

REDS Impact Review

Queanbeyan-Palerang REDS fire impact addendum
May 2020



Regional
NSW



Executive summary

This document serves as a fire impact addendum to the Regional Economic Development Strategy (REDS) for Queanbeyan-Palerang. Its purpose is to identify potential short, medium and long-term focus areas for Local, State and Commonwealth Government to consider when prioritising industry and place-based economic recovery funding in response to the 2019-2020 bushfire crisis.

This document was developed in collaboration with regional staff and Local Government Area (LGA) representatives, and utilised input from industry experts. The priorities within this document were identified and are owned by Local Government.

The original REDS for Queanbeyan-Palerang highlighted a mature and diversified economy, with engines of growth in cattle production, niche agriculture, manufacturing, tourism and significant public sector employment. This diversity of industry makes it comparatively resilient to economic shocks linked to any one industry. However, the Functional Economic Region (FER) is comprised of very different communities, with urban communities in Queanbeyan experiencing limited direct impact from fire when compared to highly impacted rural communities in other parts of the FER. Industries impacts from fires include direct impacts to agriculture and horticulture, and significant indirect impact to tourism through reduced visitation. Due to the region's industry diversity, overall impact to the economy is anticipated to be low.

Example priorities identified in this document relate to, but are not limited to, infrastructure investment, promotion of regional population growth and diversification and professionalisation of the tourism industry.

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

Note to reader: COVID-19 context and considerations

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

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

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

The timing of short/medium/long-term priorities and initiatives outlined in this addenda have been adjusted for COVID-19 restrictions known as at May 2020. This includes delays to tourism recovery initiatives such as marketing campaigns. As the length and impact from COVID-19 becomes clearer, the timing of some initiatives may need to be adjusted further.

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

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Impact summary

- 1 Fire within Queanbeyan-Palerang has burnt 1256km², approximately 24% of the FER and impacted a number of engine industries
- 2 Sustained impact to tourism visitation in December and January, particularly to Braidwood
- 3 Significant impact to agriculture and horticultural production through stock and crop destruction, fencing damage and connectivity disruptions



Key takeaways

- 1 Ability to deliver REDS strategic priorities not materially affected; implementation of some priorities potentially delayed
- 2 Importance of REDS strategic priorities further highlighted by bushfires crisis
- 3 Support needed in short term for industry asset/infrastructure recovery and business assistance

Recap: Queanbeyan-Palerang REDS



Regional endowments

- 1 Proximity to Sydney and Canberra
- 2 Gateway to Snowy Mountains (incl. Snowy Hydro 2.0) and South Coast
- 3 Arable land, State Forest and National Parks
- 4 Airports, rail networks and highways
- 5 Queanbeyan Regional Hospital
- 6 Diverse specialised skill sets
- 7 Councils, governments and agencies
- 8 Local culture, heritage and food specialities
- 9 Aboriginal heritage



Regional Specialisations

Engines of growth

- Cattle production
- Niche agriculture and tourism
- Advanced manufacturing

Enabling industries

- Information, Media and Telecommunications
- Professional, Scientific and Technical Services

Population serving industries

- Public Administration and Safety
- Arts and Recreation Services
- Construction



Strategic Priorities



Improve digital connectivity and access to harness the innovative capacity of the workforce



Re-establish the Town Centres as 'Places for People'



