

**State Plan Priority P6**  
**Regional Business Growth Plan – Northern Inland Region**  
**August 2008**

## 1. The region

The Northern Inland region includes the major centres of Armidale, Gunnedah, Inverell, Moree, Narrabri and Tamworth. As at June 2007 the region had a population of 180,067 and the population declined 0.4 per cent between June 2002 and June 2007<sup>1</sup>. The main industries include: agriculture; mining; education; professional services; aviation; manufacturing; tourism; transport; food processing; and creative industries. Growth opportunities are occurring in: viticulture and glasshouse industries; livestock genetics and animal health; energy industry (gas and alternative energy); and value-added food processing.

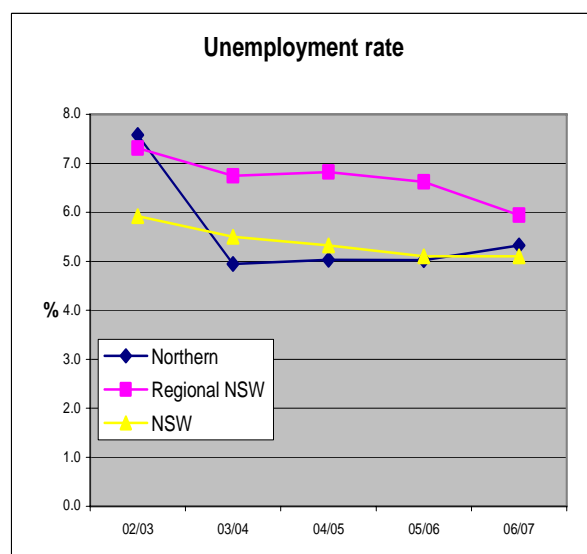
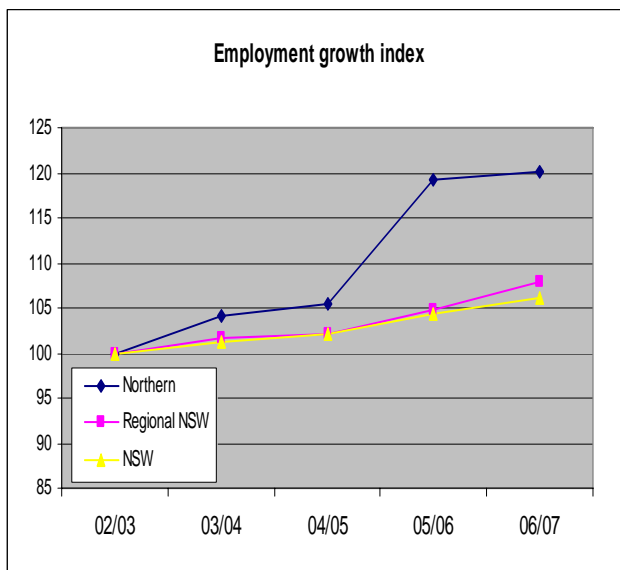
## 2. Regional opportunities and challenges

TYPE OF ISSUE	OPPORTUNITIES	CHALLENGES
<b>Industry development</b>	<ul style="list-style-type: none"> <li>• ICT-related</li> <li>• Coal mining and related services</li> <li>• Energy sector (development in natural gas, coal, biofuels and renewables)</li> <li>• Transport and logistics</li> <li>• High value-add agriculture and bio industries (including niche food and wine value add)</li> <li>• Aged care and health services</li> <li>• Aerospace (Tamworth)</li> <li>• Exploration and development of minerals and petroleum</li> </ul>	<ul style="list-style-type: none"> <li>• Climate change concerns</li> </ul>
<b>Infrastructure</b>	<ul style="list-style-type: none"> <li>• Energy sector</li> <li>• Opportunities for development contributions to enable the provision of infrastructure necessary to respond to changing demands</li> </ul>	<ul style="list-style-type: none"> <li>• Water security for existing and future industry development</li> <li>• Alignment of transport infrastructure with business growth needs, particularly critical in respect of rail freight access for agriculture and minerals sectors</li> <li>• Balancing development contributions to ensure housing and employment lands affordability and delivering appropriate community infrastructure</li> </ul>

