



NORTHERN GRAMPIANS SHIRE COUNCIL

ECONOMIC DEVELOPMENT STRATEGY AND ACTION PLAN 2021-31

Background Paper: Strategic Document Review and Discussion





Acknowledgements:

The Economic Development Strategy and Action Plan, 2021-2031, Steering Committee and Northern Grampians Shire Council (NGSC) acknowledge traditional owners; Wotjobaluk, Jaadwa, Jadawadjali, Wergaia, Jupagulk and Dja Dja Wurrung peoples who are the Traditional Custodians of the land on which we discuss in this report. We pay our respects to the Elders both past and present and extend that respect to our other Aboriginal clan groups.

The Economic Development Strategy and Action Plan, 2021-2031, Steering Committee and Northern Grampians Shire Council (NGSC) acknowledges work done by Wayne Street (Street Ryan) on this review.

We, the undersigned, are committed to ensuring the on-going development of Northern Grampians, by working with Council to deliver a long term Economic Development Strategy and Action Plan.

Kate Pryde, Chief Executive Officer Stawell Regional Health

Ryan Milgate, VFF Wimmera Branch Vice President, mixed Farmer

Trent Carter, Wallaloo Park mixed Farmer

Ben Duxson, Glendemar Merino Stud

Troy Cole, General Manager Stawell Gold Mines

Geoff McDermott, Managing Director Navarre Minerals Limited

James Sorahan, Executive Director, MCA Victoria

Marc Sleeman, Chief Executive Officer Grampians Tourism

Tim McCartney, Economic Development Manager, Barengi Gadjin Land Council Aboriginal Corporation

Jane Hosking, Executive Officer North Central Local Learning and Employment Network (NCLLEN)

Michael Fitzgerald, Area Executive Director Wimmera South West Area Department of Education and Training

Liana Thompson, Chief Executive Officer Northern Grampians Shire Council

Councillor Tony Driscoll, Chair Northern Grampians Shire Council



TABLE OF CONTENTS

1. Overview	4
2. Executive Summary	5
3. Competitive Strengths	8
4. Challenges and Constraints	9
4.1. Future Directions and Priorities	9
4.2. Gaps, New Issues and Opportunities	12
5. The Evolution of Economic Development Practice: Implications for The Economic Development Strategy	14
5.1. Policy Shifts	14
5.2. Industry Sectors	15
6. Population Challenges	18
7. What We Know About Our Current Situation	20
7.1. Strengths and Weaknesses	20
7.1.1. Strengths (or 'Relative Comparative Advantages for Economic Development') identified through the document review	20
7.1.2. Weaknesses (or 'Relative Comparative Disadvantages for Economic Development') identified through the document review	21
7.2. Recent Achievements and Setbacks in Economic Development	22
8. Review of Opportunities by Sector	23
8.1. Documents Reviewed	23
8.2. Existing Scale of Industries	23
8.3. Existing Economic Development Initiatives	23



1. Overview

This Strategic Document Review and Discussion paper presents an integrated review of recent strategies, plans, studies, and policy relevant to economic development for Northern Grampians Shire.

The intention is to summarise the findings of recent strategic work to help inform Northern Grampians Economic Development Strategy and Action Plan, 2021-2031, in terms of:

- Northern Grampians economic assets, strengths, opportunities, and barriers to growth.
- The economic development outlook for Northern Grampians, businesses, and community organisations.

The findings of stakeholder engagement undertaken as part of preparing the Strategy will build on what is captured in this review. Engaging with the community, knowing what we know now, will help identify any new or emerging regional assets, competitive advantages, strengths, opportunities, and barriers to growth.



2. Executive Summary

Our People and Economy: What We Know Now

Northern Grampians economy has a tradition of dependence on primary and secondary industries; broadacre farming, mining, and food processing. The Shire's urban centres have economies that have built their business bases to contribute to agribusiness supply chains and to provide services to farming communities.

An agribusiness and mining heritage give the Shire and its communities many distinctive features such as strong resilience and connected communities. However, it has also led to decades long population decline as mine life-cycles have ended and farms have become bigger and more automated, and financial returns from agricultural commodities have continued to decline in an increasingly competitive global environment. Boom and bust cycles created by severe climatic conditions and global pricing swings have made it difficult to attract new generations of farmers to Northern Grampians and the Wimmera Southern Mallee. These trends in agribusiness and the fluctuations in operational continuity of gold mining activities have contributed to Northern Grampians Shire being classified among Victoria's most socio-economically disadvantaged local areas¹.

The newest technologies in farming are not only focused on automation and efficiency but also on sustainability and this is attracting renewed interest in both large-scale (broadacre and intensive) and niche/artisanal production.

Northern Grampians clearly have population challenges. With a 2019 resident population of 11,402 persons, the Shire continues to record slight annual decreases from year to year (the current rate of decline is 0.2%).

The Shire must continue to diversify, and value add, to its agricultural, manufacturing and mining base, and to build on its service industries to sustain the viability of its towns and to offer attractive lifestyles and visitor experiences. The transformation is already well under way.



¹ The Shire is ranked 4th most disadvantaged local government area of all 78 LGAs in Victoria.

Economic Development Drivers: What We Know Now

Traditional economic theory and regional development practice, until the last 2-3 decades, has centred on the development of “basic” industry sectors defined as those sectors whose operations generally bring revenues from consumers from outside the local area/region (i.e. they make a positive net-economic impact). These sectors were agriculture, mining, manufacturing, and tourism. The well-founded assumption was that, with success in developing and expanding these basic sectors, investment, and growth in all the other “non-basic” sectors, which predominantly serviced residents, would follow. Therefore, economic development strategies of the past revolved entirely around the basic industry sectors.

In 2020, the ‘basic’/‘non-basic’ industry divide is blurred. Many, if not all, non-basic sectors now sell products and services to non-local consumers thanks to the facilitation provided by online platforms, improved transport and distribution systems and information technologies which make the physical location of service businesses irrelevant. However, many economic development strategies, especially in rural areas, still place greatest importance on the basic industries.

Northern Grampians have an excellent foundation in the basic industries and strong relative comparative advantages in all of them. Industries with a relative comparative advantage (based on the Shire’s location quotient²) are:

Basic Sectors

- Agriculture
- Mining
- Manufacturing
- Arts and recreation services – tourism ‘characteristic’ sector
- Accommodation and food service – tourism ‘characteristic’ sector

Non-Basic Sectors

- Health care and social assistance
- Public administration and safety

In this respect, the structure of Northern Grampians economy is quite different to the balance of the Wimmera Southern Mallee region. With a history of gold mining, gold remains significant as an operating industry. While agriculture is one of its key industries, it has a diversity of agricultural enterprises including broadacre grazing and cereal cropping, but also significant intensive livestock, wine and olive industries and emerging niche producers. Tourism is a key distinguishing industry. Key distinguishing features of the Shire’s economy have been the significance of manufacturing, mining, and tourism in Northern Grampians.

In Northern Grampians, farming practices are dominated by broad-acre, dry-land cropping systems based on wheat rotated with other cereals, oilseeds (such as canola) and grain legumes (such as faba beans, lentils, and chickpeas). Farm sizes vary, with the majority in the range 600 to 800 hectares.

Northern Grampians’ major centres are Stawell in the south and St Arnaud in the north. Smaller centres include Great Western, Halls Gap, Glenorchy, Navarre, Marnoo, and Stuart Mill. Stawell and St Arnaud are both service centres for their surrounding rural communities.

The Wimmera Southern Mallee Regional Plan identified the region as “a proud agricultural region where participating in the life of its small towns and communities has been and continues to be a defining trait of the community”³.

² Location quotient relative to Australia as a whole. A location quotient greater than 1 indicates a relative comparative advantage.

