions over the mountains.

EARLY STAGE PRIORITY ACTIONS

Establish partnerships to enable retail and business competency, and actively support growth and expansion of existing businesses.

Identify and guide the implementation of business support programs that will have practical and beneficial impacts on local businesses.

SWOT and gaps analysis of key industries to guide future investment.

Develop a Lithgow Smart City Strategy Road Map and create a portfolio of actionable Smart City projects.¹³

Implement an online development application system to fast-track business development and investment.

Develop and implement the Marangaroo Master Plan.

Audit and review available industrial land for activation and unused properties for potential repurposing.

Develop a business park concept with the aim of attracting enterprises looking to move out of the Sydney basin.

Build alliances to promote the relocation of business and government entities to the region by providing information about the region's strengths and services.

Work with Thales to develop the concept of a Defence Park, anchored by Thales, co-located with defence suppliers and other industries that could benefit from co-location, such as data centres, precision engineering and advanced manufacturing.

Develop a business case for a smart work hub to support home-based businesses, start-ups and telecommuters.

Investigate the potential for an inter-modal terminal to streamline freight movements and costs over the mountains, to benefit all business in the Central West whose supply chain is impacted by freight costs to Sydney.

Investigate business development opportunities in the energy sector, including renewables, to capitalise on existing infrastructure and location advantages.

Review constraints and opportunities for agricultural development in areas such as information technology, land use planning, avenues for diversifying and intensifying production, and shortening the supply chain by developing paddock to plate products. Identify priority actions based on those that most strongly contribute to enhanced industry intensification and competitiveness.

Research and market agricultural production opportunities in the region to producers looking for new investments.

Work with landholders to investigate the potential for private forestry in the region.

Work with freight and logistics companies to monitor freight movements and advocate for improved freight linkages, such as B-double road routes to Sydney.

Investigate the potential for establishing a transport and logistics hub to capitalise on the region's location.

Investigate business development opportunities in the Aged Care industry to provide a broader range of services such as home-care services and dementia day care.

¹³ A Smart City uses technology to revolutionise how cities are planned, function, and how the economy grows. It uses real time data to inform investment in transport, communications and energy efficiency. For example, solar powered electric car charging stations or public WIFI. See The 2016 Australian Government Smart Cities Plan <https://cities.infrastructure.gov.au/>

Strategy

2. Activate and Cultivate a Community of Economic Development Leadership.

The Lithgow economy is transitioning away from coal mining into a diversified economy. It has a wealth of natural, built, cultural and institutional endowments, and a diverse economic base. Local consultation reveals that the region would benefit from strengthening local leadership to help bring the community together to forge a future identity for the region and maximise the economic benefits of the transition.

Local leadership is a critical determinant of growth as the quality of local decisions either subtract or add to a region's growth potential. This Strategy aims to activate local leadership and foster an environment of collaboration to achieve economic development outcomes in the region. This will be achieved by strengthening inter-industry relationships, undertaking leadership capacity building and involving the broader community in the implementation of the economic development strategy.

INFRASTRUCTURE

No infrastructure is required for this strategy.

EARLY STAGE PRIORITY ACTIONS

Engage the local population in economic development.

Undertake a 20-Year-Vision process to future-forecast and define outcomes for the region and formulate a sense of place. This will guide community leadership, decision making and place-marketing.

Foster networking, collaboration and partnerships, between public and private institutions and the broader community to realise economic growth opportunities for the region.

Establish business alliances that are engaged with and support broader decision making, and foster and lead collaborative outcomes. For example a HR & Recruitment network.

Implement a program to progress leadership competencies within local community groups and businesses.

Garner corporate sponsorship and support for leadership capacity building and other economic development initiatives in the region.

Investigate how the pool of labour in the near-by correctional centres can contribute to economic development in the region.

Coordinate established community organisations to achieve common goals.

