

INQUIRY INTO REGIONAL DEVELOPMENT AND A GLOBAL SYDNEY

Organisation: Tamworth Regional Council

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Please see attached submission from

Tamworth Regional Council

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Terms of Reference

That the Standing Committee on State Development inquire into and report on how Sydney's growing prominence as a global city enhances regional development in New South Wales, and in particular:

1. Ensuring the regions benefit from the expansion of international trade, infrastructure, employment, tourism, innovation and research in the greater Sydney region.
2. Identify the sectors of the economy that can provide the greatest opportunities for regional development, including forecasts for jobs growth.
3. How collaboration between levels of government, non-government and private sectors can assist the regions to benefit from Sydney's global position, and
4. any other related matter.

Introduction

Tamworth is a vibrant and prosperous regional city. It is the largest inland NSW city west of the Great Dividing Range, located 389km from Sydney and 574km from Brisbane on the inland corridor route.

The Tamworth Regional Council (TRC) area covers 9,653.25kms², incorporating Tamworth, Nundle, Manilla, Barraba and other smaller towns. The Tamworth region is in a strong economic position with a Gross Regional Product (GRP) estimated at \$2.86 billion, representing 0.5% of the state's Gross State Product. Annual GRP has shown continued steady growth for the past 10 years.

Synonymous with Country Music, Tamworth has a strong brand, strengthened by the annual Tamworth Country Music Festival. Now running for forty five years, the festival is significant, generating an estimated \$50m of economic benefit to the community. The festival receives over 50,000 visitors every year, making it Australia's largest country music festival, and one of the largest music festivals in the southern hemisphere.

Background

In June 2016 Tamworth Regional Council launched the Tamworth Tomorrow – Economic Development Strategy 2016-2021. The strategy provides direction and aims to drive economic growth of the region through increasing the regions population base, which fuels the economy, driving innovation, investment, cultural activity and entrepreneurial spirit.

TRC is committed to establishing an environment that fosters partnerships; propagates creative thinking; facilitates a business engagement focus that enables economic activation; increases the region's competitiveness and is responsive to the changing needs of regional stakeholders.

As the major centre for a catchment area of over 200,000 people, Tamworth region is one of most progressive and innovative regions in NSW. The region has a strong reputation for its quality of life, supported environment for business and industry and economic opportunities for investors. The broad economic diversity of the city ensures there is no singular reliance on just one area of the economy, nor an over subscription. This diversity continues to strengthen Tamworth's economic position.

The Tamworth Local Government Area covers a diverse economy fuelled by a growing population of just under 62,000 residents. The towns of Manilla, Barraba, Nundle and Kootingal, along with another 17 hamlets offer an attractive lifestyle underpinned by a strong regional economy.

Ideally situated on the main inland route between Victoria and Queensland for freight logistics, there are four airlines providing daily flights to Sydney and Brisbane, along with daily train and bus services. From city living to country retreats the region boasts quality and

diverse shopping, education, health services and national and international standard sporting facilities, in an affordable and supported community.

Offering a range of quality employment opportunities, Tamworth fosters entrepreneur growth, research development and continuous learning throughout its industry sectors and community.

As an agricultural hub for Australia, a service centre for surrounding mining developments, a hub for small business and strong growth in emerging sectors such as aviation and advanced manufacturing, the region is thriving.

An emerging creative industry is fostered through a range of events such as the internationally recognised Tamworth Country Music Festival, art galleries, museums, Tamworth Regional Conservatorium of Music and strong key industry sector growth.

TRC has its eyes firmly on the future and plans for population and industry growth, by building the necessary infrastructure to support the predicted increases.

1. Ensuring the regions benefit from the expansion of international trade, infrastructure, employment, tourism, innovation and research in the greater Sydney region

By providing a pathway for people, businesses and investors to relocate from Sydney, the State Government will not only deliver significant benefits to regional centres, it will also reduce pressure on Sydney's infrastructure, improve the costs of doing business and positively impact on the lifestyle of families and individuals. The results would contribute to improvements in mental and physical wellbeing of residents and ultimately increased productivity.

