

## **INQUIRY INTO REGIONAL DEVELOPMENT AND A GLOBAL SYDNEY**

**Organisation:** Port Macquarie Hastings Council

**Date received:** 2 June 2017

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1 June 2017

The Hon Greg Pearce MLC  
Chair, Standing Committee on State Development  
Parliament of NSW  
SYDNEY NSW 2000

Dear Mr Pearce,

**Inquiry into Regional Development and Global Sydney**

I write on behalf of the Port Macquarie Hastings Council Economic Development Steering Group to make a submission to the above inquiry.

The Steering Group provides a forum in which Local Government, business and industry leaders discuss and debate, plan and progress local and regionally significant economic outcomes that continue the growth of our local economy.

The growth of regional cities like Port Macquarie are intrinsically linked to the global competitiveness of greater Sydney. Further, regional cities also have major growth potential in their own right if they are supported to build on existing economic capacity. In turn, this growth will positively impact the many towns and villages in surrounding catchment areas.

It is the Steering Group's view that regional areas like Port Macquarie, have significant ability to offer capacity that will support and complement a global Sydney. We would encourage the Government to play a greater facilitation role to ensure conversations around decentralisation or flow-ons from a global Sydney are structured and aligned with those regions who have recognised capability and capacity. Council's submission (attached) expands on these assertions.

Should you have any queries regarding matters raised in this submission, please don't hesitate to contact me or Council's Group Manager Economic Development and Communications, Liesa Davies

Yours sincerely

Rob Turner (Cr)  
Chair  
Economic Development Steering Group

Submission to the Parliament of NSW Legislative Council  
Standing Committee on State Development  
Inquiry into Regional Development and a Global Sydney

Terms of Reference

1. *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:*
  - a. *ensuring the regions benefit from the expansion of international trade, infrastructure, employment, tourism, innovation and research in the greater Sydney region*
  - b. *identify the sectors of the economy that can provide the greatest opportunities for regional development, including forecasts for jobs growth*
  - c. *how collaboration between levels of government, non-government and private sectors can assist the regions to benefit from Sydney's global position, and*
  - d. *any other related matter.*
2. *That the Committee report by 28 April 2018.*

Port Macquarie Hastings Economic Development Steering Group response:

1. The buoyant Sydney property sector has had a major effect on regional real estate markets, like Port Macquarie. Investors are looking for cheaper property investments that still deliver good returns and these opportunities can be found in regional areas.  
  
Downsizing Sydneysiders are continuing to look at regional areas as a cost effective retirement option and young couples are recognising that regional areas are ideal for raising a family.
2. Whilst some good work has been done to date, there is the opportunity for regional areas to benefit further from Sydney's status as a popular tourist destination. The current NSW Government destination marketing and business event focus remains very heavily focused on Sydney and surrounds. Locations like Port Macquarie, only four hours drive or a one hour flight from Sydney, are well within reach of domestic and international visitors. Government support for regional events, conferences and the like have capacity to bring together government and private sector to showcase key industries and innovation in regional NSW as well as grow the visitor economy.
3. Infrastructure investment in Sydney, to service a rapidly growing population, while important, needs to be balanced with investment in regional areas which can complement and support dispersal from Sydney. Funding is desperately needed to support road network maintenance for large regional local government areas (there are 1,340km of roads in the Port Macquarie-Hastings local government area) and the development of new road infrastructure to support both the growing population and new business, health and education precincts as well as to preserve the amenity and lifestyle of our residents.



Connecting regional areas, like Port Macquarie, to Sydney is critically important. The investment in the Pacific Highway has seen travel times reduce significantly. Residents and businesses now have better access to the Sydney market for commercial and leisure purposes. Further investment in the Pacific Highway to the north remains a priority.

4. Support for innovation and research continues to focus on the greater Sydney region. While outcomes clearly benefit the population as a whole, investment and subsequent employment generation does not necessarily flow to the regional areas.

Education institutions, like Charles Sturt University in Port Macquarie, are bringing innovation and significant growth in higher education capacity to regional areas, but further broad based investment is required. This benefits not just the region, but can support Sydney in terms of growth in international education which is currently focused very heavily in major metropolitan cities.

5. Sydney has expansive trade infrastructure (road, rail and air) that supports regionally based exporters. The challenge is finding cost effective transport options to land local products in Sydney for further distribution. Further investment in regional rail freight infrastructure may be a solution which enables regional businesses to increase their export capabilities.

Service based businesses, particularly those at the high tech end, now have access to digital infrastructure and can thrive in regional areas. This makes them competitive on the domestic and international stage to complement Sydney-based businesses.

6. The Port Macquarie Hastings region's key growth sectors are as follows:

- Construction - driven by a population growth rate exceeding 1.3% meaning over 1,500 people are moving to the area each year attracted by the region's growth and opportunity, a great climate and enviable lifestyle.
- Health - fuelled by recent investment in specialised medical services, hospitals and education coupled with regional population growth.
- Tourism - visitors continue to flock to Greater Port Macquarie to experience the natural assets and culture of the region which drives on-going investment in tourism related businesses. Over 1.5 million visitors enjoy the Port Macquarie region each year and we see further opportunity to grow visitation through expanded eco-tourism, agritourism and business tourism. This will require further investment and product development to ensure the visitor experience matches that which can often be found in or immediately surrounding metropolitan areas.
- Education - numerous universities are present in Port Macquarie and the higher education offering continues to grow. For example, Charles Sturt University's new Port Macquarie campus will ultimately cater for up to 5,000 students (including international). This complements the strong North Coast TAFE presence and many private and public school options.

In-line with national trends manufacturing is in decline in regional areas, but there is still a confidence that manufacturing can survive. This is evidenced by recent investment in new industrial areas and associated infrastructure. Manufacturing businesses can thrive in areas like Port Macquarie where they can take advantage of

a committed, skilled workforce, lower comparative operating costs and direct Pacific Highway access.

7. For regional areas to grow, collaboration across all levels of government is critical. Geographic isolation can sometimes mean that government services and support is focussed on Sydney. For example, investment in infrastructure and financial incentives for businesses appears to be focussed on areas like Western Sydney which helps its global competitiveness. However, this is a disadvantage to regional areas. Further collaboration would benefit both Sydney and the regional areas.
8. Facilitating access to Sydney's extensive calendar of events, expos, conferences etc. which make the city globally competitive could have a profound effect on regional areas. Providing incentives for businesses and individuals to connect with all Sydney has to offer would have a lasting benefit. Using Sydney's global presence would be advantageous to regional areas.