Develop long-term succession planning for community leadership, by assisting committees and community groups to implement succession planning strategies and develop leadership skills within their member base.



Strategy

3. Create labour force capability in line with future business needs.

There is an emerging 'skills gap' in the region as it transitions into a diversified economy. Businesses are struggling to find skilled staff to fill positions. At the same time there is an over-supply of unskilled staff. The health sector has been successful in growing their own skilled workforce, through traineeships, graduate programs and in-house training. These practices could be shared and adopted by other industry sectors.

There is an opportunity for employers to come together to undertake joint workforce planning to determine the existing skill base and future skills needs. This will provide guidance for the region's youth about career opportunities and can be used for co-ordinated skills attraction.

The workforce planning can then be used as a basis for collaboration between employers, local high schools and educational institutions and to facilitate joint training options for current and future employees.¹⁴

INFRASTRUCTURE

Education Infrastructure: Potential upgrades to educational institutions to meet future training requirements.

EARLY STAGE PRIORITY ACTIONS

Establish an employer network to link stakeholders for joint human resources recruitment, training and development.

Undertake workforce planning to determine existing skill base and future skills needs. Then identify and promote workforce development programs that can be implemented to support the up-skilling of Lithgow's workforce.

Work with industry to facilitate the development of joint traineeships, cadetships, graduate programs and professional development courses, with locally-based educational institutions.

Co-ordinated skills attraction to attract the skilled staff required to meet industry needs and foster business growth.

Co-ordinated skills marketing toward potential business investors, who are looking for the skills that are readily available in the Lithgow region.

Identify new and emerging knowledge-based opportunities in the Health and Education sectors, and the associated skills profiles needed to match the needs to cater for local supply and future demand opportunities.

¹⁴ TAFE, University of Western Sydney, University of Notre Dame and Charles Sturt University in near-by Bathurst.



Strategy

4. Prioritise lifestyle infrastructure and local place-making.

Lithgow is surrounded by exceptional natural and recreational amenity, it has affordable housing and is connected to the Sydney-electric rail network. Yet these lifestyle benefits are not immediately obvious to non-residents. Businesses are struggling to attract skilled people to the region, and higher qualified people, earning higher incomes, are choosing to live outside the region and commute into Lithgow for work.

For businesses to attract and retain skilled staff, or to attract new investment, they need to be able to offer people a great place to live. Successful place-making develops connected public spaces that are accessible, project a good image, attract people to participate in activities, and create a sociable environment that people want to visit again and again.

This Strategy aims to achieve a critical mass in the villages and ensure Lithgow grows into a thriving city. It proposes landscape plans for the towns and villages, street trees, connected greenspaces, improved walk and cycle ways, main street revitalisation, improved local road network, utility services for the villages, and a network of unique playgrounds, parks and gardens for residents and visitors alike.

This Strategy is closely linked to developing tourism opportunities and encouraging people travelling through Lithgow to think of it as a destination, rather than simply a thoroughfare.

INFRASTRUCTURE

Digital connectivity: Fast and reliable internet access (NBN rollout) as well as improved mobile reception in the Lithgow region.

Community infrastructure: Community buildings, town beautification, street trees and multipurpose spaces to enhance the sense of community and promote the region's amenities.

Local road infrastructure: To enhance traffic flow and management while providing a platform for economic growth.

Water security infrastructure: Water security works and projects across targeted business and residential growth zones to cater for future business developments, tourism and population growth inclusive of; dam upgrades, treatment plants and reservoirs.

Recreation infrastructure: Could include new sporting infrastructure, mountain bike trails, cycle pathways, parklands, playgrounds.

Utility services for Villages: To improve liveability and development opportunities for villages.

EARLY STAGE PRIORITY ACTIONS

Work collaboratively with the community to identify and implement infrastructure improvements to streetscapes and the environment in town/village centres.

Street tree planting program.

Adopt an inclusive infrastructure policy to ensure the region's trails, walks and activities are as accessible to as many people as possible.