Well planned transport infrastructure is the key to driving economic growth to the region. A well planned CBD and a regional road network improve connectivity of the city. Increased capacity at the Tamworth Regional Airport to accommodate international freight and the reinstatement of rail freight in the city are both major economic projects being driven by Tamworth Regional Council. TRC connection to Asian markets is well advanced, with potential international investors visiting the city on an almost weekly basis.

In 2016 Tamworth Regional Council purchased 246 hectares of agricultural land at the western edge of the city. The land is bordered by Wallamore Road, Goddard Lane, Oxley Highway and Marathon Street. The land is currently being master planned to develop it into an industrial employment zone. The location of the zone is adjacent to the Tamworth Regional Airport, Tamworth Regional Livestock Exchange and the city's major food processing hub. The opportunity this greenfield site offers for relocation of business and industry from Sydney is vast. The strategic location to the major transport logistics hub will ensure efficient and cost effective import and export of products to the Tamworth region.

TRC has an exemplary reputation for the establishment and delivery of large infrastructure projects to the city and is proactive in facilitating business and industry to take advantage of any opportunities that exist within the region. The broad economic diversity of the city ensures there is no singular reliance on just one area of the economy, nor an over subscription. This diversity continues to strengthen Tamworth's economic position.

Tamworth Regional Council is the secretariat for the Evocities campaign. The campaign aims to change the misconceptions city dwellers have about regional NSW and open their eyes to the fantastic lifestyle and opportunities regional cities, like the city of Tamworth, offer.

The consideration to incentivise relocation for businesses opens up wide ranging benefits for the NSW Government, business and industry, plus employees. The liveability of the region is paramount and the Tamworth region is at the forefront to ensure connectivity is a priority. The NBN is currently being rolled out across the city; quality road networks including B-double and B-Triple access for freight companies, access for travellers with four (4) airlines

Visionary and progressive leadership in Tamworth will see the city aggressively pursue opportunities to grow the economy and prosper as a regional city.

Economic development strategies across regional centres are often not dissimilar, however successful outcomes are only achievable when focus of the strategies play to the strengths of the city.

Opportunities exist based around five key elements;

1. Collaboration and partnerships.
2. Education and skills development.
3. Incentives, assistance and lower costs.
4. Technology and innovation.
5. Quality of community living.

One of the key projects for Tamworth is the upgrade of the Tamworth Regional Airport to accommodate international airfreight. TRC has had discussions regarding Tamworth's potential to become an international air freight hub, linked by rail and road, with the Coordinator of Regional Infrastructure and also the Deputy Secretary, Regional NSW, Department of Premier and Cabinet and Transport for NSW. This, and the establishment of the rail intermodal facility, will make Tamworth a key logistics area and open up vast opportunities for warehousing and value added industries.

Recently the Deputy Premier, The Hon. John Barilaro MP, was on record making specific reference to Tamworth reporting that *"Tamworth is in line to become an international airport freight centre, as the government looks to build on its recent growth as a food processing centre"*.

In his address, the Deputy Premier referenced the importance of the decentralisation of government departments, but added: *"decentralisation of private sectors jobs is just as important"*. Mr Barilaro has referred to the focus on growing regional centres as a *"game changer"*. New incentives and tax concessions to get businesses and people to set up or relocate to regional cities and towns will develop an opportunity for people to follow jobs.

A collaborative approach to regional development is the key to success. Nashville is a great example of this. The Nashville Area Chamber of Commerce and the Metro Government of Nashville and Davidson County work collaborative to offer business incentives to attract new business and industry to the city, including; Tax credits and exemptions, grant funding, job training assistance programs and money for infrastructure development programs, as well as assistance.

Council has previously prepared a briefing document on the airport's capacity to grow and accommodate new business opportunities. Much of the infrastructure is in place to support this development. The airport masterplan has been updated to reflect these changes and opportunities.

The opportunity for government, non-government and private enterprise to collaborate to grow the regions economy is ripe. By creating jobs through working with relocating and expanding businesses and developing the jobs to support the population growth, will result in attracting a talented and creative workforce and to support the economic growth.

