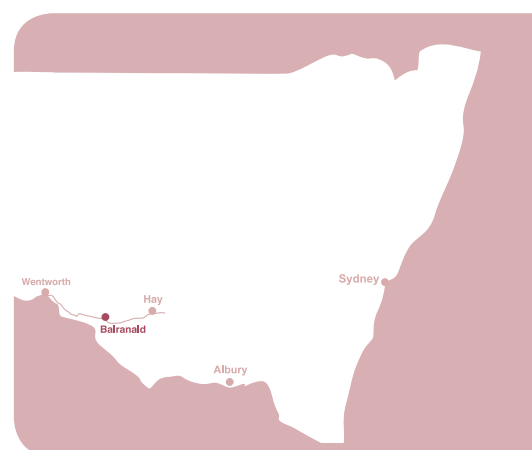


Economic Development Strategy

Balranald Shire



Sustaining our Region for a Productive Future



Front Cover: Swans on Little Piggery Lake
 Inside Front Cover: Yanga Lake from the deck
 Inside Back Cover: Tala Lake
 Back Cover: Tala Lake
*Photos supplied by Booth Associates,
 Balranald Shire Council and
 J. Maguire (Environment and Heritage)*

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LIST OF ACRONYMS AND ABBREVIATIONS

ABS	Australian Bureau of Statistics
EDP	Economic Development Plan
CPI	Consumer Price Index
DoP	Department of Planning
IEDS	Indigenous Economic Development Strategy
MDBA	Murray-Darling Basin Authority
RAMROC	Riverina & Murray Regional Organisation of Councils
RDA	Regional Development Australia
RD&E	Research, development and extension
RMCG	RMCG Consultants for Business, Community and Environment
SBC	Strengthening Basin Communities
SKM	Sinclair Knight Merz
SOC	Strengths, Opportunities, Challenges

1.0 Executive Summary



This Strategy has been developed to assist Balranald Shire Council in promoting and driving economic development opportunities in the Shire. The Strategy covers 2011 to 2016 and should be reviewed in detail by Council following Council elections in 2016.

1.1 Region

“Balranald Shire Council covers an area of 21,346 square kilometres, making it the fifth largest Shire in NSW. Balranald is situated on mostly flat saltbush and mallee plains 60 metres above sea level. The major townships within Balranald Shire Council are Balranald (population 1,200) and Euston (population 600), nestled on the banks of the Murrumbidgee and Murray Rivers respectively.

Balranald Shire Council is situated in the south western district of New South Wales. It is approximately 850km south west of Sydney and 450km north of Melbourne. Balranald Shire Council economy has traditionally relied on a conventional agricultural system of grains (including dryland and irrigated), wool, sheep meat and beef. However ‘primary production’ is diversifying to encompass horticulture, viticulture, organic agriculture, tree (fruit and nut), timber harvesting and tourism. Balranald Shire Council had a population of 2,781 as at 30 June 2007.”

Source: Balranald Shire Council website

1.2 A Plan for Economic Development

The economic development vision for Balranald Shire developed in the preparation of this Strategy is to stabilise, consolidate and ultimately grow our community's future by:

- Building prosperity;
- Encouraging enterprise, and
- Promoting liveability.

1.3 Economic Development Framework

The strategic framework to achieve the economic development vision is based on the following principles:

- Build business prosperity;
- Promote the region;
- Responsible resource stewardship;
- Enhance employment opportunities;
- Provide enabling infrastructure;
- Develop and build relationships; and
- Develop strong economic governance.

1.4 Key Actions

In the development of this Strategy, Council have prioritised the following projects:

- Tourism;
- Promote agriculture opportunities and address water security;
- Aged and health care;
- Trade training centre; and
- Small Business, Retail and Service Sector Strategy.

These and other projects considered in the preparation of this Strategy are outlined in Section 8.0 of this document. The key actions for the prioritised projects are outlined in Sections 1.4.1 to 1.4.5.