Develop an 'Open Spaces and Recreation Strategy' encompassing areas such as, landscaping, tree planting, cycling, parks and playgrounds, bushlands and walking trails.

Main street revitalisation to attract people into the CBD Shopping Hub.

Development of utility services for the villages.

Develop a network of unique parks and playgrounds to be enjoyed by residents and visitors, such as the adventure playground at Endeavour Park.



Strategy

5. Foster a collaborative and vibrant community led by a diverse and inclusive culture.

Culture-led development strategies contribute to a regions economic prosperity in four ways. Firstly, it creates a sense of coherence, pride and common identity amongst residents, and contributes to civic participation, learning and general well-being. Secondly, cultural capital is linked to higher levels of educational attainment and income, thirdly, through place marketing, branding and tourism. And finally, it contributes to the attractiveness and competitiveness of the region in attracting investors, entrepreneurs and a highly trained workforce.

The aim of this Strategy is to bring the community together during a period of transition to celebrate their talents and interests and to foster a vibrant, diverse and inclusive culture that will be cherished by residents and visitors alike. It will contribute to the night-time economy,¹⁵ and promote the Lithgow region as a great place to live and work, helping the region to attract much needed skilled workers and address the 'hollowing-out' of the working age population.

The Lithgow region has a number of community organisations, sporting clubs and cultural groups, and hosts annual cultural events such as 'Ironfest' and 'Lithgow Halloween'. There is an opportunity to further expand the community events program to showcase the talent and diversity of community groups, foster collaboration, and connect existing and new residents to this strong community base.

This Strategy proposes a community events program showcasing cultural, sporting and community organisations. Creating multi-use cultural sites by establishing an artists-in-residence program at existing sites, supporting the development of a cultural precinct, establishing a Lithgow Arts Foundation, ongoing support for sporting organisations, and a local food producer's network to develop a Lithgow 'foodie' identity.

INFRASTRUCTURE

Culture and entertainment infrastructure: Community buildings and multipurpose spaces to enhance the sense of community and improve cultural capital.

¹⁵ The night-time economy (NTE) generally involves social, cultural and business activities that take place from 6pm-6am. The Night-time economy is a key driver of economic growth, it contributes to vibrant and diverse cultural experiences and supports artists, musicians, businesses and their local communities long-term.

EARLY STAGE PRIORITY ACTIONS

Lead networking and collaboration opportunities between all cultural groups in the Lithgow region.

Develop and implement an updated Lithgow Cultural and Community Plan.

Develop an Arts and Creative Industries Strategy.

Investigate the establishment of a Lithgow Arts Foundation to support and promote arts in the region.

Establish an events program that welcomes new people to the community.

Develop multi-use cultural sites by developing and establishing an artists-in-residence program at existing cultural sites such as the Lithgow State Mine Heritage Park and Eskbank House.

Support the redevelopment of Portland Cement Works ("The Foundations") as a cultural hub for the region.

Investigate and implement programs to develop and promote the weekend and night-time economy.

Investigate developing a food committee aimed at celebrating and promoting local producers and produce in the region.



Strategy

6. Develop tourism and marketing opportunities.

The region is endowed with an abundance of natural amenity, recreational areas, industrial and aboriginal cultural heritage, it is in close proximity to Sydney and is the gateway to the Central West. The region has access to a high flow of traffic passing through the region and could develop a tourism strategy making the region a destination in its own right instead of a transport thoroughfare.

There is an opportunity to develop and promote a range of tourism experiences including, adventure tourism, bushwalking, cycling, mountain biking, driving holidays, Motor Cross, 4WD tours, agri-tourism, heritage rail and industrial and aboriginal cultural heritage.

The goal of the Strategy is to attract more visitors to the region and further diversify the region's economic base, attract permanent residents and add critical mass to the city, towns and villages. It will also provide a stream of entry-level jobs in the region. In this way, the region will become more buoyant and sustainable, enriching the lives of residents and visitors alike.

