

State Plan Priority P6
Regional Business Growth Plan – Central Coast Region
August 2008

1. The region

The Central Coast includes the major centres of Gosford and Wyong. As at June 2007 the region had a population of 306,376 which grew by 2.3 per cent between June 2002 and June 2007¹. The region has a diverse industry base which includes: manufacturing; construction; tourism; retail; health and community services. The services sector is growing, with expansion in the transport and logistics industry, business and financial services, and telecommunications industry.

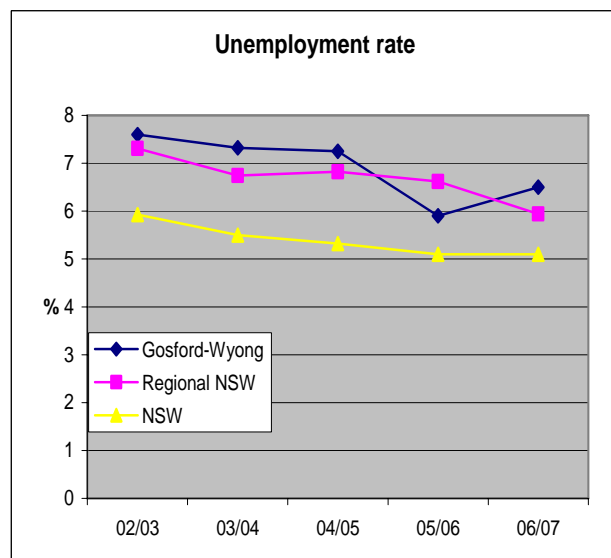
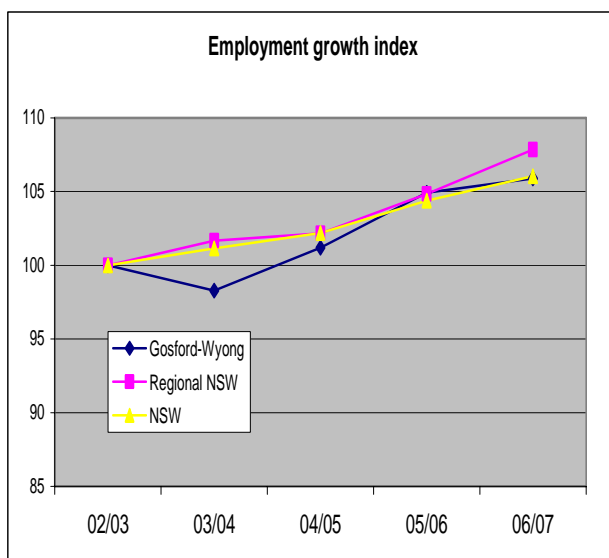
2. Regional opportunities and challenges

ISSUE	OPPORTUNITIES	CHALLENGES
Industry development	<ul style="list-style-type: none"> • Warehousing and logistics operations due to centrality of region in main transport corridor • Develop 30 ha business park at Mount Penang • 300 ha Employment Zone in Wyong • Supplier park to Woolworths distribution centre at Warnervale • Services sector expansion, including 'back office' information and data processing centres • Upgrade of DPI Gosford Horticultural Institute, Somersby • Exploration and development of mineral resources (coal and construction sand) 	<ul style="list-style-type: none"> • Some manufacturing operations are under pressure from offshore competitors
Infrastructure	<ul style="list-style-type: none"> • Water security via Tillegra Dam and associated works enable employment and population capacities to be revisited • Opportunities for development contributions to enable the provision of infrastructure necessary to respond to changing demands 	<ul style="list-style-type: none"> • Alignment of transport and water infrastructure with business growth needs. • Balancing development contributions to ensure housing and employment lands affordability and delivering appropriate community infrastructure

¹ Source: ABS, Cat No. 3218.0, Regional Population Growth, Australia, 2006-07.

ISSUE	OPPORTUNITIES	CHALLENGES
Land use/Planning	<ul style="list-style-type: none"> • Masterplanning for Gosford waterfront precinct currently underway. • Implementation of the Central Coast Regional Strategy (release expected late June/early July 2008) • Gosford City Centre LEP completed to provide substantial boost to the development capacity of Gosford City Centre, accompanied by an infrastructure plan for civic improvements • Each council in the region is reviewing and modernising its land use planning framework as part of the Standard LEP • Planning reforms will improve operation of planning system by providing: streamlined approach to rezoning; transparent assessment of major proposals; faster assessment of routine developments; and improved accountability and affordability of development contributions 	<ul style="list-style-type: none"> • Shortage of large blocks (2-10 ha) of employment lands • Need to improve business perceptions that the Central Coast is the right location for business and that local planning processes are ready to accommodate growth
Skills & Employment	<ul style="list-style-type: none"> • Further development of the Wyong Trade School • New Trade School at Brisbane Water Campus, Woy Woy Peninsula 	<ul style="list-style-type: none"> • Demographic pressures and high numbers of commuters to Sydney require a better balance of services and local jobs growth