In addition, the following projects will be assessed for their potential to progress in a Cluster Alliance with kindred councils:

- Tourism;
- Digital Economy Strategy;
- Lobbying Strategy; and
- Promotion of agricultural opportunities.

These four projects are addressed in a separate report for the cluster; know as the Investment Attraction Plan.

1.4.1 Tourism Market Strategy and Action Plan and Interpretive Centre

What is it?

Tourism is a significant industry in the Shire contributing \$7.0M/annum. A strategic approach is required to drive the growth of tourism which would be facilitated by a Tourism Marketing Strategy and Action Plan and the proposed Interpretive Centre. The Interpretive Centre will provide the catalyst for the growth of tourism, by promoting Balranald as a tourism destination. The Centre will act as a roadblock to stop passing traffic and increase exposure of tourism opportunities in the region, including indigenous cultural aspects.

Why is it Needed?

The growth of tourism will increase economic diversity and reduce the region's reliance on agriculture and water dependent industries. The Interpretive Centre is needed to identify and promote the key tourism icons in the Shire and to entice tourists passing through Balranald to stop. The Interpretive Centre will allow Council to collaborate on tourism with surrounding councils and other stakeholders such as National Parks and Wildlife Services.

This Centre will provide the amenity to cater for the coach and education markets. The Interpretive Centre will allow the local indigenous community to highlight their cultural past and provide an integrated perspective on local assets such as Lake Mungo and Yanga National Park.



What will it Deliver?

The Tourism Marketing Strategy and Action Plan and Interpretive Centre will:

- Increase the number of tourists;
- Increase the contribution of tourism to the local economy;
- Create more employment in the tourism sector; and
- Provide greater recognition of Balranald and its attributes.

Success Indicators

- Increased tourism visitors and increased tourist spend per stay.



1.4.2 Promote Agricultural Opportunities and Address Water Security

What is it?

Agriculture is the largest industry in the Shire by land use, employment and value of production. A current trend is the expansion of high value irrigated horticultural production, which is underpinned by secure access to water from the Murray River. There are opportunities for the expansion of high value agriculture in the Shire.

These opportunities need to be promoted to attract investment. Opportunities for further growth will be subject to ongoing secure access to water, and it is essential that certainty is provided to farmers and potential investors, particularly in light of the Draft Murray-Darling Basin Plan.

Why is it Needed?

Increasing intensification of agriculture has been a trend in the Balranald Shire, with irrigated agriculture providing nearly 50% of the total value of production despite occupying <1% of the land mass. There is potential for growth of these industries to expand into areas identified by the mud map (Note: This data is yet to be received).

A potential constraint to expansion will be reduction in access to water, such as through the proposed reduction in diversion limits in the Draft Murray-Darling Basin Plan and ongoing lack of confidence in the security of water access.

What will it Deliver?

Investor confidence in secure future water access and expansion of agricultural industries will increase the value of production within the Shire and drive economic growth, employment, prosperity and diversity.

Success Indicators

- Attract investment in agriculture in the Shire.





1.4.3 Aged and Health Care

What is it?

Balranald currently has good aged care and health care facilities, and there is potential to expand aged care facilities and utilise the new multipurpose health centre for training of health professionals.

Why is it Needed?

Balranald Shire has an ageing population and has suffered from declining health services over many years. The aged and health care services in Balranald Shire have the potential to provide ongoing necessary services and retain and attract retirees to the area. The aged and health care industries are good employers and any growth in these areas will provide ongoing economic development.

What will it Deliver?

Growth in aged and health care facilities in the Shire will provide:

- Growth in employment opportunities;
- Retention of existing residents;
- Incentive for new residents to move to the area; and
- Appropriate and necessary services for current residents of the Shire.

Success Indicators

- Increased utilisation of health services; and
- Expansion of aged care facilities.

1.4.4 Trade Training Centre

What is it?