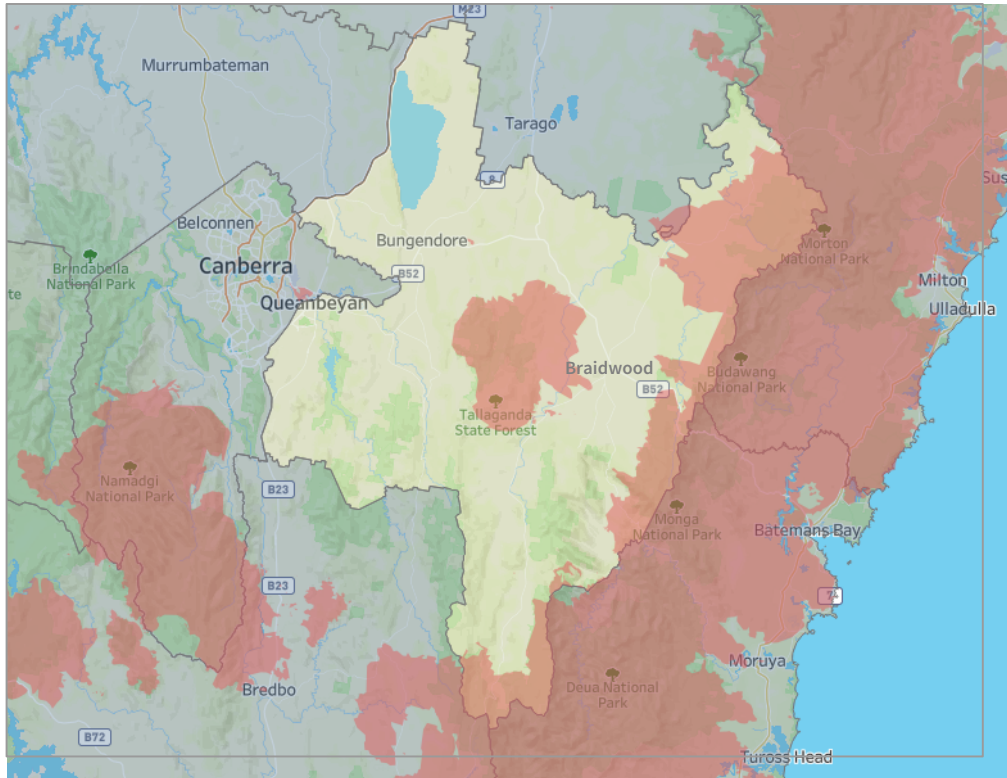
Grow the population and internal markets of the region



Further develop specialised agriculture and food and cultural tourism

1,265km² of FER is physically impacted by fire, approximately 24% of the entire FER

Fire impacted area within Queanbeyan-Palerang:



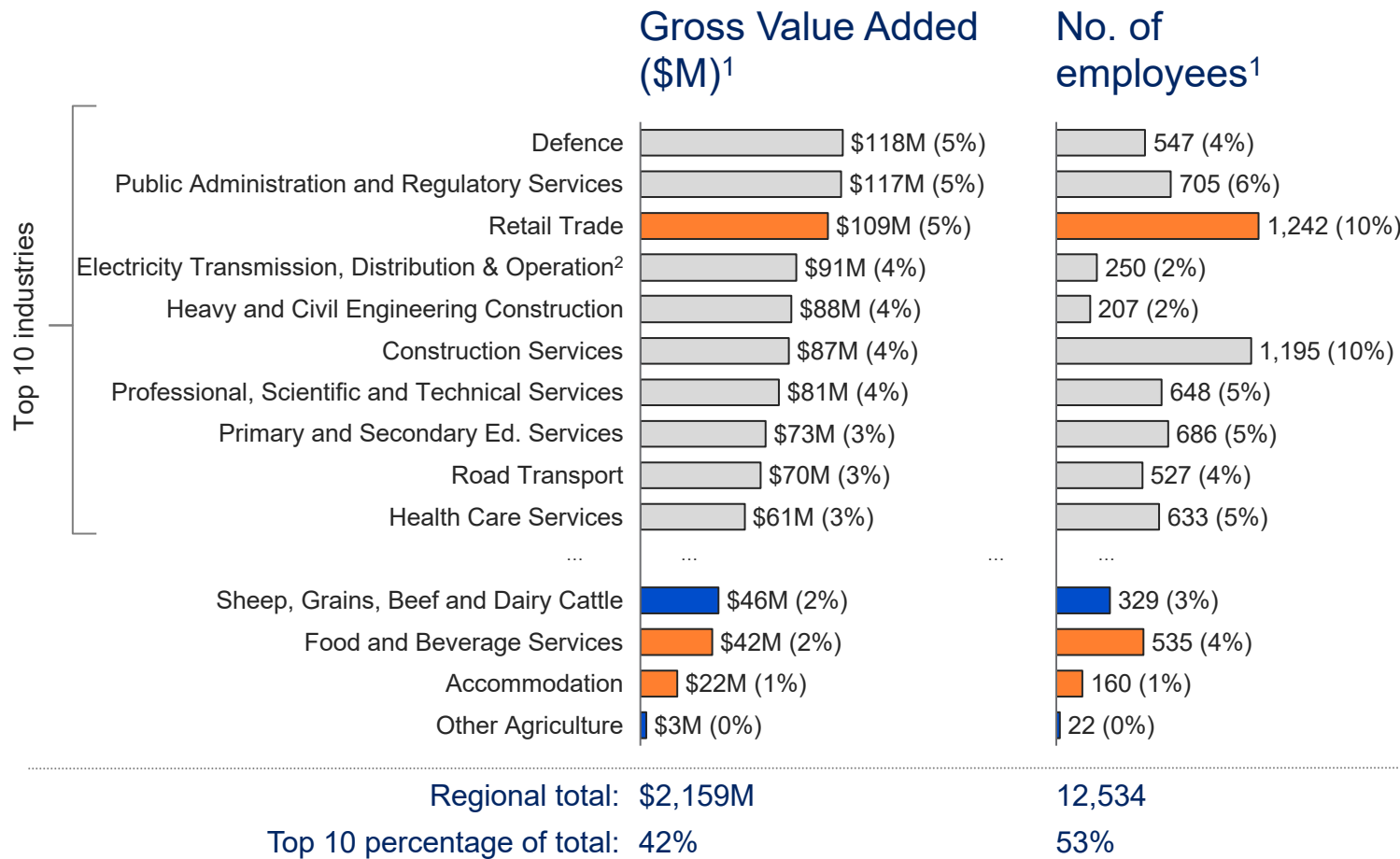
■ Fire affected area

LGAs: Queanbeyan-Palerang

Key physical impacts:

- **Area burnt¹:** 1,265 km² in burn scar (24% of total FER area – 5,319km²)
- **Property damage²:** 289 properties damaged or destroyed²
- **Agriculture³:** 67 livestock reported dead, of which 52 are cattle. At least 3,300km of fencing destroyed
- **Tourism:** Significant direct fire damage to national parks in FER



Queanbeyan-Palerang is a large and diversified economy; impacted focus industries include tourism and agriculture



Impacted focus industries

- 1 Tourism:** Tourism is broadly a subset of tourism-related industries such as Retail Trade, Food and Beverage Services, Accommodation etc; CERD analysis indicates that tourism contributes **\$54M** in GVA and ~4% of FTE employment
- 2 Agriculture and horticulture:** Agriculture and horticulture-related industries (Sheep, Grains, Beef and Dairy Cattle, and 'Other Agriculture') account for **~\$49M** in GVA (and ~350 FTE positions)

Queanbeyan-Palerang's impacted focus industries leverage regional endowments, some of which are impacted

Focus industries	Dependent endowments	Impacted
<p data-bbox="275 672 377 768">1</p>  <p data-bbox="481 753 611 786">Tourism</p>	<ul style="list-style-type: none"> <li data-bbox="856 491 1416 539">1 Proximity to Sydney and Canberra <li data-bbox="856 576 1600 625">2 Gateway to Snowy Mountains and South Coast <li data-bbox="856 662 1442 725">4 Airports, rail networks and highways <li data-bbox="856 748 1544 796">8 Local culture, heritage and food specialities <li data-bbox="856 833 1192 882">9 Aboriginal heritage 	<ul style="list-style-type: none"> <li data-bbox="1625 501 1722 529">• No <li data-bbox="1625 572 2354 644">• Yes – Impacted when through traffic decreased considerably <li data-bbox="1625 679 2193 715">• Yes – Impacted by highway closures <li data-bbox="1625 751 2244 786">• Yes – Communities significantly affected <li data-bbox="1625 836 2262 872">• Yes – Potential impact to cultural heritage
<p data-bbox="275 1011 377 1106">2</p>  <p data-bbox="430 1096 677 1175">Agriculture and horticulture</p>	<ul style="list-style-type: none"> <li data-bbox="856 996 1561 1045">3 Arable land, State Forest and National Parks <li data-bbox="856 1110 1332 1159">6 Diverse specialised skill sets 	<ul style="list-style-type: none"> <li data-bbox="1625 1011 2288 1046">• Yes – Direct fire damage to all components <li data-bbox="1625 1118 2339 1210">• Yes – Threat to viability of industries due to fire impact on operations