³ Wimmera Southern Mallee Regional Plan, 2012

Drivers of Change: What We Know Now

Key drivers of change identified are:

- Increased agricultural productivity, larger farms, new technologies, and automation reducing demand for workers.
- A changing climate.
- Global food demand providing opportunities for food producing areas that can successfully adapt to climate change and other factors impacting on agriculture, through sustainable practices and higher value niche and artisanal products.
- Lifestyle and liveability factors.

For Northern Grampians, additional drivers (from a range of other reviewed documents and the disruption to short-term outlooks posed by COVID 19) clearly include:

- Increased numbers of domestic and (eventually, a return of) international tourists seeking visitor experiences which involve nature, outdoor health and wellbeing options, Indigenous interpretation, and regional culinary products.
- Town centre revitalisation and masterplan implementation (Stawell, St Arnaud, Halls Gap).
- Resetting expectations of the Victorian economy in the next 3-5 years with reduced population growth, higher unemployment, and business restructuring.



Strengths and Constraints: What We Know Now

Section 2 of this report provides a list of what existing work tells us about our current situation in terms of Northern Grampians economic strengths and weaknesses. The most compelling and distinguishing competitive strengths of Northern Grampians identified in reviewed documents are listed below. Major challenges and constraints identified that impact the immediate economic outlook for the region are also summarised below.

3. Competitive Strengths

Compelling and distinguishing competitive strengths of Northern Grampians include:

- A more diverse industry and economic base than any other municipality in the Wimmera Southern Mallee region.
- The Shire is at the southern end of Victoria's grain production heartland and has partnered in the innovations and practices which have propelled Australia's dryland production systems to become the most efficient in the world.
- At a regional level, Northern Grampians forms part of well-integrated agribusiness supply chains, flowing from research (agronomic, plant varieties, animal genetics) to agricultural input supplies, machinery, and equipment, pre and post harvest support and processing/value adding.
- The Shire retains mineral resource rich and productive agricultural land which has been the traditional basis for regional wealth, investment potential and sustainable primary sector industries.
- The Shire has both developed (Grampians National Park) and emerging (recreational lakes, Indigenous interpretation, post-settlement heritage, silo art) tourism assets, offering appealing visitor experiences.
- There is a stable and accessible workforce (although somewhat ageing and with skills not necessarily well linked to new jobs)
- The Shire's location and road and rail links make it accessible to south east Australian population centres (as markets, ports, and as logistics points for extended economic interactions).
- The Wimmera Mallee Pipeline offers relatively secure water for business investment, recreation, and liveability.



4. Challenges and Constraints

Major challenges and constraints identified the region include:

- The anticipated slowdown in the Victorian economy following the COVID 19 pandemic and the implications on unemployment and business viability, particularly for those in the tourism and hospitality sectors.
- Managing continuing structural change in agriculture, including changes to systems and practices in response to climate change and climate variability.
- Ensuring that expected further diversification in intensive agriculture (derived from Wimmera Mallee Pipeline opportunities) and tourism are sustainable and of sufficient economic impact to support the Shire's future needs without losing the existing community fabric.
- Continuing to build and maintain services to meet the needs of the Shire's ageing population.
- In addition to ageing, the Shire has population challenges. The Shire continues to record slight annual decreases from year to year (with net-outmigration approximately double the rate of natural increase). It is too early to know whether this will be exacerbated in the aftermath of the COVID 19 pandemic.
- Meeting threshold demand levels to justify provision of essential and lifestyle services and infrastructure.
- Avoiding skills and labour shortages to meet the new demands of emerging and expanding industry sectors.
- Developing a competitive range of sale and rental housing stock to meet demand in real estate markets where the cost of construction can exceed the market values.
- Addressing the high disparities in socio-economic advantage and disadvantage across the Shire to ensure equality and a prosperous future.
- Remedying a legacy of some contaminated sites and a legacy of many small rural lots dating back to the 19th century.

4.1. Future Directions and Priorities

There is a reasonable level of consistency in the suggested economic development directions identified by the myriad plans and strategy documents prepared for or by Northern Grampians Shire over the past few years.

Multiple documents have a focus on:

- Capitalising on opportunities to be derived from the Wimmera Mallee Pipeline through further agricultural diversification (in particular).
- Supporting the development of renewable and sustainable energy infrastructure, and other initiatives associated with preparing for, and taking advantage of, opportunities associated with climate change and a low carbon emissions future.
- Continuing to keep pace with infrastructure needed for competitive transport links (including the Western Highway duplication, rail and possibly air services), telecommunications and information technology.
- Providing new infrastructure, town centre revitalisation and services that enhance the liveability of the main centres.
- Tourism marketing and supporting the development of the Shire's and region's significant tourism products with more infrastructure, more coordination (in the Grampians) and greater development of the underrated products (lakes and natural assets and the north of the Shire).
- Adding value to the Shire's existing industry base, with an emphasis on food processing manufacturing sectors (which currently contribute more than 80% of manufacturing jobs in the Shire).

The suggested strategies/innovations across the reviewed documents are summarised in Table 1. An extensive summary of strategies and initiatives from the full range of reviewed documents is presented in Table 4.

Table 2 provides a summary for initiatives not identified in the various documents but put forward for consideration when preparing the strategy. Table 5 provides a list of new, possible strategies and activities that should be considered when preparing the Strategy.

Strategies/Initiatives in Reviewed Documents, those put forward for consideration, plus the findings of stakeholder engagement will be used to inform the Strategy.

Sectors addressed	Strategy/Initiatives in the Documents
Agriculture	Advocate for investment and support for projects that will add value to agricultural practices in the region.
Agriculture	Explore avenues to further enhance the distribution of information and resources to support farmers with land, climate, weather, and production management.
Agriculture	Assess potential economic, social and land use impacts from through forecast generational and demographic shifts in the structure of farm and land holdings over the next 10 to 20 years.
Agriculture	Continue to pursue and support private sector investment partnerships in new and existing farming and agricultural ventures.
Agriculture	Investigate opportunities to develop regional capabilities, value-add and supply chain specialisations.
Manufacturing	Explore opportunities to develop clusters and specialisations in manufacturing services and products around the key supply and value-chains.
Health and Social Services	Work with health service providers on opportunities to develop low cost, temporary and short-term accommodation for visiting and relocating personnel.
Health and Social Services	Plan and attract investment in new housing stock to support the growth of the local health industry and potential workforce increases.
Health and Social Services	Foster community health and wellbeing leadership for improved planning and cooperation based upon identified community issues and priorities.
Health and Social Services	Identify opportunities for innovative local e-health solutions and associated investment attraction.
Health and Social Services	Support the sector with strengthening of regional partnerships and the development of professional networks and support services
Retail Trade and Food Services	Address an array of limiting factors to extend retail activities and to enhance main street presentation. Specifically: The range of retail and tourism services do not encourage longer term stays or maximise the economic potential of tourism spending Lack of clear identity along Heath Street, including 'back of house' presentation which discourages investment. Poor permeability through commercial land, in particular a lack of pedestrian connectivity from Grampians Road, through commercial land to Heath Street. Much of the commercial land within the Village Centre is underutilised The current location of the Peaks trail lacks integration with the Village Centre. Lack of signage from Village Centre to walking trails.