Tourism development will mean diversification of the visitor base and of the tourism product and accommodation facilities, a more strategic approach to tourism marketing including packaged tourism, all of which can be enhanced through investments and improvements in road, rail access and services to facilitate easy and quicker access from metropolitan Sydney. There is a need for investment in tourism infrastructure and for more tourist 'product', such as the type of tourism proposed by Zig Zag Railway and the Eskbank Rail Heritage Centre.

INFRASTRUCTURE

Digital connectivity: to enhance liveability and business competitiveness. Includes fast and reliable internet access (NBN rollout) and improved mobile reception in parts of the region.

Road upgrade: to deliver shorter travel times to and from Sydney.

Local road infrastructure: to enhance traffic flow and management while providing a platform for economic growth.

Improved passenger rail services: to better connect the region to Sydney for the benefit of both visitors and residents.

Visitor accommodation: including backpackers through to accommodation linked to conference facilities.

Recreation infrastructure: could include new sporting fields, mountain bike trails, cycle pathways, walking tracks, parklands and playgrounds.

Utility services for villages: to improve liveability and development opportunities for villages.

EARLY STAGE PRIORITY ACTIONS

Review and update the Lithgow Destination Management Plan with industry and bring together tourism operators to establish a local tourism organisation to lead a collaborative industry-led destination marketing strategy.

Manage and enhance the Lithgow Visitor Information Centre to generate in-location visitor dispersal, experiences and spend.

Enhance and create strong tourism partnerships within the region.

Prepare an up-to-date audit of local agricultural producers and value adders with an interest in local sales and agri-tourism.

Evaluate funding options for the Eskbank Rail Heritage Centre.

Provide strategic and marketing support for the reopening of the Zig Zag Railway.

Investigate electric heritage rail options to connect the Zig Zag Railway to the town.

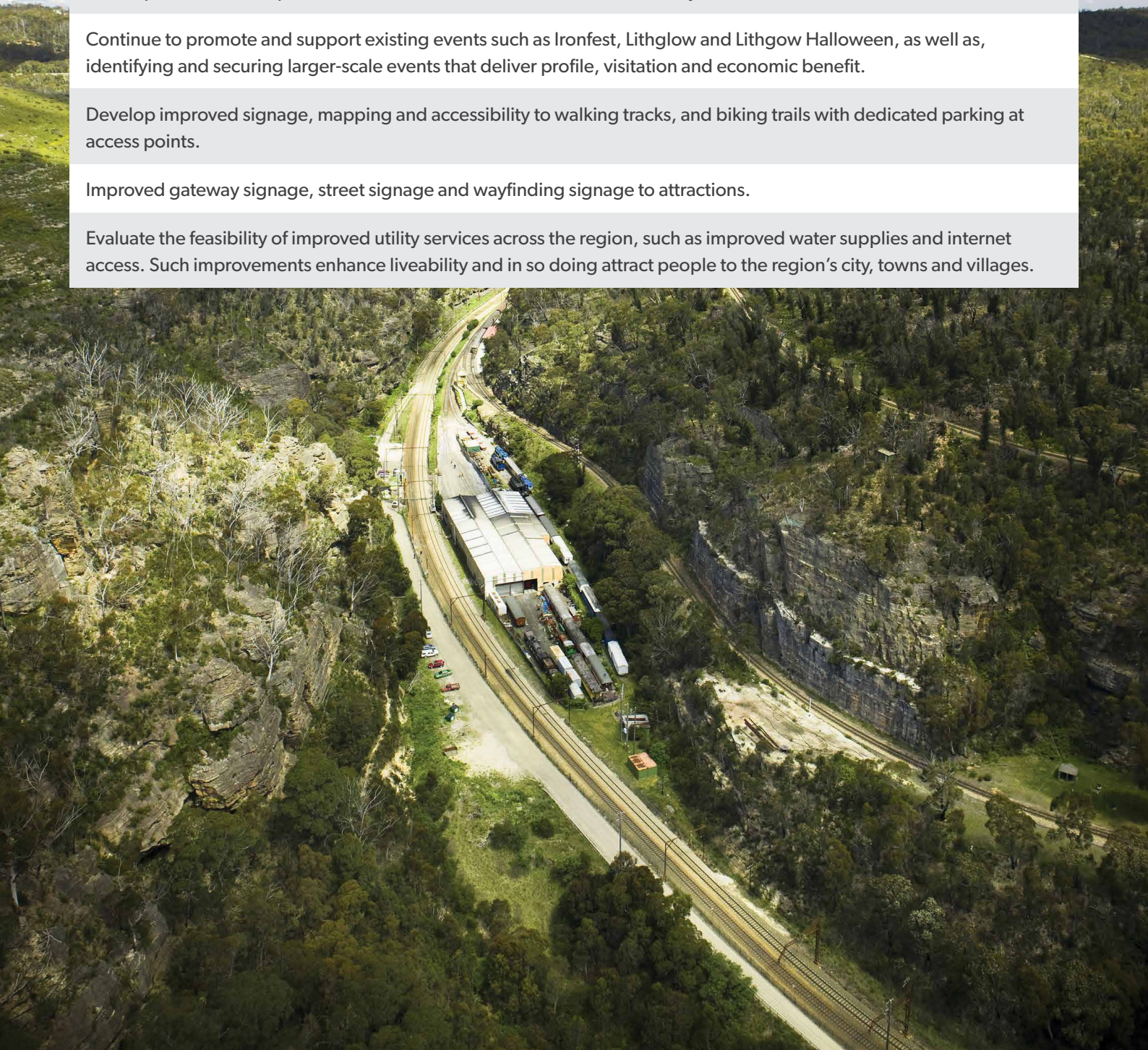
Develop the case for improved road and rail to boost tourism and liveability.