3. Regional indicators and measures

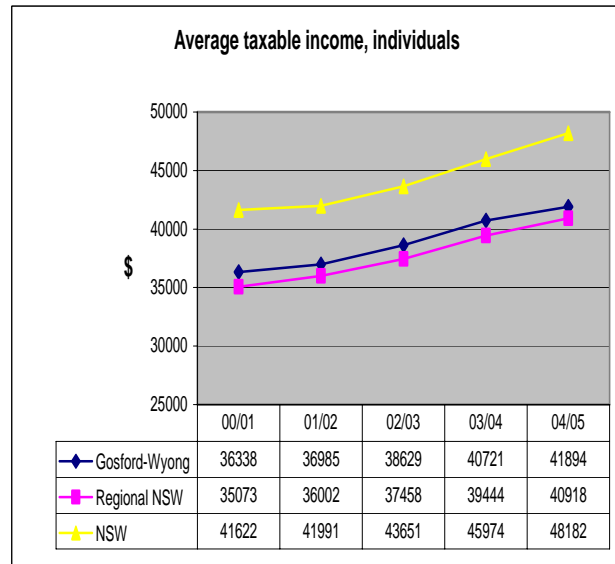
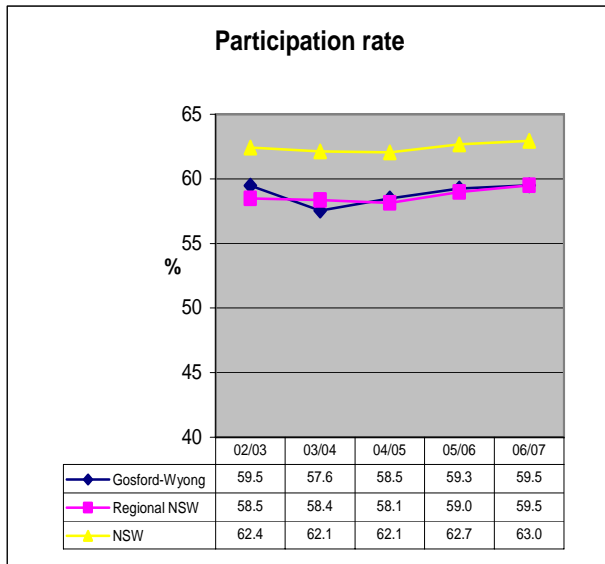


Total Employment, (000's)

	02/03	03/04	04/05	05/06	06/07
Gosford-Wyong	131	128	132	137	138
Regional NSW	1186	1206	1212	1243	1279
NSW	3118	3154	3187	3255	3307

Total Unemployment (000's)

	02/03	03/04	04/05	05/06	06/07
Gosford-Wyong	7.6	7.3	7.3	5.9	6.5
Regional NSW	93.6	87.2	88.7	88.2	80.7
NSW	196.6	183.6	179.3	175.0	177.8



Notes: (1) ABS Labour Force regions approximate DSRD regions. (2) Labour force data for the financial year is based on the average of four quarters at August, November, February and May. (3) Taxable income for regions has been based on the postal area – statistical division concordance based on ABS Cat No 2905.0.55.001, ABS Postal Area Classification, Aug 2006. The concordance as at 2006 has been applied to previous years. As a result, changes in postal areas or additions and deletions of postal areas in previous years have not been considered. Sources: Labour Force data sources from ABS Cat No 6291.0.00.003 and unpublished ABS data. Taxable income data sourced from the Australian Tax Office at www.ato.gov.au.

4. High priority and high impact strategies to address barriers to business investment

Strategy 1 Simplify government planning processes and improved access to employment lands

The 2008 *Central Coast Regional Strategy* will set capacity targets for new dwellings and employment lands supply for 25 years. The Strategy gives a high priority to the creation of new employment lands (such as the 300 ha Wyong Employment Zone). Release of the Strategy is expected late June/early July 2008.

Historically, local employment growth has not kept pace with increases in population, and as a result, the percentage of the population that commutes to employment outside of the region has increased, putting pressure on transport and social infrastructure. A key issue for the Central Coast is to overcome the need for large numbers of its population to commute large distances, by improving the strength and depth of the local economy and the economic self reliance of the region.