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

TYPE OF ISSUE	OPPORTUNITIES	CHALLENGES
<b>Land use/Planning</b>	<ul style="list-style-type: none"> <li>• Strategic approach to identification and supply of employment lands</li> <li>• Each council in the region is reviewing and modernising its land use planning framework as part of the Standard LEP</li> <li>• Recent gazettal of the Rural Lands SEPP provides greater certainty about resolving rural land use conflict</li> <li>• Planning reform 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</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of available industrial land in major centres</li> <li>• Lack of investors to bring industrial land on line</li> </ul>
<b>Skills &amp; Employment</b>	<ul style="list-style-type: none"> <li>• MOU between DSRD and TAFE to improve flexibility of training/skills development for industries and enterprises</li> <li>• MOU has been signed between TAFE NSW New England Institute and University of New England-opportunity to improve training provision across the region</li> </ul>	<ul style="list-style-type: none"> <li>• Ageing workforce and declining population</li> <li>• Access to education, and level of education attainment</li> <li>• Skills shortages, in particular high demand for trades, engineering, and professional skills</li> </ul>

### 3. Regional indicators and measures

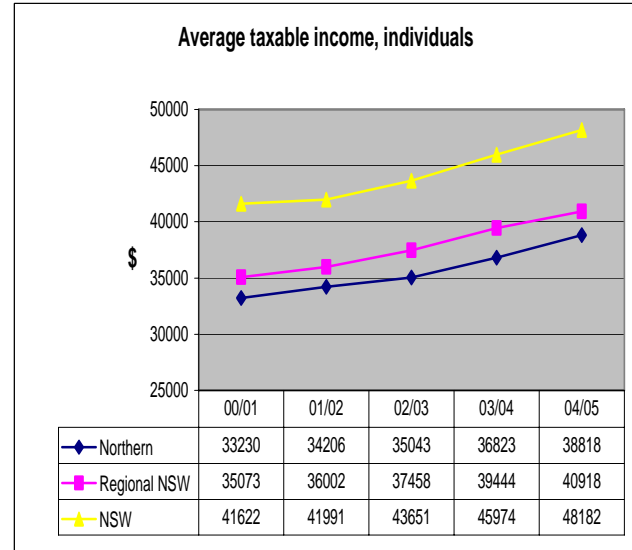
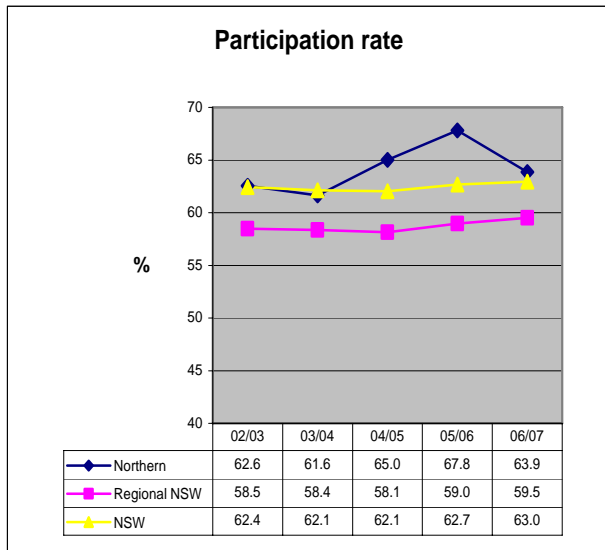


**Total Employment, (000's)**

	02/03	03/04	04/05	05/06	06/07
Northern	92	96	97	110	111
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
Northern	7.8	5.0	5.2	5.8	6.2
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 the 2006 Australian Standard Geographical Classifications. 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](http://www.ato.gov.au).