Continue to promote and support existing events such as Ironfest, Lithgow and Lithgow Halloween, as well as, identifying and securing larger-scale events that deliver profile, visitation and economic benefit.

Develop improved signage, mapping and accessibility to walking tracks, and biking trails with dedicated parking at access points.

Improved gateway signage, street signage and wayfinding signage to attractions.

Evaluate the feasibility of improved utility services across the region, such as improved water supplies and internet access. Such improvements enhance liveability and in so doing attract people to the region's city, towns and villages.



Strategy

STRATEGIES AND EARLY STAGE ACTIONS

ENABLER	PEOPLE & SKILLS
<p>Drive local business capability and inward business investment.</p>	<ul style="list-style-type: none"> • Establish partnerships to enable retail and business competency, and actively support growth and expansion of existing businesses. • Identify and guide the implementation of business support programs that will have practical and beneficial impacts on local businesses. • SWOT and gaps analysis of key industries to guide future investment. • Develop a business case for a smart work hub to support home-based businesses, start-ups and telecommuters.
<p>Activate and cultivate a community of economic development leadership.</p>	<ul style="list-style-type: none"> • Engage the local population in economic development. • Undertake a 20-Year-Vision process to future-forecast and define outcomes for the region and formulate a sense of place. This will guide community leadership, decision making and place-marketing. • Foster networking, collaboration and partnerships, between public and private institutions and the broader community to realise economic growth opportunities for the region. • Establish business alliances that are engaged with and support broader decision making, and foster and lead collaborative outcomes. For example a HR & Recruitment network. • Implement a program to progress leadership competencies within local community groups and businesses. • Garner corporate sponsorship and support for leadership capacity building and other economic development initiatives in the region. • Develop long-term succession planning of leadership within the community, by assisting committees and community groups to implement succession planning strategies, and develop leadership skills within their member base.
<p>Create labour force capability in line with future business needs.</p>	<ul style="list-style-type: none"> • Establish an employer network to link stakeholders together for joint human resources recruitment, training and development. • Work with industry to facilitate the development of joint traineeships, cadetships, graduate programs and professional development courses, with educational institutions.
<p>Prioritise liveability/lifestyle infrastructure and local place-making.</p>	<ul style="list-style-type: none"> • Work collaboratively with the community to identify and implement infrastructure improvements to streetscapes and the environment in town/village centres.
<p>Foster a collaborative and vibrant community led by a diverse and inclusive culture.</p>	<ul style="list-style-type: none"> • Lead networking and collaboration opportunities between all cultural groups in the Lithgow region. • Investigate the establishment of a Lithgow Arts Foundation to support and promote arts in the region. • Establish an events program that welcomes new people to the community. • Investigate and implement programs to develop and promote the weekend and night-time economy. • Investigate developing a food committee aimed at celebrating and promoting local producers and produce in the region.
<p>Develop tourism and marketing opportunities.</p>	<ul style="list-style-type: none"> • Review and update the Lithgow Destination Management Plan with industry and bring together tourism operators to establish a local tourism organisation to lead a collaborative industry-led destination marketing strategy. • Enhance and create strong tourism partnerships within the region. • Continue to promote and support existing events such as Ironfest, Lithglow and Lithgow Halloween, as well as, identifying and securing larger-scale events that deliver profile, visitation and economic benefit.