	<p>Lack of unity in streetscape and building presentation and wayfinding along Main Street.</p> <p>Inconsistent built form quality and design response.</p> <p>Lack of retail and accommodation diversity along Main and Heath Streets.</p> <p>Lack of continuous active frontage along Main Street, with large vacant blocks.</p> <p>Visual clutter along main street detracts from the spectacular surrounds.</p> <p>Village Centre gateways not defined or celebrated.</p>
Art and Recreation Services (Tourism)	<p>Together with Grampians Tourism and other project partners, determine how best to reap benefits from the investment in the Grampians Peaks Trail. This could include:</p> <p>A Trail Activation Strategy and specific data capture.</p> <p>Looking at ways to drive revenues such as sponsorship opportunities.</p> <p>Raising awareness of the importance of tourism in the region with local retailers and support improvements in marketing, service, and product diversification by the retail sector to leverage greater benefit from the significant tourism market. "This is seen as a critical gap and opportunity."</p>
Art and Recreation Services (Tourism)	<p>Review the service design of the Shire's only accredited VIC with Brambuk.</p> <p>Stawell and St Arnaud are operated by volunteers (in co-location arrangements) and are serviced by Halls Gap VIC coordinator who travels between the two one day a week.</p> <p>Recommended location/co-location of the Visitor Information Centres.</p>
Accommodation and Food Services (Tourism)	High quality tourism accommodation resorts.
Agriculture, Manufacturing or Transport, Postal and Warehousing	Promote the locational, available infrastructure, commercial services, and lifestyle advantages of the site to a (or multiple) new user(s) of the site (Achieved?).
Transport, Postal and Warehousing	<p>A series of initiatives:</p> <p>Continue to collaborate with the industry on supporting and advocating for regional investment in road infrastructure.</p> <p>Major infrastructure and business investments in the region provide strategic opportunities for the sector in terms of productivity gains, market opportunities and investment spin offs.</p> <p>Implementation of key land use development plans within the region.</p> <p>Positioning Stawell and St Arnaud as transport services hubs will be supported by improvements and upgrades to intrastate and interstate road and rail networks.</p> <p>Further development of airfreight capability in the region through strategic investment in airport assets.</p>
Housing	<p>Identify a precinct within Stawell where the development of alternative forms of housing will be facilitated.</p> <p>Seek to focus 'greenfield' development in Stawell on a location that can be economically serviced and provides the opportunity, among other things, to create a 'premium' land supply product.</p>

	<p>Work with specialist aged and community housing providers to address changing housing needs in the Shire.</p> <p>Review planning for residential development at Halls Gap to ensure that the tourism and natural values of the area are suitably protected.</p> <p>Reduce and rationalise the land across the Shire zoned for rural living.</p> <p>Establish a 'development facilitation' role within the Council.</p>
Construction (Land Use Planning and Development)	<p>To identify locations and provide guidance for specific forms of agriculture and agribusiness (including intensive agriculture) and include a land capability assessment and identification and assessment of biodiversity values for protection.</p>
Construction (Land Use Planning and Development)	<p>Develop an industrial strategy for the municipality which considers infrastructure requirements, interface with residential areas and land capability.</p> <p>Investigate the Shire's requirements to provide 15 years supply of industrial land.</p> <p>Investigate opportunities to utilise industrial land in Stawell and St Arnaud.</p> <p>Investigate the provision of commercial services adjacent to the Western Highway, that will not impact on the function of the highway.</p>

Table 1: Summary of Strategies/Initiatives in Reviewed Documents

4.2. Gaps, New Issues and Opportunities

Themes, directions, and strategies outlined in most reviewed documents tend to reflect 'conventional wisdom' in Australian regional economic development and its application in Northern Grampians Shire. There are, however, several topical areas in which the strategies, plans and other reports which are not covered with proposed strategies or policies. In part, this is because the topical areas are in their infancy (such as impacts of the COVID 19 pandemic), and in part it is because the topics are sensitive among some industry and community groups.

Samples of the topical areas that are absent from the current economic development strategies in Northern Grampians Shire, already emerging and worthy of consideration in the Economic Development Strategy 2021-2031 are:

- Agricultural practices and technologies that will sustain the Shire and region as a world competitive food producer, and the appropriate balance and competitive strengths associated with each technology (such as organic farming, biological farming, and genetic engineering).
- Land management approaches and policies on rights to farm or rights to develop in prime agricultural, heritage or environmentally significant lands and to cater for the rapidly growing artisanal producer groups.
- Creating communities around defined rural residential or hobby farm estates and releasing remaining rural living zoned land for commercial agricultural activities.
- Targets for renewable energy generation (wind, solar, biomass conversion) or low carbon energy production and carbon sequestration.
- The dramatic changes to geographically dependent businesses, through competition from internet, e-commerce and 'back-up logistics' giving greater accessibility to major centres/markets.
- Acknowledgement that health and social services is the largest employing industry in the Shire (and third largest in value added economic contribution) and is likely to continue to have the greatest rate of growth over at least the next decade and this should be a sector with more explicit and practical economic development actions.
- Local responses to COVID 19 pandemic recovery.

Further, and to reinforce these strategy gaps, feedback from community and Councillor consultations in a 2018 Northern Grampians Planning Scheme review suggest that community members believe the Planning Scheme and, by implication the Economic Development thrust, does not give enough recognition to:

- Embracing the concept of the shire as the 'Gateway to the Grampians'.
- Strong heritage assets that have not been adequately protected (but remain intact).
- The diversity of new rural opportunities including intensive agriculture.
- The need for diverse housing opportunities.
- Renewable energy opportunities.
- Outstanding existing lake and wetland assets and both active and passive recreation opportunities.
- Intermodal freight facilities and opportunities.
- The legacy of small lots in the rural areas that are (sometimes) too small to farm, too big to live on and rarely with any basic services.
- Business development targets should be more focussed on those that attract less than 50 jobs (rather than hundreds) as the impacts of a sudden loss of jobs at a large organisation can have such devastating community repercussions.

Sectors addressed	Strategy/Initiatives in the Documents
Accommodation and Food Services, Transport, and Art and Recreation Services (Tourism Characteristic sectors)	Post-COVID 19 domestic tourism optimisation plan.
Art and recreation	Heightened focus on the Shire's lakes as tourism assets, attractions, and event venues.
Agriculture	Pursue tangible opportunities to support innovative and sustainable economic development by promoting specific agricultural and land management practices.
	New product categories and niche and artisanal food production is on-the-rise in the region. It has yet to reach the heights being observed in some Victorian regions (such as Mornington Peninsula, Geelong and the Bellarine and the valleys of the North East) but the Shire's suitability for wine, olives, intensive livestock and horticulture are showing signs of this sector being a likely future target for economic development activity.
	Business cases for high probability agricultural opportunities from the Wimmera Mallee Pipeline.
Manufacturing	Develop higher probability manufacturing and logistics investment opportunities based around regional agricultural inputs.
Mining	Gold resource exploration in Stawell and St Arnaud areas.
Electricity, Gas, Water and Waste	Proactive role in positioning the Shire as a centre for renewable energy.
Education and Training	Improving education and training outcomes and attracting and retaining skills in the region by reducing barriers to participation, provision of workforce development programs and attracting workers through migration.

Table 2: Potential Strategies/Initiatives (not identified in Reviewed Documents) for consideration include (but not limited to):

5. The Evolution of Economic Development Practice: Implications for The Economic Development Strategy

5.1. Policy Shifts

Approaches to economic development have changed greatly since the mid-twentieth century. During the 1960's and 1970's Australian regional development policy focused on "top down" policies, driven by Commonwealth and State Governments and concentrating on selected industries and centres. The 1980s and 1990s saw an important shift in the approach to economic development wherein it became accepted that economic development is more effective when it occurs from the "bottom up", with local communities involved in planning, investing in, and implementing new opportunities. This shift saw the introduction of local government authorities taking responsibility for economic development functions.

Changing dynamics in economic development suggests that the role has become even more localised, and more community controlled in recent years. Local and community-based approaches and responses to regional economic development are accepted as the most effective and most sustainable way to develop regions, in Australia and around the world.

This acceptance is based on two prime factors:

- Most new businesses, new investment and new jobs in any regional area are generated by the existing community (and the supply chain connections of the existing community): Research in Australia suggests that the proportion is at least 70%.
- "Top down" government initiated regional economic development programs are rarely sustained. They are shaped, funded and often concluded within just one term of government office, yet their successful implementation and maturation may have a "lead time" of more than a decade. Flexible programs which support innovation and capitalise on emerging opportunities are more likely to be successful.

Governments, both Commonwealth and Victorian, continue to have a role by supporting local economic development through policies and programs which stimulate and facilitate innovations. Local Government has the prime role in leading and/or supporting community action.