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

##### Strategy 1 Develop initiatives to secure water, including re-use and recycling

With regard to major water and irrigation reforms and drought issues, the Department of State and Regional Development (DSRD) works with local councils and with the private sector on a project-by-project basis.

##### High Priority and High Impact Initiatives

- DSRD will work with Liverpool Plains Council to co-fund a project identifying relevant water usage issues for industrial parks.
- Programs to assist expanding businesses access water saving/re use technologies.
- Water use audits for business to improve water use technology and process engineering.
- Educational programs will also be established for businesses to improve their water savings knowledge and expertise, their understanding of the vulnerability of their current water supply arrangements, and their options for improving its reliability.

### Impacts

- Reduction in water usage by business and industry, providing both environmental benefits and cost savings.

### Resources

- Access to NSW Climate Change and Commonwealth funds for water saving projects relevant to business.
- On a project by project basis consider infrastructure funding for specific projects by which clusters of business can utilise water resources more efficiently.
- Funding for educational programs for business to tap into water saving expertise.

## **Strategy 2 Provide improved access to employment lands in major centres**

The Department of Planning (DOP) is working with local councils in the region to assist in preparing local land use strategies and Local Environmental Plans (LEPs) which will ensure an appropriate supply of employment lands.

### High Priority and High Impact Initiatives

- Work with local councils to assist them to identify development opportunities and to develop industrial and employment lands strategies to cater for projected growth.
- Support inter-agency land planning forums within the region and with individual Local Government Areas (LGAs).
- Support input by the Regional Coordination Management Group (RCMG) to ‘Scenario Planning for Sustainable Land Use Planning in the Namoi Catchment’ project undertaken by the Namoi Catchment Management Authority (CMA) and the Namoi 2030 Project undertaken by a number of local councils in the region.

### Impacts

- Assurance of appropriately located supply of employment lands within the region.
- Reduced delays in bringing employment lands on line.

### Resources

- Project support through relevant government agencies.
- Ongoing work by the Department of Lands to identify development opportunities on Crown lands.

## **Strategy 3 Develop initiatives to encourage growth of the alternative energy sector**

### High Priority and High Impact Initiatives

- Encourage skills development in trades supportive of the energy industries through the provision of training through TAFE NSW.
- Facilitate the development of natural gas sector, e.g. Eastern Star Natural Gas power station at Narrabri/Gunnedah and another plant investigated at Tamworth utilising the Central Ranges gas pipeline.
- Facilitate the development of the alternative energy sector (e.g. solar, wind, biomass) where appropriate.
- Investigate take up potential for business attraction predicated on expansion of gas pipelines within the region.

### Impacts

- The expansion of electro-technology training through TAFE NSW can provide training for up to 20 positions per year.
- Proposed natural gas power station at Narrabri/Gunnedah.

### Resources

- Promotion of natural gas pipeline availability within the region (e.g. the Central Ranges gas pipeline, headquartered at Tamworth).
- Potential expansion of electro-technology training.

## **Strategy 4      Develop initiatives to improve the adoption of value-add technology to agriculture**

### High Priority and High Impact Initiatives

- Support and continue the New England North West Viticulture Strategy through further promotion, industry development, marketing and networking initiatives.
- Support and continue the Northern Inland Food and Wine Industry Development Project activities to foster collaborative efforts for product development by food and wine producers in the region (DSRD and the Northern Inland Regional Development Board).
- Support further investment and growth of innovative food value-added activities.
- DSRD and Northern Inland Regional Development Board to provide ongoing support and facilitation for new and existing producers networks to encourage collaborative marketing and regional industry development activities which lead to innovation, quality benchmarking and technology adoption.
- Continue to promote the region as a food and wine destination through collaborative activities with industry, DSRD, Northern Inland Regional Development Board, the Department of Primary Industries (DPI) and New England North West Tourism Organisation.
- Support TAFE NSW–New England Institute in implementation of industry specific initiatives, e.g. provision of training for the local agriculture/horticulture industry.