ENABLER	GOVERNMENT, REGULATION, SERVICES & INFORMATION
<p>Drive local business capability and inward business investment.</p>	<ul style="list-style-type: none"> • Develop a Lithgow Smart City Strategy Road Map and create a portfolio of actionable Smart City projects. • Implement an online development application system to fast-track business development and investment. • Develop and implement the Marangaroo Master Plan. • Audit and review available industrial land for activation and unused properties for potential repurposing. • Develop a business park concept with the aim of attracting enterprises looking to move out of the Sydney basin. • Build alliances to promote the relocation of business and government entities to the region by providing information about the region's strengths and services. • Work with Thales to develop the concept of a Defence Park anchored by Thales, co-located with defence suppliers, and other industries that could benefit from co-location, such as data centres, precision engineering and advanced manufacturing. • Investigate the potential for an inter-modal terminal to streamline freight movements and costs over the mountains, to benefit all business in the Central West whose supply chain is impacted by freight costs to Sydney. • Investigate business development opportunities in the energy sector, including renewables, to capitalise on existing infrastructure and location advantages. • Review current and likely future constraints to agricultural development in areas such as information technology, land use planning and labour requirements. • Identify priority actions based on those that most strongly contribute to enhanced industry intensification and competitiveness. • Research and market agricultural production opportunities in the region, to producers looking for new investments. • Work with landholders to investigate the potential for private forestry in the region. • Work with freight and logistics companies to monitor freight movements and advocate for improved freight linkages, such as B-double road routes to Sydney. • Investigate the potential for establishing a transport and logistics hub to capitalise on the region's location. • Investigate business development opportunities in the aged care industry to provide a broader range of services such as home-care services and dementia day care.
<p>Activate and cultivate a community of economic development leadership.</p>	<ul style="list-style-type: none"> • Coordinate established community organisations to achieve common goals. • Investigate how the pool of labour in the near-by correctional centres can contribute to economic development in the region.
<p>Create labour force capability in line with future business needs.</p>	<ul style="list-style-type: none"> • Undertake workforce planning to determine existing skill base and future skills needs. Then identify and promote workforce development programs that can be implemented to support the up-skilling of Lithgow's workforce. • Co-ordinated skills attraction to attract the skilled staff required to meet industry needs and foster business growth. • Co-ordinated skills marketing to potential business investors, who are looking for the skills that are readily available in the Lithgow region. • Identify new and emerging knowledge-based opportunities in the Health and Education sectors, and the associated skills profiles needed to match the needs to cater for local supply and future demand opportunities.
<p>Prioritise liveability/lifestyle infrastructure and local place-making.</p>	<ul style="list-style-type: none"> • Street tree planting program. • Adopt an inclusive infrastructure policy to ensure the region's trails, walks and activities are as accessible to as many people as possible. • Develop an 'Open Spaces and Recreation Strategy' encompassing areas such as; landscaping, tree planting, cycling, parks and playgrounds, bushlands and walking trails. • Development of utility services for the villages. • Main street revitalisation to attract people into the main street CBD Shopping Hub. • Develop a network of unique parks and playgrounds to be enjoyed by residents and visitors, such as the adventure playground at Endeavour Park.