Queanbeyan-Palerang focus areas require restructuring to respond to fire impact



Strategic Priorities



Degree of impact



Restructured priority focus areas

Improve **digital connectivity** and **access** to harness the innovative **capacity of the workforce**



Low

Delivery of priority potentially impacted by closures and damage to connectivity and access infrastructure

- Continue to improve digital connectivity and access

Re-establish the **Town Centres** as '**Places for People**'



Low

No material impact on ability to deliver strategic priority from bushfire crisis

Grow the **population** and **internal markets** of the region



Medium

Bushfires have created direct risk of depopulation due to housing loss and broader bushfire impact/trauma, thus disrupting the strategic priority

- Provide accommodation solutions, financial and social support for bushfire-affected individuals
- Capitalise on incoming Snowy 2.0 workforce to attract new residents

Further develop **agriculture and specialised food** and **cultural tourism**






Medium

Bushfires have directly impacted agricultural landholders, creating setbacks for the implementation of this strategic priority

- Assist with recovery/rebuild to rapidly put agriculture and specialised food production back to pre-bushfire state

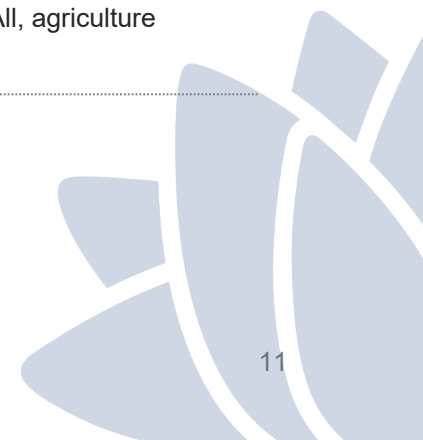
Queanbeyan-Palerang potential priorities and initiatives

	6–18mths Short term	18mths–5yrs Medium term	5yrs+ Long term
 Tourism	<ol style="list-style-type: none"> 1 Develop and deploy business education and professionalisation initiatives 2 Identify enabling infrastructure that supports tourism product development 3 Develop coordinated marketing plan with emphasis on digital assets and content 	<ol style="list-style-type: none"> 1 Support development of enabling tourism infrastructure 2 Continue business education and professionalisation initiatives 3 Implement coordinated marketing plan 	<ol style="list-style-type: none"> 1 Continue to support tourism industry development
 Agriculture and horticulture	<ol style="list-style-type: none"> 4 Support rebuild of damaged industry infrastructure and support industry recovery e.g. restocking/replanting 	<ol style="list-style-type: none"> 4 Encourage expansion into agritourism offerings 5 Diversify and intensify agricultural production 	<ol style="list-style-type: none"> 2 Continue to diversify and intensify agricultural production 3 Develop agri-tech solutions to drive industry improvements
 Other	<ol style="list-style-type: none"> 5 Rebuild damaged connectivity infrastructure 6 Promote regional population growth to drive economy 7 Continue supporting innovation precinct and innovation hubs 	<ol style="list-style-type: none"> 6 Invest in regional infrastructure to improve resilience and connectivity 7 Support large and emerging industries with appropriate initiatives and infrastructure 	<ol style="list-style-type: none"> 4 Continue to support large and emerging industries with appropriate initiatives and infrastructure

Deep dive: Queanbeyan-Palerang short-term focus areas (I/II)