### Impacts

- Through the New England North West Viticulture Strategy, the Northern Inland Food and Wine Industry Development Project, and new investment and growth of innovative food value added activities, up to an additional 250 jobs are expected to be generated in the region over the next 2 years.

### Resources

- Support for flagship food and wine events will be provided via DSRD programs.
- Support for the food and viticulture industry initiatives through the Northern Inland Food and Wine Industry Development Project.
- Initiatives to promote the region as a food and wine destination.

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

The Northern Inland region is experiencing a shortage of skilled and qualified people in many occupations. The region has a shortage of skills in: metal fabrication; heavy equipment and truck driving; planning; building and construction; engineering; logistics; manufacturing; and resources sector.

### High Priority and High Impact Initiatives

- Implement Collaborative Partnership Memorandum of Understanding (MOU) signed between DSRD and TAFE NSW - New England Institute to improve flexibility of training/skills development for industries and enterprises.

- Support 'Iron Man Welders' project – a partnership program developed by 'at risk' youth, community, local businesses, TAFE NSW, the Department of Premier and Cabinet (DPC) and DSRD to facilitate skills training, long term employment and business development skills in the Armidale area.
- Support 'New England/North West Mining Industry and Related Services Skills' project to address skill shortages in the region resulting from expansion of the mining industry. DET and DSRD co-manage the project.
- Support the Tamworth Regional Employment Strategy – a DET Industry Partnership Project with the Tamworth Development Corporation. The Strategy aims to increase the capacity of the Tamworth area to develop skills in key industries, including management skills of owners of small and medium-sized enterprises (SMEs).
- Support and extend Northern Inland Regional Development Board's 'Skilled Migration' project, which identifies skills shortages in the region and sources suitability qualified persons in the local labour market, and when appropriate in overseas labour markets.
- DSRD to lead, in cooperation with RCMG, the auspice of a Regional Labour Market Taskforce to address workforce changes and skills shortages for emerging industries.
- Support the region's participation in Country Week Expo 2008.

#### Impacts

- Lack of skilled labour results in restrictions in the growth potential of local businesses; potential loss of local industries/businesses due to not maintaining (e.g. off-shoring) local operations; and limited growth of emerging industries.
- New England and North West Mining Industry project: DET (State Training Services) ran a workforce development workshop in Gunnedah in 2007 to enhance the capability of SME employers to recruit, retain and develop staff. Consequently 30 apprentices should be recruited in the logistics and mechanics sector by mid 2008.
- Between 2008/10, DET is implementing a regional Corporate Partners for Change employment and training program with local businesses in Tamworth to assist up to 50 unemployed people make the transition into employment and provide a skilled workforce in employment growth areas.

#### Resources

- Support provided to the 'Iron Man Welders' project.
- Support for Regional Development Board's Skilled Migration project from existing DSRD program funds.
- Support for the Regional Labour Market Taskforce project (operated by DSRD and TAFE NSW).
- The New England and North West Mining Industry project is funded under the COAG Targeting Skills Needs in Regions Program.
- The TAFE NSW – New England Institute has upgraded its facilities at the Gunnedah campus to provide training for the mining sector.
- DSRD has committed funds for Country Week Expo 2008.

### **Strategy 6      Develop initiatives to attract potential investment in minerals and petroleum**

The Northern Inland region has potential for both minerals and petroleum however the area is relatively data poor and therefore remains under explored.

#### High priority and high impact initiatives

- During 2010-11 a helicopter-supported gravity survey is proposed for the eastern half of the region.

- The acquisition of high resolution airborne magnetics and radiometrics is also proposed for a large part of north-eastern NSW during 2010-2011. The south-eastern and north-eastern parts of the region are within the areas proposed for acquisition.

#### Impact

- The new data and information are designed to attract both minerals and petroleum exploration investment into the region, support area selection and guide exploration strategies.

#### Resources

- The NSW Government has committed \$16.5 million to the New Frontiers exploration initiative across NSW over the next three years.
- This is expected to be supplemented by additional funding from industry and the Commonwealth Government

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