The recently opened Trade Training Centre at the Balranald Central School has the facilities and capability to provide ongoing trade training for local residents, particularly students. The Trade Training Centre can act as a resource for the continued development of Indigenous training opportunities.

Why is it Needed?

Mining companies about to establish operations in the Shire, have indicated they will not undertake base skills and training of staff. Such training can be provided by the Trade Training Centre to avoid bringing people in from outside the region to access opportunities. The Trade Training Centre will provide opportunities for young people to stay in the region and gain skills and qualifications. The Trade Training Centre will provide opportunities for local residents and Indigenous communities to upskill in their current and potential future areas of employment.

What will it Deliver?

The Trade Training Centre will provide the capacity to train staff required for the mines and local trade industries. The Trade Training Centre will ensure that locals, especially young people, will not have to leave the area in order to gain qualifications and skills.

Success Indicators

- High utilisation of the training Centre; and
- Significant proportion of mining workforce originates from within the Shire;





1.4.5 Small Business, Retail and Service Sector Strategy

What is it?

Small business, retail and service sectors within the Shire have been identified as having growth potential arising from the projected mine developments. The Small Business, Retail and Service Sector Strategy will enable Council and the business community to identify future opportunities and better understand the potential.

Why is it Needed?

The Small Business, Retail and Service Sector Strategy is needed to better understand the current constraints in business growth and development and identify any gaps in the service culture and services provided within the Shire. This will then allow for the implementation of programs to address any constraints or gaps.

What will it deliver?

The Small Business, Retail and Service Sector Strategy will identify any constraints to business growth, any gaps in service culture or services provided, and identify any training requirements that could be provided in conjunction with local supplies including the Trade Training Centre. The Strategy will better place the Small Business, Retail and Service Sector to accommodate the growth in the region through mining and increased tourism.

Success Indicators

- Sustained growth of the retail and service sectors as the mining industry ramps up; and
- Improved service culture.

2.0 Purpose of Economic Development Strategy



2.1 What is an Economic Development Strategy?

Economic development strategies vary widely. This Strategy was developed with the following definitions in mind:

“An economic development strategy is created to provide direction in growing your local economy and to benefit your region in the short and long term.”

and

“An economic development strategy is designed to improve the flow of human and financial resources into and within a region for the benefit of the community.”

2.2. Why do we need an Economic Development Strategy?

This Strategy has been developed as a resource for Council to encourage future growth in business and the community in conjunction with their integrated planning requirements.

Whilst a lot of people, businesses, organisations, government, industry groups etc have been, and will be involved, this Strategy continues to be facilitated and driven through the Economic Development function of Council.

A great deal of flexibility regarding the implementation of this Strategy is required. It is anticipated that changes in priorities or projects for various reasons will occur. It is a dynamic document that is subject to constant change. This strategy will be reviewed six monthly in order to ensure that objectives and projects are being achieved against the strategic objectives and agreed performance indicators.

A major focus of the Strategy will be around planning for a future with less water and the investment in water savings initiatives, including cost effective water infrastructure that meets the needs of communities now and into the future.



2.3 How was this Economic Development Strategy prepared?

This Economic Development Strategy was prepared by Booth Associates a consultancy firm based in Griffith who are key advisors to rural councils and a wide spectrum of regional business owners.

This Economic Development Strategy was prepared with the support of a Steering Committee from Balranald Shire comprising Councillors, Senior Council Staff, local business and community representatives.

The development of this Economic Development Strategy was funded by the Strengthening Basin Communities Project (SBC). The SBC Project was established as part of the Federal Government's \$12.8B Water for the Future initiative to assist communities within the Murray-Darling Basin in planning for a future with less water and then investing in water saving initiatives that meet the needs of their communities now and into the future. As communities plan for future growth the strain on resources such as water will become greater and as such there is a strong need for communities like Balranald Shire to develop strategies that assist with that growth and protect their long term sustainability.

The Strategy covers Balranald Shire and was prepared in conjunction with Hay and Wentworth Councils with this consortium known as the Western Cluster group of RAMROC.