In this context for Northern Grampians, the role, organisational relationships, and practical working arrangements for Council's economic development function are still emerging.

The economic climate of the 2020s, and in the aftermath of the current COVID 19 pandemic, the Strategy must reflect a requirement for local communities to develop initiatives and create opportunities and employment, rather than to assume that the attraction of development from outside will create the necessary flow-on effects.

Economic development is now about "creating a climate for innovation" rather than the traditional objective of the past "to create a climate for investment".

Unparalleled new issues such as climate change, population ageing, artificial intelligence, and a rethink on how globalisation can still give security to supply chains following the COVID pandemic, are changing the economic landscape and challenging the foundations of economic development theory and practice. At a local level there is also an understanding that economic, environmental and community development policy and practice are intertwined.

5.2. Industry Sectors

Many people express concern at the relative decline in the economic importance of agriculture and manufacturing to Australia's economy; believing that the reducing importance of these, once dominant, industries is a sign that the nation's future is at risk. This fear has been heightened during the COVID 19 pandemic which has disrupted global trade and some supply chains. However, Australia has already progressed through four major ages which have transformed the economy and the lives of residents. Figure 1: Ages in Regional Economic Development Figure 1 shows that these have been the 'sustainable land management age', the 'agricultural age', the 'manufacturing age' and the 'information age'. We are now embarking on the 'lifestyle and sustainability age'.

Each new age has, generally, brought an improved standard of living and greater enlightenment, albeit with more complex problems and tensions. And each age has brought the previous age with it (although arguably at the expense of the earth's natural resources)!

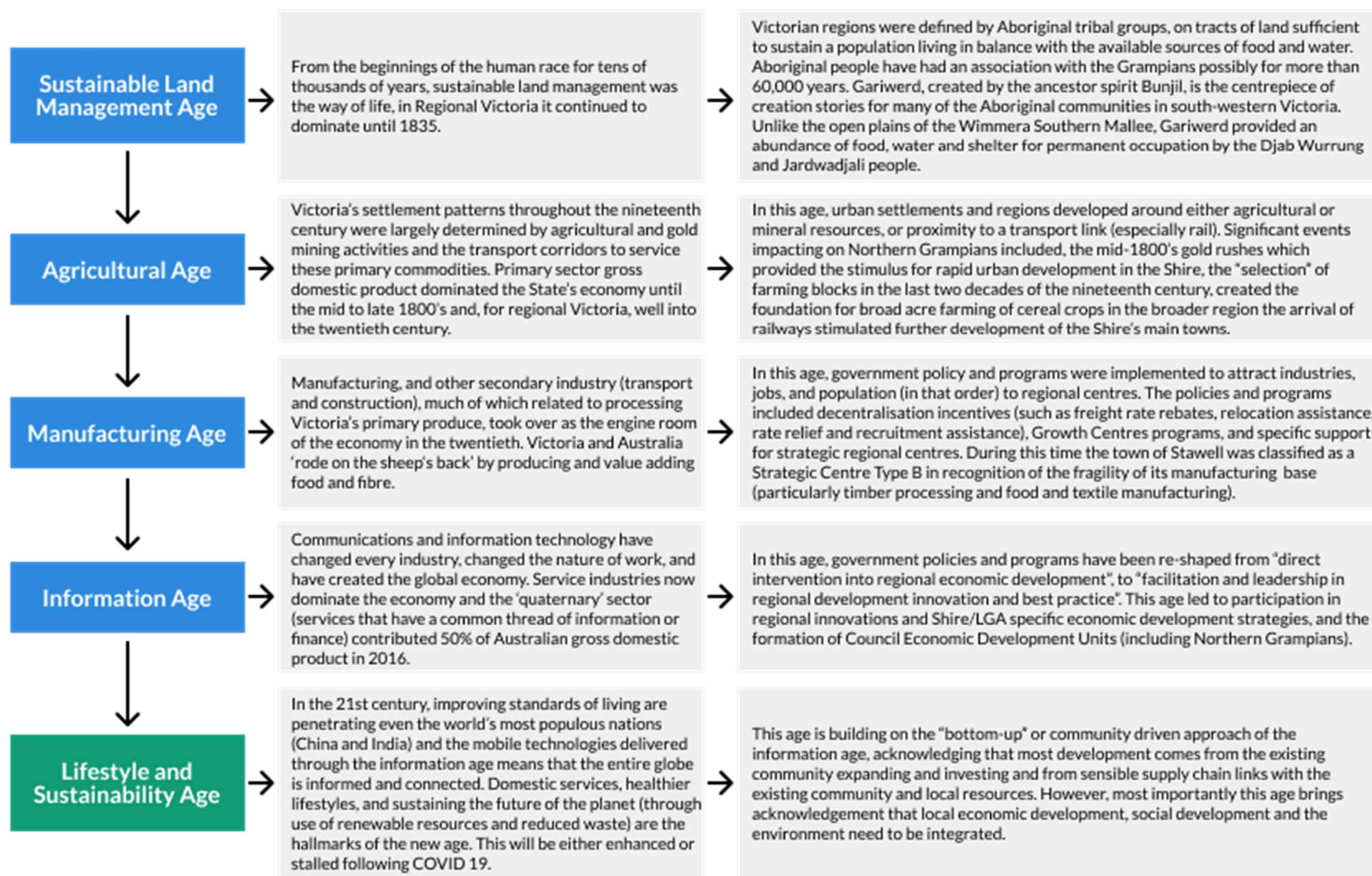
For example:

The agricultural age harnessed, and genetically improved, products that were exploited in the sustainable land management age.

The manufacturing age developed products to add value to agriculture and minerals; giving them greater utility and longer shelf-life and providing machinery and equipment to make primary production more efficient and less labour intensive.

The information age has provided automation and intelligence to every aspect of life, including agriculture (e.g. through global positioning systems, forecasting, environmental sensing) and manufacturing (through computer numerically controlled equipment, robotics, production scheduling, quality systems, 3D printing, etc).



**In Northern Grampians****In Victoria***Figure 1: Ages in Regional Economic Development*

It is meaningful to group the nineteen industries into just five sectors, that broadly describe the nature of the economic contribution and the jobs offered by each sector. These are:

- **Primary Sector** (agriculture, fishing, forestry, and mining industries): This sector generates products from the earth's natural resources.
- **Secondary Sector** (manufacturing, construction, electricity, gas, water, and waste): This sector transforms and adds value to natural resource products.
- **Tertiary Sector** (retail trade, wholesale trade, transport, postal, and warehousing): This sector provides services which deliver products to consumers.
- **Quaternary Sector** (finance, real estate, information/media, professional/technical/scientific, administrative, and education services): This sector delivers services targeted largely to businesses, and other organisations.
- **Quinary Sector** (health, accommodation and food services, art and recreation, other personal services): This sector delivers services targeted largely to individuals.



This classification helps to understand structural changes in local and national economies over time.

The three 'oldest' sectors are reducing in relative terms within the economy: primary sector (agriculture and mining), the secondary sector (manufacturing, construction, and utilities), and the tertiary sector (wholesaling, retailing, and transport): Nationally, in 2016 these three sectors contributed 39.4% of all jobs. But the quaternary sector (education, finance, business services, communications) has reached 49.7% of gross domestic product (GDP) and contributes 34.5% of all jobs, and the quinary sector of health, hospitality, cultural and personal services has risen to 11.8% of GDP and now provides 26.1% of all jobs. Until the COVID pandemic, more wealth (GDP) was being created from tourism (domestic and international) in Australia than agriculture.

As shown in Background Paper: Socioeconomic Data Analysis, the situation in Northern Grampians is somewhat different, but the shift in the same direction is still evident as the quaternary and quinary sectors now accommodate more than half of all jobs in the Shire and about half of value added.

6. Population Challenges

Northern Grampians clearly have population challenges. With a 2019 resident population of 11,402 persons, the Shire continues to record slight annual decreases from year to year (the current rate of decline is 0.2%).

