



# Regional Economic Development Strategies - 2022 Update

## Local Government Webinar



Images courtesy of Destination NSW

April 2022

# Acknowledgement of Country

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The Department of Regional NSW acknowledges the Traditional Custodians of the lands where we all work and live.

We celebrate the diversity of Aboriginal peoples, their ongoing cultures and connections to the lands and waters of NSW.

We pay our respects to Elders past, present and emerging across regional NSW.

We acknowledge the significant contribution Aboriginal and Torres Strait Islander people have already made, and will continue to make, towards the success of this project.

# Agenda

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Item	Speaker
✓ Building stronger regional communities	Fiona Dewar
✓ The Regional Economic Development Strategies (REDS)	Brooke Noorbergen
✓ How the REDS will be updated	Matthew Smith
✓ Next steps	Matthew Smith
✓ Questions and Answers	Fiona Dewar

# Building stronger regional communities



# Building stronger regional communities

## SOCIAL COHESION

Diverse and inclusive community people and networks thrive, supporting safety and inclusion.

## QUALITY SERVICES

Customer-centric, place based local services that are high quality, affordable and fit for purpose at all stages of life

## ENVIRONMENT

Clean and healthy local water, land and air provide for sustainable communities now and in the future

## CONNECTIVITY

Physical and digital connections facilitate access to social and economic inclusion

## Regional Liveability



## Regional Economic Development

## WORKFORCE

Capable and skilled workers are attracted to come, live and stay in the community they serve

## HOUSING

Individuals and families can access a range of affordable housing stock to meet their needs throughout life.

## EMPLOYMENT

Access to safe, well-paid jobs with opportunities for training and career progression

## INDUSTRY

Competitive and diverse engine and emerging industries growing to sustain a strong local economy

# Regional Economic Development Strategies



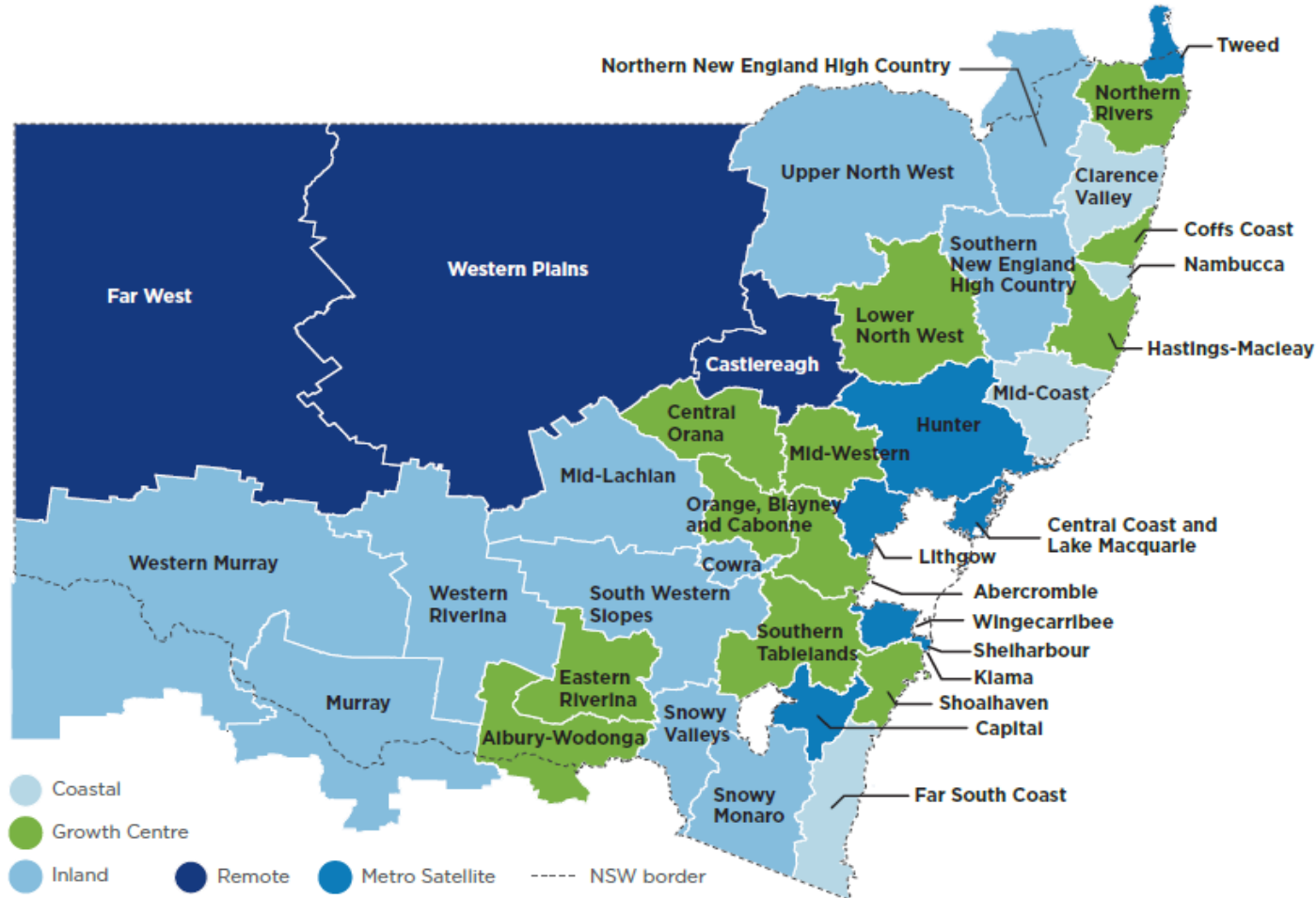
# Regional Economic Development Strategies