Focus areas	Description	Rationale	Relevant industry
1 Develop and deploy business education and initiatives	<ul style="list-style-type: none"> Professionalise tourism industry through access to business planning and management skills training and encourage development pathways for employees 	<ul style="list-style-type: none"> Professionalising and educating tourism operators and employees will help maximise tourism opportunity and improve resilience in future crisis 	<ul style="list-style-type: none"> Tourism, other
2 Identify enabling infrastructure that supports tourism product development	<ul style="list-style-type: none"> Continue developing plan for the 'tourism attractions' and infrastructure that will enhance the desirability of Queanbeyan-Palerang as an overnight destination 	<ul style="list-style-type: none"> Develop mature tourism offering that will increase overall tourism contribution to regional GVA 	<ul style="list-style-type: none"> Tourism
3 Develop coordinated marketing plan with emphasis on digital assets and content	<ul style="list-style-type: none"> Develop coordinated message that identifies region is open for business. Tap into likely pent-up demand for increased travel, and capitalise on opportunity presented by likely restrictions on international travel Refresh visitor information delivery through digital channels 	<ul style="list-style-type: none"> Accelerate return of tourism industry where possible Support digitisation of tourism information and marketing 	<ul style="list-style-type: none"> Tourism, other
4 Support rebuild of damaged industry infrastructure and support industry recovery	<ul style="list-style-type: none"> Support agriculture infrastructure rebuild and sourcing new stock and seedlings 	<ul style="list-style-type: none"> Assists industry to return to pre-bushfire baseline as quickly as possible, minimising bushfire impact on longer-term production 	<ul style="list-style-type: none"> Agriculture
5 Repair damaged connectivity infrastructure	<ul style="list-style-type: none"> Rebuild damaged connectivity infrastructure e.g. Cooma Road and Araluen Road; and improve telecommunication networks to improve resilience 	<ul style="list-style-type: none"> Minimise physical connectivity issues and ensure digital connectivity in times of crisis, and enable digital industry development 	<ul style="list-style-type: none"> All, agriculture



Deep dive: Queanbeyan-Palerang short-term focus areas (II/II)



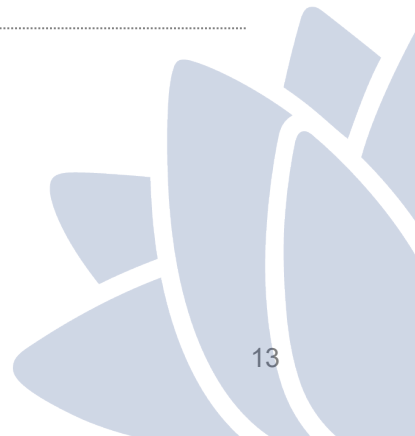
Focus areas	Description	Rationale	Relevant industry
6 Promote regional population growth to drive economy	<ul style="list-style-type: none"> Capitalise on increased demand for 'flexible/remote working lifestyle' given proximity to coast, alpine country and ACT 	<ul style="list-style-type: none"> Increases overall population, attract highly paid residents and grow size of internal markets 	<ul style="list-style-type: none"> All
7 Continue supporting innovation precinct and innovation hubs	<ul style="list-style-type: none"> Continue to support development of an innovation precinct; further incentivise business participation through awareness of benefits of collaboration and simplified access to important enabling infrastructure (i.e. internet, workspaces) 	<ul style="list-style-type: none"> Continues to increase business diversity, integration and maturity within FER; and continues to encourage new businesses to move to region, supported by growth in remote ways of working from major cities 	<ul style="list-style-type: none"> All



Deep dive: Queanbeyan-Palerang medium-term focus areas (I/II)