The Shire must continue to diversify, and value add, to its agricultural, manufacturing and mining base, and to build on its service industries to sustain the viability of its towns and to offer attractive lifestyles and visitor experiences. The transformation is already well under way. The Shire has the most diversified economy and workforce in the Wimmera Southern Mallee region. Already, the Shire's 'personal services' industry sector (health, sport and recreation, culture and accommodation and food service) contribute 21.0% of the Shire's jobs and 8.8% of output. This trend and progressive shift towards a service economy has been temporarily halted in 2020 by COVID 19.

When combined with the Shire's population challenges, there is a clear requirement to stimulate both the product and service industries to assist the Shire's recovery and prevent further erosion of existing assets and services.

Retaining and attracting population to Northern Grampians, could continue to be challenging in the post-COVID 19 recovery period. But there are signs that the pandemic recovery will also create opportunities.

Not since the demise of Australia's ambitious growth centres and decentralisation programs of the 1970's has there been a more explicit opportunity to shift Australian population growth towards non-metropolitan areas⁴. The COVID 19 pandemic has the potential to bring an unexpected change in the attractiveness of large parts of regional Australia for population growth, without an explicit policy drive by State or Commonwealth Governments. In the short-term this could be somewhat offset by vastly reduced national population growth which will be a consequence of closed borders, workforce insecurity (potentially placing pressure on birth rates) and constrained economies. Net-immigration has been more than 100,000 per annum in the twenty first century, and only once (in 1975) dropped below 30,000 per annum since 1947, but this could well be the scenario in both 2020 and 2021, and possibly beyond.

The Shire's projected annual population change to 2036 is for a continued slight decline⁵, at the rate of 0.6% to reach 10,209 persons. This is well below the growth outlook expected for regional Victoria overall, and Northern Grampians is one of just 11 regional Victorian municipalities projected to experience decreasing population over the next 20 years. The Shire is currently recording annual 'natural increase' of about 80 persons (approximately 210 births less 130 deaths per year) and net migration of -160. A continuation of this trend is driving the State Government's population projection to 2036.

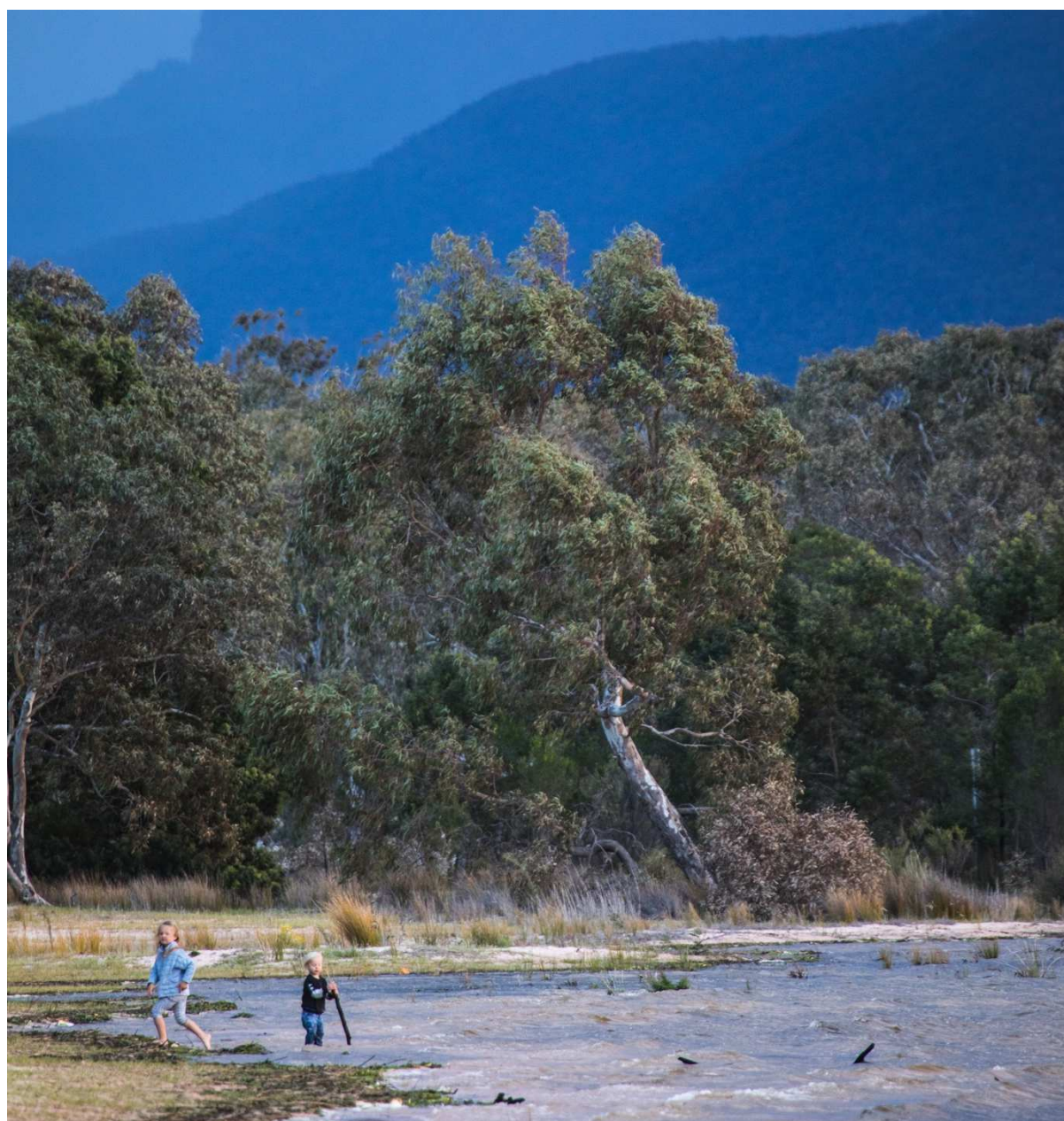
Of course, ongoing population and economic growth need not necessarily be part of the Shire's Economic Development Strategy and may not be essential for the Shire's success.

⁴ The National Population Inquiry (directed by ANU's Professor Wilfred Borrie), concluding in 1978, took the momentum out of Australia's (then) strong decentralisation and regional development programs. The Inquiry reported that concerns over bulging capital city populations in Sydney and Melbourne (and the strains this would place on metropolitan infrastructure) were somewhat unwarranted with a likely annual Australian net-immigration of 50,000-75,000 people leading to a population of less than 17 million by the turn of the century (year 2001). This led to the defunding, and eventual wind-down of growth centre programs in Albury-Wodonga and Bathurst-Orange and shelving of Regional Commissions in Geelong, La Trobe Valley, Monarto and Campbelltown-Camden-Appin. The subsequent average annual net-immigration proved to be 93,600 persons and the national population reached 19.3 million by 2001. Over the same period (1978 to 2001) the percentage of regional Australia's population stayed around 35%. It has since fallen to 32.9% and has been growing at an average annual rate of 1.24% (compared with 1.45% for metropolitan areas), but the differing growth rate has widened in the past ten years. Populations of Sydney and Melbourne have now well exceeded the levels anticipated during the decentralisation programs of the twentieth century and concerns over strained infrastructure have resurfaced with many Australians calling for clear population and population distribution policies.

⁵ Victoria in Future 2019.

There is a balance to be found in having an adequate population to support up to date infrastructure, a productive economy, healthy lifestyles, and a sustainable environment; and this may not need constant growth. This would be a major departure from most economic development strategies in regional Victoria of the past but should be considered as a possibility when preparing the strategy.