REDS are designed to enable growth and jobs in communities across regional NSW

- In 2018, the NSW Government supported councils and communities to develop Regional Economic Development Strategies (REDS).
- Each REDS sets out a vision for the region, highlights key local endowments (strengths), key engine and emerging industries, and details key strategies and actions to help achieve the vision.
- Each Functional Economic Region (FER) has a REDS – 38 areas of one or more council areas with strong economic links.
- The REDS have also helped inform major NSW Government investment decisions e.g. Special Activation Precincts and Regional Job Precincts.



# Functional Economic Regions



- 38 REDS were developed in 2018 - Greater Sydney, Newcastle and Wollongong don't have REDS.
- FER boundaries are mainly based on data about where people live and work, which reflect strong economic linkages.
- The FER boundaries won't be reviewed as part of this project.
- DRNSW is working closely with the Greater Sydney Commission about links to the Premier's Six Cities vision.



# Why we will update the REDS

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More than ever, regional communities need a strong and up-to-date economic plan

- REDS are built on a consistent, proven model to support growth and jobs, with a focus on evidence-based analysis that explores the key underlying drivers of each regional economy.
- In 2021, the Government released a refreshed *20-Year Economic Vision for Regional NSW*. This accounted for unfolding events, including drought, natural disasters and the COVID 19 pandemic.
- Communities across regional NSW have continued to experience significant change and challenges over the past few years, and it is critical that each region has a strong, up to date plan to guide investment, facilitate growth and support job creation.
- Supplementary material has been developed to support the ongoing use of the REDS – for example the Addenda prepared assessing the impacts of bushfires in impacted FERs in 2020.
- The REDS update will provide updated analysis for every FER and highlight updated priorities.
  - The updates are expected to be released in the second half of 2022. Councils and key regional stakeholders will have a critical role in informing the updates.

# Scope of the 2022 REDS update

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Issue	2022 Update
<b>Purpose</b>	<ul style="list-style-type: none"><li>• Confirm strategic direction and priorities given unfolding events and trends.</li></ul>
<b>Focus</b>	<ul style="list-style-type: none"><li>• Highlight significant investments, achievements, opportunities and challenges.</li></ul>
<b>Evidence</b>	<ul style="list-style-type: none"><li>• Draw on available public and private data points e.g. DPE population projections.</li><li>• Collecting local data (both qualitative and quantitative) from councils, businesses and organisations</li></ul>
<b>Geography</b>	<ul style="list-style-type: none"><li>• Use the existing FER map, conscious of other initiatives e.g. 6 Cities Strategy</li></ul>
<b>Strategic value</b>	<ul style="list-style-type: none"><li>• Reflect current contexts and priorities.</li><li>• Improve alignment with local and State plans and strategies.</li><li>• Fill critical gaps, such as recognising the importance of Aboriginal economic inclusion and prosperity.</li></ul>

# Benefits for councils and communities

REDS bring together key priorities and strategies to guide investment and action

Local government	Communities
✓ Reflect local and regional key priorities in government strategic documents, with actions that draw on local data, views and expertise.	✓ Support better coordination of government agencies, councils, business and industry, through a shared vision for regional economic development.
✓ Access to broader data, analysis and expertise to shape local decision making and investments.	✓ Targeting government investment better to meet the needs of regional communities.
✓ Establish a common understanding of priorities, strategies and actions for each region and between councils and government agencies.	✓ Strategic economic planning helps drive economic growth and jobs, which also supports enhanced liveability in the regions.

# How the REDS will be updated

# How we will approach the Updates

We will work together to explore five key elements in each REDS update

## Looking back

1

### Highlight progress

Highlight where progress has been made against key strategies and actions identified in each 2018 REDS.

2

### Capture major changes

Identify and assess the impacts of major changes to economies, including recent 'shocks', trends and key government and council investments.