High Priority and High Impact Initiatives

- Promote and implement the Department of Planning's (DOP) *Central Coast Regional Strategy* (CCRS) and prepare a *Regional Economic Development and Employment Strategy* (REDES) in line with the

requirements of the CCRS. The REDES is to provide strategic direction and guidance towards achieving employment growth targets as set out in the CCRS.

- As part of the CCRS, formulate and undertake the Employment Lands module of the REDES, including consideration of opportunities arising from Crown Lands.
- Establish a priority setting agreement/process between the Department of State and Regional Development (DSRD), local government, DOP's Central Coast office and other relevant government agencies to expedite rezoning and development applications for proposals that will generate business investment and employment in the region consistent with State planning directions.
- Develop mechanisms that will drive new investment and job creation on suitable Government land in the region.
- Continue to progress the planning of State Significant Sites – Warnervale Town Centre and Wyong Employment Zone, to provide increased employment lands capacity.

Impacts

- Development of the REDES will provide clear strategic direction and guidance for regional planning and business development initiatives.
- The CCRS provides for an additional 45,000 jobs over the next 25 years. The preparation and implementation of the REDES will assist in meeting this target.
- Development of a priority setting agreement/process for the region will establish confidence in the consistency of state and local government planning and decision making processes and lead to the attraction of new investment and jobs growth.
- The NSW Government has significant land holdings in the region which can provide a platform to attract further jobs growth and investment in the region.

Resources

- The CCSR has been funded by DOP. The development of the REDES has been coordinated by the Department of Premier and Cabinet (DPC) and DOP with input from DSRD. The major modules of the REDES will be funded by partnering organisations.
- The REDES is being developed in a multi-stage modular approach. Each module (8 modules are currently identified) is a stand alone project that feeds into an agreed directional framework, and which collectively will form the body of REDES. Funding for each module is negotiated with project partners as they are identified. For example, the *Smarter Central Coast* (education) module is funded via a four-way partnership consisting of DPC, DSRD, University of Newcastle, and TAFE Hunter Institute.
- Development of a priority setting agreement/process between DSRD, Gosford City Council, Wyong Shire Council and DOP's Central Coast office will involve establishing a local working party with the four (4) agencies to establish protocols and industry sectors to be targeted. An independent review of issues relating to red tape and other matters that impact on the region's ability to efficiently and effectively process major applications for business investment.

Strategy 2 Provide government funding to build infrastructure that will attract business activity and initiatives to secure water

High Priority and High Impact Initiatives

- Conduct a needs analysis that will determine key public and private sector infrastructure needed to support business investment and job growth identified in the CCRS.
- Establishment of the artificial reef and dive wreck through the sinking of the HMAS Adelaide off Terrigal. The NSW Government has secured the ship from the Commonwealth Government which is contributing \$3 million for the cost of decommissioning and sinking of the vessel off Terrigal.
- Implementation of the Central Coast WaterPlan 2050.

Impacts

- The needs analysis will identify a number of key infrastructure projects that need to be implemented to support future business investment and job growth. It is also proposed to include site selection and basic feasibility information, as well as potential funding sources to advance the projects recommended.
- The sinking of the HMAS Adelaide off the Central Coast region will create a major tourist attraction that is estimated to add \$10 million annually to the local economy and create up to 130 new jobs.
- Securing water for existing and future industry and business investment and residential growth.

Resources

- An independent consultant will be appointed to undertake the infrastructure needs analysis in a two-staged process.
- The NSW Government has already committed funds towards the HMAS Adelaide project. DPC will coordinate the project whilst the Department of Lands has been appointed as project manager. A wide range of other agencies are also involved.
- Projects funded through the Central Coast Water Savings Fund are expected to save more than 480 million litres of water per year. These projects involve activities such as stormwater harvesting, wastewater treatment and re-use, leak detection and repair, installing water saving devices and smart meters, and implementing improved technology and education.
- The new pipeline from Hunter Region (opened December 2006) can transfer up to 33 million litres per day to the Central Coast.
- Future Central Coast water supplies will be further secured with construction of:
 - The Mardi-Mangrove pipeline, anticipated to be completed in 2010; and
 - The proposed Tillegra Dam is designed to augment water supplies for the Lower Hunter and Central Coast's needs for at least the next 50 years.
- Delta Electricity is constructing a \$426 million, 600 MW open cycle gas turbine peaking plant at Munmorah Power Station. Commercial operation is scheduled for August 2009. Delta Electricity is also reviewing options for the life extension of the Munmorah Power Station.