One reason for stabilising, and potentially increasing the Shire's population is to reduce the impact of ageing. The age profile of the Shire is already older than regional Victorian and Victorian averages, and this ageing structure will become more pronounced over the next twenty years, creating considerable impact on the Shire: Persons aged 65+ years are projected to increase from 23.8% of the population to 33.3% of the population. This would be about 640 additional people in the 65+ years age cohort or 23% more than current levels. Until 2016, gradual population decline in Northern Grampians Shire has not directly reduced demand for new residential dwellings, largely due to household sizes also reducing. However, the Victoria in Future projections to 2036 indicate that this will change and there will be no net-increase in residential dwellings to 2036. Implementation of some of the potential 'transformational business development projects' in the Shire could dramatically change this outlook.



7. What We Know About Our Current Situation

7.1. Strengths and Weaknesses

7.1.1. Strengths (or 'Relative Comparative Advantages for Economic Development') identified through the document review

Northern Grampians Shire has:

- A more diverse existing industry base than any other WSM local government area.
- Internationally recognised tourism assets in the Grampians (with national and state parks, outdoor and adventure experiences, indigenous interpretive experiences, recreational waterbodies).
- A strategic location to be a hub for the region in terms of product aggregation and distribution (although competes with both Horsham and Ballarat in this context).
- Rail and road links.
- Relative water security from the Wimmera Mallee Pipeline.
- Mineral resources and a history of mining activity.
- Significant housing affordability benefits advantages over major cities and regional centres (and first home buyer subsidies).
- Excellent local health services and proximity to Ballarat and Bendigo for higher level services.
- Quality local school level education services.
- Excellent sport infrastructure, and strong local sporting clubs which play a significant role in the local community.
- Proximity to several major regional centres including Ballarat, Bendigo, and Horsham for services and shopping which cannot be found locally.
- Liveability benefits of a rural lifestyle including less traffic and stronger community connections, allowing for more time for family and leisure.
- Greater workforce stability and lower staff turnover rates than major cities and more harmonious workplace relations.
- When complete, the Grampians Peaks Trail will be one of Australia's iconic long-distance walking experiences.
- When implemented, the Halls Gap Village Masterplan will deliver a range of infrastructure and public realm upgrades for the popular tourist town.
- When complete, the bypass of the Great Western township will provide opportunities to create a more attractive and pedestrian friendly environment in the Stawell town centre.
- Centres (Stawell and St Arnaud) also located on strategically important freight routes (Western Highway and Sunraysia Highway), and road upgrades (e.g. duplication of the Western Highway) will increase efficiencies for transport operators.
- Northern Grampians' manufacturing sector is closely linked to food processing, offering an ongoing base for further integration of agribusiness supply chains through:
 - Renewable energy technologies (including the manufacture and maintenance of materials to supply renewable energy operators and to co-locate renewable energy generation with manufacturing (especially including solar, geothermal and biomass conversion).
 - Further 'elaborate' transformation of food products, which at a small scale is being pursued by niche and artisanal producers (e.g. smallgoods, flour, beverages and preserves)
 - Agricultural production inputs (e.g. fertiliser, stockfeed, shedding and systems, veterinary and agronomy services)
 - Agribusiness equipment, technologies, and packaging materials (once a strength of Wimmera Southern Mallee towns) which have been dominated by imports in recent decades but could return to local manufacturing.

7.1.2. Weaknesses (or 'Relative Comparative Disadvantages for Economic Development') identified through the document review

Northern Grampians Shire has:

- A population challenge: persistent slight declines in population projected to continue for the next 20 years, and at a time when the COVID 19 pandemic is highly likely to impact on Victorian and Australian population growth for at least the next 3 years.
- Very high levels of socio-economic disadvantage in the Shire's largest towns.
- An ageing population. The Shire had a 2016 median age of 48 years compared with 37 in Victoria and 38 nationally and 24.9% aged 65 years and over compared with 15.6% in Victoria and 15.7% nationally.
- Housing shortages and inappropriate mix of housing choices to meet the varying needs of the sale and rental markets.
- Proximity to the regional cities of Horsham and Ballarat in the south and, to a lesser extent, Bendigo in the north, inhibiting the attraction of government services and some business and professional services.
- Limited serviced and suitable industrial land to attract investment.
- A lack of logistics providers and intermodal facilities.
- Limited access to, and range of, post-secondary education and industry training.
- Not yet a destination of choice for the key sectors of professional, scientific, and professional services, information, media and telecommunications services, and financial and insurance services.



7.2. Recent Achievements and Setbacks in Economic Development

Northern Grampians Shire has achieved some important and significant economic development gains in the past few years, some still under development, all which amply demonstrate the soundness of the economic development directions evident in the reviewed documents.

Examples of the main achievements are presented in Table 3.

Business or Initiative	Industry Sector	Nature of Development
Navarre Minerals and North Stawell Minerals	Mining	Exploration licenses and exploration investment in both the north of the Shire (Navarre Minerals) and the south of the Shire (North Stawell Minerals).
Frew International	Manufacturing: Food processing	Expanded operations and staffing and equity injection from Thomas International Foods.
Stawell Underground Physics Laboratory	Professional Scientific and Technical Services	Establishment of the Southern Hemisphere's only underground physics laboratory investigating dark matter in the Universe.
Nectar Farms	Agriculture: Horticulture	Large scale hydroponics vegetable production.
Bulgana Green Power Hub	Electricity, Gas and Water: Renewable energy	A wind farms project to fully power Nectar Farms, create jobs and provide funds to community sector.
Gilmac	Transport, Postal, Warehousing	Hay export facility established.
Halls Gap Village Revitalisation		Commencement of an action plan to transition Halls Gap Village Centre into a world class walking village.
Grampians Peak Trail	Art and recreation (tourism)	Stage 1 of an iconic tourism trail through the Grampians National Park: A 160 kilometre, world-class natural and cultural walking experience. Subject to any impacts from coronavirus (COVID-19), the project is scheduled to be completed in summer 2020/21.

Table 3: A Selection of Significant Business Expansions and New Investment in Northern Grampians

Conversely, the Shire has lost some important business operations in the past decade, however none of the examples were the result of business failure.

Almost all the examples of business losses Northern Grampians in recent years have been for one of three reasons:

- Industry restructuring, including business mergers and acquisitions, leading to the Northern Grampians operation being wound down in favour of centralising the business in another regional location.
- The end of an industry or business life cycle.
- Generational change leading to a winding up of operations.

8. Review of Opportunities by Sector

8.1. Documents Reviewed

List of documents reviewed:

- Wimmera Region Resources Survey (1961) Central Planning Authority, Victoria.
- Moving Forward: The Role of Domestic Travel on Australia's Tourism Recovery (2020) Tourism Research Australia.
- Victoria in Future (2019), Department of Environment, Land, Water and Planning.
- Northern Grampians Time Series Community Profile, Australian Bureau of Statistics, Census of Population and Housing, 2016.
- Northern Grampians Working Population Profile, Australian Bureau of Statistics, Census of Population and Housing, 2016.
- Northern Grampians Shire Council Plan (2017-2021).
- Halls Gap Master Plan (2015) and Halls Gap Village Centre Action Plan, Stage 1 (2018).
- Northern Grampians Planning Scheme: Planning Scheme Review Report (2018), Keaney Planning.
- Northern Grampians Tourism Profile (2018), Tourism Research Australia.
- Stawell Gold Mine Future Possibilities (2014), SED.
- Wimmera Southern Mallee Regional Growth Plan (2014).
- Northern Grampians Industry Prospectus: Background Report (2018), Urban Enterprise.
- Industry Investment Prospectus (2018), Northern Grampians Shire.
- Retail Gap Analysis: Stawell and St Arnaud (2018), Retail Doctor Group.
- Grampians Tourism Strategic Plan 2016-2020, (2016) Grampians Tourism Board Inc.
- Stawell Underground Physics Lab Stage 2 Business Case (2017), Northern Grampians Shire Council.
- Grampians Visitor Economy Workforce Development Strategy Stage 2: Action Plan (2020), Urban Enterprise.
- Housing Needs and Residential Land Supply Assessment, Northern Grampians (2018), Spatial Economics.