## Looking forward

3

### Identify strategic opportunities

Identify key strategic opportunities and vulnerabilities for engine and emerging industries, as well as local endowments. Consider changes and broader trends.

4

### Develop actionable growth strategies

Develop strategies and actions to support business and employment growth, with reference to relevant enablers.

5

### Set foundation for new REDS

Review, affirm and adjust key economic development strategies to set the foundation and strategic focus for future work to develop new REDS.

# How we will approach the REDS Updates

	Purpose	Method/Approach
Current economic snapshot	<ul style="list-style-type: none"> <li>• Stocktake of the current economic environment</li> <li>• Identify key trends, opportunities and constraints to future economic development opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• Analysis of standard set of population, economy and industry indicators</li> <li>• Issue-based analysis specific to each FER</li> </ul>
Changes since 2018	<ul style="list-style-type: none"> <li>• Understand key changes to the local economy since 2018, including new investment and impacts of recent shocks to the economy (droughts, floods, bushfires, and COVID-19)</li> <li>• Understand achievements against 2018 REDS priorities, strategies and actions</li> </ul>	<ul style="list-style-type: none"> <li>• Analysis of public and private investment in the regions since 2018</li> <li>• Analysis of major government policies and initiatives in the region since 2018</li> <li>• Impact analysis of recent shocks (quantitative/qualitative)</li> </ul>
Review of engine and emerging industries	<ul style="list-style-type: none"> <li>• Confirm and review the status of engine and emerging industries in 2018 REDS</li> <li>• Deep dive into industry specialisations (strengths, vulnerabilities and opportunities)</li> </ul>	<ul style="list-style-type: none"> <li>• Updated Location Quotient Analysis</li> <li>• Local Government workshops and submissions</li> <li>• Broader stakeholder input</li> </ul>
Emerging opportunities and priorities	<ul style="list-style-type: none"> <li>• Identify strategic opportunities and challenges</li> <li>• Identify local actions needed to address the challenges and enable the opportunities</li> <li>• Recommendations for REDS review</li> </ul>	<ul style="list-style-type: none"> <li>• Horizon scanning/megatrends analysis</li> <li>• Local Government workshops and submissions</li> <li>• Business survey</li> <li>• Synthesis of outputs from previous three areas</li> </ul>

# Using data to help shape the REDS Updates

## Agencies

DRNSW

DPE

Investment NSW

DCS

DPC

Treasury

Transport NSW



## Key data inputs



### Investment Since 2018

What major investments have been made to region since 2018?

- Value of Regional Growth Funding
- Value of major infrastructure investment
- Value of major pipeline infrastructure investment (INSW project database and DPE Major Projects database)
- Major policies and initiatives



### Local economic environment

What significant changes have there been to the local economy since 2018?

- Change in Gross Value Added
- Historical and projected Population growth
- Net Regional migration
- Change in employment by industry
- Unemployment rate
- Household income
- Housing price growth
- Rental price growth
- Residential Building Approvals
- Aboriginal economic participation
- Business Sentiment Survey



### COVID-19 Impacts

What have been the impacts of COVID-19 on the region?

- COVID-19 business grants and loans (DCS)
- Change in jobs by industry
- Business entries/exits
- Job-keeper payments
- Business revenue impacts (Business Insights – Business Sentiment data)
- COVID-19 data working group data
- Tourism data