ENABLER	GOVERNMENT, REGULATION, SERVICES & INFORMATION CONTINUED
Foster a collaborative and vibrant community led by a diverse and inclusive culture.	<ul style="list-style-type: none"> • Develop and implement an updated Lithgow Cultural and Community Plan. • Develop an Arts and Creative Industries Strategy. • Develop multi-use cultural sites by establishing an artists-in-residence program at existing cultural sites such as Lithgow State Mine Heritage Park and Eskbank House. • Support the redevelopment of Portland Cement Works (“The Foundations”) as a cultural hub for the region.
Destination place branding and governed tourism.	<ul style="list-style-type: none"> • Manage and enhance the Lithgow Visitor Information Centre to generate in-location visitor dispersal, experiences and spend. • Prepare an up-to-date audit of local agricultural producers and value adders with an interest in local sales and agri-tourism. • Evaluate funding options for the Eskbank Rail Heritage Centre. • Provide strategic and marketing support for the reopening of the Zig Zag railway. • Investigate electric heritage rail options to connect the Zig Zag railway to the town. • Develop the case for improved rail, road and air travel services to boost tourism and liveability. • Develop improved signage, mapping and accessibility to walking tracks, biking trails with dedicated parking at access points. • Improved gateway signage, street signage and wayfinding signage to attractions. • Evaluate the feasibility of improved utility services across the region, such as improved water supplies and internet access. Such improvements enhance liveability and in so doing attract people to the region’s city, towns and villages.

ENABLER	INFRASTRUCTURE	UTILITIES
Drive local business capability and inward business investment.	<ul style="list-style-type: none"> • Digital connectivity • Sydney road upgrade • Local road infrastructure • Improved passenger rail services • Freight/Inter-modal Terminal 	<ul style="list-style-type: none"> • Extend services to employment lands • Renewable energy strategy
Create labour force capability in line with future business needs.	<ul style="list-style-type: none"> • Education Infrastructure 	
Prioritise liveability/lifestyle infrastructure and local place-making.	<ul style="list-style-type: none"> • Digital connectivity • Community infrastructure • Local road infrastructure • Recreation infrastructure 	<ul style="list-style-type: none"> • Utility services for Villages • Water security infrastructure
Foster a collaborative and vibrant community led by a diverse and inclusive culture.	<ul style="list-style-type: none"> • Culture and entertainment infrastructure 	
Develop tourism and marketing opportunities.	<ul style="list-style-type: none"> • Digital connectivity • Sydney road upgrade • Local road infrastructure • Improved passenger rail services • Visitor accommodation • Recreation infrastructure • Culture and entertainment infrastructure 	<ul style="list-style-type: none"> • Utility services for Villages

Implementation

The effective implementation of the Strategy will be led by Lithgow City Council, with support from 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 to implement this Strategy, the Strategy's framework is applied to identify new actions to be added to the Action Plan, and key performance indicators are developed to evaluate outcomes.

Lithgow City Council will have over-arching responsibility of implementing the Strategy. It will allocate responsibility for action items to relevant stakeholders, to maximise community and engagement and support of the Strategy.

After two years, the Lithgow City Council 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 Lithgow City Council will also begin the process of updating or refreshing the Strategy.