8.2. Existing Scale of Industries

As shown in Part 1 Our Compass: A guide for preparing the strategy data report Northern Grampians has the most 'advanced' economy in the (Wimmera) region in terms of diversity and labour market distribution, second to the regional capital of Horsham Rural City.

8.3. Existing Economic Development Initiatives

Northern Grampians does not have a current separate Economic Development Strategy. The new 10 years Strategy will address this gap. However, a key goal of the Council Plan 2017-2021 is to "Boost Economic Growth" by:

- Increasing new investment into the Shire.
- Providing support to existing businesses to ensure long term sustainability.
- Attracting a suitable workforce.
- Advocating for regional development.

Indicators stipulated in the Council Plan to demonstrate that economic growth is being "boosted" are:

- Implementation of sector plans and other supporting strategies.
- Providing workshops and other tools to support existing businesses.
- Creating a workforce attraction and retention plan to support new investment.
- Additional services and funding provided for our community.

The Grampians Tourism Strategic Plan 2016 to 2020 has four goals:

- Raise the profile and front of mind awareness of the Grampians region, and thus:
 - a. Create sustained growth in visitor numbers, length of stay and spending.
 - b. Increase revenue from the visitor economy in local towns.
 - c. Increase jobs (particularly for young people) in the visitor economy.
 - d. Support the growth and success of business owners investing in the visitor economy.
 - e. Introduce the region to visitors who may go on to consider living, learning, or investing in the region.
- Conduct product and industry development to create compelling visitor experiences.
- Attract investment into world-class products and experiences.
- Provide leadership and create productive partnerships that:
 - a. Raise the profile of the visitor economy among stakeholders.
 - b. Advocate on behalf of stakeholders in the visitor economy.

Northern Grampians Shire has been proactive in offering tangible support to existing and new business as a clear sign that the Shire welcomes new investment. The support includes a Business Assistance Scheme (BAS) to provide funding and officer support to existing and new businesses.

This includes:

- The Foundation Assistance Program (FAP) which provides funding assistance for:
 - Permit fees and registration costs (e.g. Transfer Ownership, Planning Permits, Building Permits etc.).
 - Professional Services to assist business capacity and expansion (e.g. business planning, mentoring, marketing plans).
 - Training courses.
 - Association memberships.
 - Rate Assistance.

The support package also includes a Targeted Assistance Program (TAP) which provides targeted assistance for specific programs associated with key sectors:

- Agriculture – assistance for workforce challenges, improving technology, value-adding, exporting.
- Health – development of specialist services, attract/retain young professionals, development of regional partnerships, short-term accommodation for health professionals.
- Manufacturing – value-adding activities, exports, diversifying.
- Retail – contributing to the tourism offer, online and social media marketing, improving town centres, diversifying the retail offer.
- Tourism – marketing, commercial investment in townships, improvements to meet tourist expectations.
- Transport and Logistics – new or innovative technology, collaboration between businesses in developing industry clusters, solutions which reduce supply chain costs.



Although Council does not specify the nature of this assistance it has included Economic Development staff assistance to work through feasibilities, site and premises selection, applications, permits, applying for grants and/or commercial finance and introductions to supply chain partners.

Council's explicit assistance program can, under the right circumstances, be enhanced by several State Government incentives:

- Discounted payroll tax rate of 3.65% for Regional and Rural Victorian Employers.
- The Regional Jobs and Infrastructure Fund (RJIF) is a \$500 million grant program managed by Regional Development Victoria (RDV). One component is support for businesses with high growth potential to move to or expand in regional Victoria.
- Supports for businesses to invest in new technology, improved processes, and collaboration for increased competitiveness
- Support for business to engage with new domestic and international markets to develop new growth opportunities
- Support for industry and tertiary sector partnerships for skills and workforce development.

In addition, Food Source Victoria, has been a targeted grants program under RJF which could be re-launched in 2020-21. It is structured around alliances across the agri-food sector to grow exports and increase industry capabilities. There are other relevant State programs from time to time which could suit Northern Grampians businesses such as the Small Scale and Craft Program.

Commonwealth Government programs include the Advanced Manufacturing Growth Fund supporting businesses to transition away from traditional manufacturing processes. It provides funding to capital equipment projects to establish advanced manufacturing activities in Victoria and South Australia.

The Commonwealth Building Better Regions Fund (BBRF) offers funds to competitive projects which create jobs, drive economic growth, and build stronger regional communities into the future through two funding streams:

- The Infrastructure Projects Stream: Supports projects that involve construction of new infrastructure, or the upgrade or extension of existing infrastructure.
- The Community Investments Stream: Funds community development activities including, but not limited to, new or expanded local events, strategic regional plans, leadership, and capability building activities.

Both these streams can support economic development activities and Councils in the Wimmera Southern Mallee have a good track record in successful applications.

An extensive summary of strategies and initiatives from the full range of reviewed documents is presented in Table 4, and a suggested list of new, possible strategies and activities that should be considered in further development of the Economic Development Strategy 2021-2031.

Sector	Strategies (or implied strategies) in reviewed documents	Initiative proposed in reviewed documents
Agriculture	Pursue tangible opportunities to support innovative and sustainable economic development in agriculture.	Advocate for investment and support for projects that will add value to agricultural practices in the region.
		Explore avenues to further enhance the distribution of information and resources to support farmers with land, climate, weather, and production management.
		Assess potential economic, social and land use impacts from through forecast generational and demographic shifts in the structure of farm and land holdings over the next 10 to 20 years.
		Continue to pursue and support private sector investment partnerships in new and existing farming and agricultural ventures.
		Investigate opportunities to develop regional capabilities, value-add and supply chain specialisations.
Manufacturing	Niche and innovative manufacturing still represents a high value economic development and value-add opportunities.	Explore opportunities to develop clusters and specialisations in manufacturing services and products around the key supply and value-chains.
Health and Social Services	Sustainable growth of the health industry will be critical to the growth and social and economic wellbeing of the region.	Work with health service providers on opportunities to develop low cost, temporary and short-term accommodation for visiting and relocating personnel.
		Plan and attract investment in new housing stock to support the growth of local industry and potential workforce increases.
		Foster community health and wellbeing leadership for improved planning and cooperation based upon identified community issues and priorities.
		Identify opportunities for innovative local e-health solutions and associated investment attraction.
		Support the sector with strengthening of regional partnerships and the development of professional networks and support services.

Retail Trade	Creation of Halls Gap Village Centre to offer a full array of community and commercial services, and key tourism destination activities supporting both the National Park and Grampians Peaks Trail.	<p>Address an array of limiting factors to extend retail activities and to enhance main street presentation. Specifically:</p> <p>The range of retail and tourism services do not encourage longer term stays or maximise the economic potential of tourism spending.</p> <p>Lack of clear identity along Heath Street, including 'back of house' presentation which discourages investment.</p> <p>Poor permeability through commercial land, in particular a lack of pedestrian connectivity from Grampians Road, through commercial land to Heath Street.</p> <p>Much of the commercial land within the Village Centre is underutilised.</p> <p>The current location of the Peaks trail lacks integration with the Village Centre.</p> <p>Lack of signage from Village Centre to walking trails.</p> <p>Lack of unity in streetscape and building presentation and wayfinding along Main Street.</p> <p>Inconsistent built form quality and design response.</p> <p>Lack of retail and accommodation diversity along Main and Heath Streets.</p> <p>Lack of continuous active frontage along Main Street, with large vacant blocks.</p> <p>Visual clutter along main street detracts from the spectacular surrounds.</p> <p>Village Centre gateways not defined or celebrated.</p>
Art and Recreation Services (Tourism)	Consolidate marketing effort to ensure an effective, efficient, and consistent message to core target markets including Melbourne.	<p>Together with Grampians Tourism and other project partners, determine how best to reap benefits from the investment in the Grampians Peaks Trail. This could include:</p> <p>A Trail Activation Strategy and specific data capture.</p> <p>Looking at ways to drive revenues such as sponsorship opportunities.</p> <p>Raising awareness of the importance of tourism in the region with local retailers and support improvements in marketing, service, and product diversification by the retail sector to leverage greater benefit from the significant tourism market. "This is seen as a critical gap and opportunity."</p>