Investment and infrastructure are the catalyst for jobs growth and to drive population growth. Tamworth Regional Council is currently developing five catalyst projects which will open up the opportunities for freight logistics and international trade within the city. If the State Government was to offer relocation and tax breaks for business, TRC would actively target industry that would compliment the existing and growing industry sectors, assisting to relieve the pressure on Sydney infrastructure and grow the regions. A key focus for all levels of government!

servicing Tamworth, as well as housing affordability, award winning food industry and quality lifestyle.

By creating a positive employment environment and gaining an influx of new workers a cultural change will emerge in the cities. Cultural change and diversity encourages the development of new value-adding sectors to the regions, which create facilities to improve the lifestyle of local residents, ensuring population retention, as well as increasing attractions to build the tourism market.

2. Identify the sectors of the economy that can provide the greatest opportunities for regional development, including forecasts for jobs growth

The strength of the city of Tamworth's economy is due to the diversity of industry. The employment sector is spread across a range of industries and the city is resilient as it is not heavily reliant on any one industry. The top 6 industry sectors in the Tamworth region that offer the most opportunity for regional development and jobs growth include;

- Health care and Social Assistance
- Manufacturing
- Education and Training
- Construction
- Retail Trade
- Public Administration & Safety

Collectively these industries continue to grow year on year and the growth in the sectors indicate confidence and strength in the Tamworth Economy. Tax and relocation incentive for complimentary industries to relocate from Sydney would ensure continued growth and job creation.

Over recent years Tamworth Regional Council has invested in infrastructure to meet the demands of predicted growth for the next 30 years. TRC also continues to invest in property to secure land in strategic locations around the city. Recently TRC called for EOIs for the design, construction and operation of an Intermodal Rail Terminal. The terminal is the first step in ensuring Tamworth becomes a major freight logistics hub for inland NSW.

TRC is keen to work with the state government to consider incentives and assist business and industry relocate to Tamworth, which will result in employment and population growth, and take the pressure off Sydney infrastructure. TRC enjoys the benefit of available land and is able negotiate, in partnership with the State Government, with new industry to provide incentives to assist with their relocation.

Currently the NBN is being rolled out across Tamworth which opens opportunity for new innovate industries. Raleigh, in North Carolina, developed an Innovation Economy and works within the following areas – IT software Development, Defence Technology, Interactive Digital Media, Clean Tech (Smart Grid, Advanced Transportation, Renewable Energy), Advanced Medical Technologies, Non-woven Textiles, Life Sciences (Bio-Tech, Pharmaceuticals), Research and Development, Consumer Products, Start-Ups and Small Business. Raleigh understands the industries it wants to attract and it continues to innovate. Some of the world's biggest companies today, did not exist 40 years ago. Establishment of innovated businesses in a connected city provides significant advantage.

3. How collaboration between levels of government, non-government and private sectors can assist the regions to benefit from Sydney's global position

Economic development in Tamworth is fuelled by partnerships, which include government and the private sector. A key focus of the Tamworth Economic Development strategy is to build a knowledge economy and smarter workforce. The strategy focuses on the importance of collaboration, partnerships, incentives and assistance and lower costs. It highlights infrastructure development as an economic driver and an ignition for population growth.

This Council has advocated previously the importance of taxation incentives to drive economic and population growth. Studies undertaken by Council's Director of Business and Community, which have been reported to Council, have highlighted how incentives and concessions in the United States have enabled regional centres to grow and prosper. There is also another pleasing point to this new frontier for regional communities and that is much of what is being advocated at government level is reflected in Council's Regional Economic Development Strategy – Tamworth Tomorrow 2016-2021. It details the importance of collaboration, partnerships, incentives, and assistance and lower costs. It highlights infrastructure development as an economic driver and an ignition for population growth. And on the subject of population, recently released Regional Population Growth statistics issued by the Australian Bureau of Statistics, emphasize Tamworth's prime position for ongoing growth.