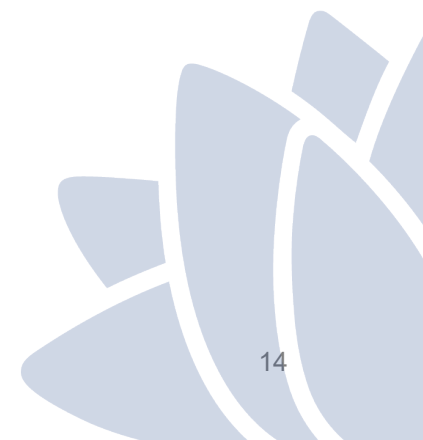
Focus areas	Description	Rationale	Relevant industry
1 Implement coordinated marketing plan	<ul style="list-style-type: none"> When appropriate, implement coordinated message that identifies region is open for business, focusing on region's right to win and targeting focus tourism segments. Tap into likely pent-up demand for domestic travel 	<ul style="list-style-type: none"> Accelerate return of tourism industry where possible 	<ul style="list-style-type: none"> Tourism, other
2 Support development of enabling tourism infrastructure	<ul style="list-style-type: none"> Support accommodation upgrades at underserved locations such as Bungendore and Braidwood. Consider tourism offerings that will drive greater total tourism spend in the region (e.g. local artisan offerings, arts precincts, facilities in smaller regional towns, reinstatement of heritage facades and development of living museum projects) 	<ul style="list-style-type: none"> Create more mature tourism offering that captures greater tourism spend in region and attracts more overnight visitors to the region. Increases overall tourism contribution to regional GVA 	<ul style="list-style-type: none"> Tourism
3 Continue business education and professionalisation initiatives	<ul style="list-style-type: none"> Continue professionalisation of tourism industry through access to business planning and management skills training and encourage development pathways for employees 	<ul style="list-style-type: none"> Professionalising and educating tourism operators and employees will help maximise tourism opportunity and improve resilience in future crisis 	<ul style="list-style-type: none"> Tourism, other
4 Encourage expansion into agritourism offerings	<ul style="list-style-type: none"> Encourage landholders to expand operations to capture tourism spend (e.g. farmgate and agri-tourism opportunities) 	<ul style="list-style-type: none"> Diversifies income streams for landholders; helps build industry clusters connected to tourism, enhancing overall desirability of the region from a tourism perspective 	<ul style="list-style-type: none"> Tourism, agriculture



Deep dive: Queanbeyan-Palerang medium-term focus areas (II/II)



Focus areas	Description	Rationale	Relevant industry
5 Diversify and intensify agricultural production	<ul style="list-style-type: none"> Promote further production of high value products suited to regional climate (e.g. black garlic) 	<ul style="list-style-type: none"> Grow total agriculture income through high value operations, reduce dependency on single crop/type of livestock 	<ul style="list-style-type: none"> Agriculture
6 Invest in regional infrastructure to improve resilience and connectivity	<ul style="list-style-type: none"> Examples include improving telecommunications infrastructure, freight connectivity, improved access corridors for areas identified as at-risk of freight disruption by bushfires (e.g. Araluen) 	<ul style="list-style-type: none"> Improve regional productivity, benefit from construction spend, and provide confidence to local community 	<ul style="list-style-type: none"> All
7 Support large and emerging industries with appropriate initiatives and infrastructure	<ul style="list-style-type: none"> Support large and emerging industries through initiatives such as promotion, regional branding, co-investment, and infrastructure development (e.g. blueberry farming, wine region) 	<ul style="list-style-type: none"> Promoting emerging industry will increase regional GVA, diversify industry risk and promote additional employment 	<ul style="list-style-type: none"> All



Deep dive: Queanbeyan-Palerang long-term focus areas



Focus areas	Description	Rationale	Relevant industry
<p>1 Continue to support tourism industry development</p>	<ul style="list-style-type: none"> Provide assistance such as professional, entrepreneurial business skills training Ensure cohesive regional tourism message that promotes diversified tourism opportunity Specific opportunities to be reviewed as they become evident 	<ul style="list-style-type: none"> Promoting tourism industry and integration with existing operators can increase regional GVA and capture maximum tourism activity with region 	<ul style="list-style-type: none"> Tourism
<p>2 Continue to diversify and intensify agricultural production</p>	<ul style="list-style-type: none"> Continue promoting production of high value products suited to regional climate Support development of agri-tech innovations to improve production Specific opportunities to be reviewed as they become evident 	<ul style="list-style-type: none"> Grow total agriculture income through high value operations, reduce dependency on single crop/type of livestock 	<ul style="list-style-type: none"> Agriculture
<p>3 Continue to support large and emerging industries with appropriate initiatives and infrastructure</p>	<ul style="list-style-type: none"> Guide new business initiatives and provide assistance where required such as business skills advice Consider initiatives that support large engine industries that support large numbers of jobs, diversify the economy and increase resilience Specific opportunities to be reviewed as they become evident 	<ul style="list-style-type: none"> Promoting large and emerging industry will increase regional GVA, diversify industry risk and promote additional employment 	<ul style="list-style-type: none"> All