Art and Recreation Services (Tourism)	Restructure the delivery of the Shire's visitor information services.	Review the service design of the Shire's only accredited VIC with Brambuk. Stawell and St Arnaud are operated by volunteers (in co-location arrangements) and are serviced by Halls Gap VIC coordinator who travels between the two one day a week. Recommended location/co-location of the Visitor Information Centres.
Agriculture, Manufacturing or Transport, Postal and Warehousing	Attract new businesses to the disused Stawell Gold Mine site.	Promote the locational, available infrastructure, commercial services, and lifestyle advantages of the site to a (or multiple) new user(s) of the site.
Transport, Postal and Warehousing	Recognise and extend the significant contribution to the competitiveness and market access of all sectors in the region by transport services and networks.	A series of initiatives: Continue to collaborate with the industry on supporting and advocating for regional investment in road infrastructure. Major infrastructure and business investments in the region provide strategic opportunities for the sector in terms of productivity gains, market opportunities and investment spin offs. Implementation of key land use development plans within the region continue, will provide opportunities to build supply chain linkages within the local economy. Positioning Stawell and St Arnaud as transport services hubs will be supported by improvements and upgrades to intrastate and interstate road and rail networks. Further development of airfreight capability in the region through strategic investment in airport assets
Housing	In Stawell: Respond to the imbalance in housing supply, the marginal viability of residential land development, and a relative lack of 'premium' housing product that might attract demand. In Halls Gap: Develop a strategy to best balance tourist accommodation and residents Address the excess supply of, often inappropriately located, land designated for rural living development. (No strategy for the) "limited demand for housing development in St Arnaud and other smaller urban settlements such as Great Western".	Identify a precinct within Stawell where the development of alternative forms of housing will be facilitated. Seek to focus 'greenfield' development in Stawell on a location that can be economically serviced and provides the opportunity, among other things, to create a 'premium' land supply product. Work with specialist aged and community housing providers to address changing housing needs in the Shire. Review planning for residential development at Halls Gap to ensure that the tourism and natural values of the area are suitably protected. Reduce and rationalise the land across the Shire zoned for rural living. Establish a 'development facilitation' role within the Council.

Construction (Land Use Planning and Development)	Produce a proactive approach to rural land use enquiries and proposals.	To identify locations and provide guidance for specific forms of agriculture and agribusiness (including intensive agriculture) and include a land capability assessment and identification and assessment of biodiversity values for protection.
	Capitalise on investment opportunities by providing industrial land (and commercial bulky goods and storage) policies and serviced allotments ahead of demand.	Develop an industrial strategy for the municipality which considers infrastructure requirements, interface with residential areas and land capability. Investigate the Shire's requirements to provide 15 years supply of industrial land. Investigate opportunities to utilise industrial land in Stawell and St Arnaud. Investigate the provision of commercial services adjacent to the Western Highway, that will not impact on the function of the highway.

Table 4: Strategies and Initiatives Proposed in Reviewed Documents

Sector	Strategy/Initiative Area	New Suggestion/consideration
Accommodation and Food Services, Transport, and Art and Recreation Services (Tourism Characteristic sectors)	Post COVID 19 domestic tourism optimisation plan.	Australians like to travel. In 2019, people aged 15 and over took 11 day-trips and 20 overnight domestic trips on average. When COVID 19 restrictions are pared back in coming months, a resurgent day and overnight short trip market is likely ⁶ . In parallel with growing day trip demand, the first stage in the recovery for overnight travel should be intrastate trips to visit friends and relatives (VFR) as people seek to reconnect. When interstate borders reopen there should be a similar boost in interstate travel. Northern Grampians National Park, the Shire's lakes, and the regional silo art trail, in particular, should be poised and prepared to take optimal advantage of this expanded demand.
Art and recreation	Heightened focus on the Shire's lakes as tourism assets, attractions, and event venues.	Northern Grampians recreational lakes (Lake Fyans, Lake Bellfield, Walkers Lake, Lake Wartook and Lake Lonsdale) are very important recreational assets for both resident communities and visitors. They contribute around 25% of the economic contribution of all the lakes and weir pools in the Wimmera Southern Mallee, and Lake Fyans is by far the most significant. Actions to promote the lakes as complementary visitor experience destinations to the Shire's National Parks, Silo Art Trail and other nature based experiences are long overdue.
Agriculture	Pursue tangible opportunities to support innovative and sustainable economic development.	New farming practices are steadily being adopted and/or introduced by growers. No-till, reduced chemical application, soil organic matter build up, carbon farming, and remote sensing are all being 'selectively' implemented – but these are industry and commercial decisions unless Council believes it should intervene by promoting the Shire in a specific way (eg GMO free).

⁶ Tourism Research Australia (2020) Moving Forward: The Role of Domestic Travel in Australia's Tourism Recovery

	New product categories and niche and artisanal food production is on-the-rise in the region. It has yet to reach the heights being observed in some Victorian regions (such as Mornington Peninsula, Geelong and the Bellarine and the valleys of the North East) but the Shire's suitability for wine, olives, intensive livestock and horticulture are showing signs of this sector being a likely future target for economic development activity.	Sub-sectors which seem to have potential for NGS to target include: Undercover vegetables, intensive livestock, more legumes, indigenous plant foods and some other niche/artisanal products. Council should specify which agricultural sub-sectors it would like to attract and/or for which it offers the right infrastructure and environment (eg water, power, communications, biosecurity) and what economic development support might be offered.
	Business cases for high probability agricultural opportunities from the Wimmera Mallee Pipeline.	The Wimmera Mallee pipeline has not yet developed the agricultural diversification that is possible and was expected. Water security has made a significant difference to the confidence of broadacre farmers in NGS and throughout the region, especially livestock producers.
Manufacturing	Develop higher probability manufacturing and logistics investment opportunities based around regional agricultural inputs.	Value adding (or outbound agricultural supply chain) activities will be opportunities in food processing/manufacturing and service sectors (particularly transport/logistics and agents/distributors/aggregators). The growth areas should include lamb, pigs, poultry products, horticulture, and grain legumes.
Mining	Gold resource exploration in Stawell and St Arnaud areas.	Monitoring and liaison with the minerals companies to determine the timing and staging of commercial development of new mines and to manage the community reactions and expectations (including the need for explicit workforce strategies)
Electricity, Gas, Water and Waste	Proactive role in positioning the Shire as a centre for renewable energy.	The potential re-start offered in the post-COVID recovery could present a new focus on climate change responses, particularly in the take up of renewable energy. Council should have a role in positioning the Shire as a centre for renewable energy investment (when other Councils are still deciding their position).
Education and Training	Improving education and training outcomes and attracting and retaining skills in the region by reducing barriers to participation, provision of workforce development programs and	Industry training and tertiary education options need to be considered as partnerships with businesses and industry groups. This might encompass Online learning combined with local on-the-job experience (in most industry



	attracting workers through migration.	<p>sectors) to be used as a fresh local model, tailored to a regional area in which there is a low level of local technical and further education provision.</p> <p>Increase the interaction between secondary schools and employers in the Shire to demonstrate possible career opportunities and career pathways in the key industries of food science and agribusiness, tourism and hospitality, trades, finance and administration, and professional, scientific and technical services. This could be extended to identifying traineeship, apprenticeship and (old style) cadetship recruits.</p> <p>Provide an interface (through Council's Economic Development Unit) between training providers in the region (Federation University, SuniTAFE, South West TAFE, and Skillinvest) and employer organisations.</p> <p>Increase the range and frequency of adult education options (both lifestyle and job oriented) and local training venues.</p>
--	---------------------------------------	---

Table 5: Strategies and Initiatives: New Suggestions/Considerations for the 2021-31 Economic Development Strategy and Action Plan, 2021-2031