Strategy 3 Enhance the image of the Central Coast as a good place to do business and attract new investment into the creative, ICT and logistics industries

High Priority and High Impact Initiatives

- Establish a combined government and industry working party to attract new business investment and projects to the Central Coast (and Hunter) regions for film and TV productions, post production, digital and visual special effects, and merge Screen Production Alliance Central Coast with the Film Hunter.
- Continue the business attraction partnership program with the Central Coast Mariners A-League Football team, targeting future business investment through company relocations, networking and client introductions to existing Central Coast businesses.
- Develop and implement a marketing strategy that attracts key industries and other food related businesses to establish at Warnervale to service the Woolworths distribution centre. This will generate business investment and provide new jobs for local people closer to their place of residence.
- Develop and promote NSW Government land at Mount Penang Parklands, Kariong for employment generating opportunities. This will complement the development of Gosford as one of the six regional cities identified by the Cities Taskforce.

Impacts

- The merger of Screen Production Alliance Central Coast and Film Hunter will target new levels of investment attraction, business activity, and skills and jobs growth. One element of the overall project is

to attract four (4) multi media companies to the regions (Central Coast and/or Hunter) over the next four (4) years.

- The Central Coast Mariners partnership program's 12 month target would be to attract four (4) relocations.
- By July 2009, 300 ha of new employment land adjacent to Woolworths' distribution centre will be available to industry.

Resources

- Film initiative: a budget has been established with partner organisations.
- A business attraction partnership program between the Department of State and Regional Development (DSRD), Business Central Coast (BCC), Gosford and Wyong Councils, and Central Coast Mariners has been established.
- Development of and implementation of a marketing strategy for the Woolworths Supplier Park at Warnervale.
- Marketing initiatives for employment lands at Mount Penang Parklands, Kariong.

Strategy 4 Assist the manufacturing sector with innovation to increase productivity and global competitiveness

The local manufacturing sector has seen a sizeable shift to products being manufactured overseas. A number of closures have resulted in the loss of local jobs.

High Priority and High Impact Initiatives

- Implement a program of Lean Manufacturing to assist the industry:
 - Lean Manufacturing Awareness Workshops in Gosford/Wyong.
 - Lean Diagnostic, subsidised diagnostic to establish a company's current position and recommend a course of action for implementing a tailored lean program suitable to meet company needs.
 - Lean Implementation Consultancy, tailored implementation that implements the recommendations of the Lean Diagnostic.
 - Lean Implementation Groups: establish group on the Central Coast to meet regularly to build awareness, celebrate success stories and help ensure implementation projects remain on track.
- Implement Export Readiness Workshop program.
- In cooperation with other Government agencies formulating quick response strategies to sudden job losses in the manufacturing sector due to business or industry restructures/closures.
- Facilitation of the development of business clusters and networks in the local manufacturing sector.

Impacts

- Retention of existing manufacturing businesses in the region.

Resources

- Lean manufacturing activities funded through existing DSRD resources.
- 'Quick response' strategies and cluster initiatives are funded from within existing DSRD regional program funds.

Strategy 5 Develop initiatives to bring skills to the region and to retrain the existing workforce

The Central Coast region is experiencing a shortage of skilled and qualified people in many occupations. *Future Jobs* for the Central Coast was completed in 2002. The project provided an analysis of growth sectors and future jobs growth. It produced reference material that was used to target local high schools and other

educational institutions. Industries targeted included: manufacturing, food processing, business services, education and health services, tourism and hospitality, ICT and building services. Major growth in jobs has occurred in the construction, health and community service sectors. BCC, as certifying body, has assisted a number of local companies in securing skilled workers through the Business Migration Program. Over 40 companies have been assisted in the last 24 months.

High Priority and High Impact Initiatives

- The development of the *Smarter Central Coast Strategy* (module of REDES) will initiate and sustain a cycle of skill acquisition and enhancement that provides the skills necessary to cultivate and enrich a growing and increasingly diverse regional economy.
- Participation in the *Australia Needs Skills Expo* in Sydney.
- Between 2008/10, DET is implementing a regional Corporate Partners for Change employment and training program with local businesses to assist up to 50 unemployed people in making the transition into employment and providing a skilled workforce in employment growth areas.

Impacts

Lack of skilled labour on the Central Coast results in:

- Local businesses being restricted in their growth potential which may result in local business not maintaining operations in the region and/or off-shoring operations.
- The *Smarter Central Coast* project seeks to better understand the needs of business into the future, and works with its project partners, DSRD, DPC, University of Newcastle and TAFE Hunter Institute to address training and skills gaps and provide the necessary human inputs into the business process.

Resources

- A budget has been established to develop and implement the outcomes of the *Smarter Central Coast Strategy*.
- A budget will be provided for the region to participate in the *Australia Needs Skills Expo*.

For more information: regional@business.nsw.gov.au