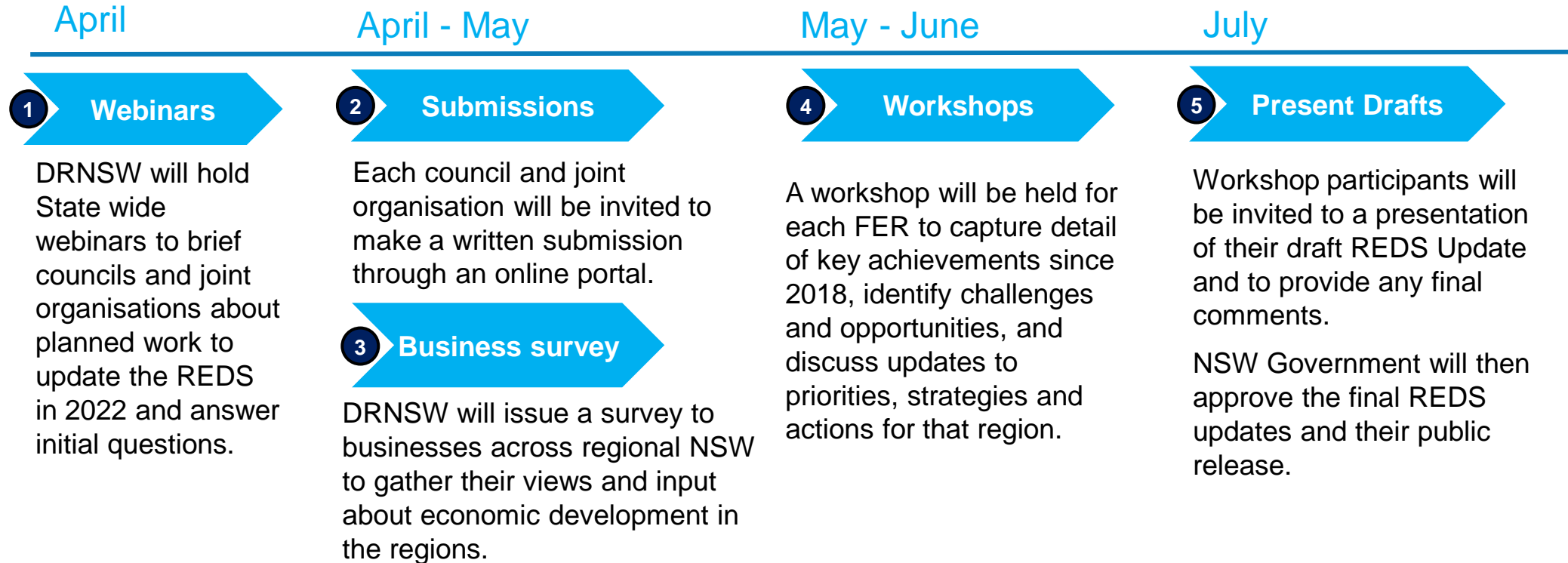
### Natural Disaster Impacts

What have been the impacts of recent natural disasters on the region?

- Regional Recovery Funding Approvals
- Value/count of property damaged
- Business entries/exits
- Lost revenue due to temporary closure
- Tourism expenditure/ number of visitors

# How and when we will engage

Local government will play a crucial role in developing the REDS Updates



We recognise the significant challenges being faced by those LGAs severely impacted by the recent major floods – we will work closely with stakeholders in the most impacted regions (in particular the Northern Rivers) to develop a tailored timeline to deliver their REDS Update.



# Aboriginal Community Engagement

We will engage with Aboriginal communities and businesses as a first step towards more inclusive REDS

## Key objectives

- ✓ Build understanding of the role REDS can play in supporting Aboriginal economic prosperity.
- ✓ Engage meaningfully with Aboriginal communities and businesses about priorities, opportunities and challenge
- ✓ Build connections, networks and knowledge to support comprehensive engagement with Aboriginal communities in future REDS projects.

## Key deliverables

At a minimum, the aim is for each REDS Update document to include:

- ✓ An Acknowledgement of Country
- ✓ A snapshot of key metrics of Aboriginal economic development outcomes
- ✓ Key information about aboriginal economic development priorities and opportunities relevant to each region.

## Our approach

- Engage with peak representative bodies to gather input on key strategic priorities and guidance on appropriate consultation.
- Leverage existing Aboriginal partnership networks and seek to build further stakeholder connections to consult directly with Aboriginal people, communities and business across the State.
- Work with key Aboriginal business organisations and networks to achieve wide engagement via the business survey.
- Invite representatives of Aboriginal communities to participate in each regional workshop.
- Work with local government to understand how councils are supporting Aboriginal economic development.



# Next steps

# Next steps – local government engagement

## Written Submissions

**14 April – 10 June 2022**

- Online written submission portal will open this Thursday (14/4) - link and guidance will be provided via email.
- Submissions should explore:
  - ✓ How priorities, endowments and specialisations have changed in your region since 2018
  - ✓ key council initiatives, investment and planning activities since 2018
  - ✓ local initiatives focused on supporting Aboriginal community economic development.

**Final Submission due 10 June**

**Councils and joint organisations are encouraged to share a draft of their submissions prior to their FER workshop.**

## Regional Business Survey

**May 2022 (dates TBC)**

- A short business survey (15 minute) will be sent to regional businesses to allow them to provide their views and input.
- Focus on exploring key trends, business sentiment and key issues impacting the business climate in regional NSW.
- Feedback will be sought on priorities for investment and key enablers of growth and jobs.

**Councils will be welcome to share the business survey invitation with local business and industry networks.**

## Regional FER Workshops

**May-June 2022**

- A workshop will be run in each FER bringing together representatives of key local government organisations and Aboriginal communities.
- Key priorities, issues, challenges and opportunities for the region will be discussed in detail.
- The focus of the discussion will also be shaped by any draft written submissions received.

**The DRNSW Project Team will send invitations for the FER Workshops in the next two weeks.**



# Questions and answers

For more information please contact: [redsproject@regional.nsw.gov.au](mailto:redsproject@regional.nsw.gov.au)



**DRNSW REDS Update Team**

[redsproject@regional.nsw.gov.au](mailto:redsproject@regional.nsw.gov.au)