2.4 Alignment with Community Plans

This Economic Development Strategy was developed in parallel with the Community Development Plan, which was also funded by the SBC project. The Community Development Plan and this Economic Development Strategy will lead into the Community Strategic Plan which Council will prepare under the new Integrated Planning and Reporting requirements.



2.5 Alignment with RDA Plan

This Economic Development Strategy aligns with the key goals and priorities of Regional Development Australia (RDA) Murray Regional Plan 2010 – 2015. This Regional Plan includes eight Key Priority Sectors which are clustered into the four following categories:

- Economic Goals;
- Environmental Goals;
- Social Goals; and
- Integration Goals.

The Key Priority Sectors provide RDA Murray the structure around which projects and annual business plans are developed. RDA Murray's focus is on projects of regional significance.

2.6 Alignment with NSW 2021 Plans

The NSW Plan is based around the following five strategies:

- Rebuild the Economy - Restore economic growth and establish NSW as the “first place in Australia to do business”;
- Return Quality Services - Provide the best transport, health, education, policing, justice and family services, with a focus on the customer;
- Renovate Infrastructure - Build the infrastructure that makes a difference to both our economy and people's lives;
- Strengthen our Local Environment and Communities – Improve people's lives by protecting natural environments and building a strong sense of community; and
- Restore Accountability to Government – Talk honestly with the community. Return planning powers to the community and give people a say on decisions that affect them.

This Economic Development Strategy aligns with the principles of the NSW 2021 Plan, in particular Goal 3, which is “drive economic growth in regional NSW”.

A key delivery component of the NSW 2021 plan will be the development of Regional Action Plans. This Economic Development Strategy should inform the development of the Regional Action Plans.

2.7 Alignment with Indigenous Economic Development Strategy

This strategy aligns with the Federal Government's Indigenous Economic Development Strategy (IEDS) 2011-2018, and the Indigenous Economic Development Framework.

The IEDS lists five priorities being:

1. Strengthen foundations to create an environment that supports economic development;
2. Invest in education;
3. Encourage participation and improve access to skills development and jobs;
4. Support the growth of Indigenous business and entrepreneurship; and
5. Assist individuals and communities to achieve financial security and independence by increasing their ability to identify, build and make the most of economic assets.

This Economic Development Strategy aligns with all five of the IEDS priorities.



3.1 Regional Snapshot

This regional snapshot provides a brief overview of the Balranald, Hay and Wentworth Shire Council areas. A brief overview of the region is provided in the following sub-sections. Additional summarised information is included as Annexure 1 and further detail can be accessed from the Sinclair Knight Merz (2010) *Strengthening Basin Communities Stage 1 Studies, Socio-Economic Status Study – Balranald Shire*.

The following information has been taken from Wentworth Shire Council (2010) *Strengthening Basin Communities Project, Community Report p6*:

“People and Communities

The combined estimated regional population across the three Shires in 2009 was about 13,000 persons more than half of whom reside in Wentworth Shire (Table 1).

Table 1: Summary Statistics for Hay, Balranald and Wentworth

Shire	Area (km2)	% NSW	Rank	Population	%NSW	Rank
Balranald	21,700	3.06%	6	2,479	0.04%	146
Hay	11,328	1.06	14	3,370	0.05%	137
Wentworth	26,269	3.71%	4	7,127	0.10%	115
Total/Average	59,297	8.38%		12,976	0.19%	
NSW	708,015			7,134,421		

Note: Rank is with respect to the 152 local government areas in NSW

Source: NSW Department of Local Government. *Comparative information on NSW local government councils 1994-95 – 2007-08*; Australian Bureau of Statistics, *Estimated regional population*

Household Income

According to ABS (2006) data average household income was:

- Balranald \$734/week
- Hay \$731/week
- Wentworth \$775/week
- Balance of NSW \$795/week

The following information is taken from Wentworth Shire Council (2010) *Strengthening Basin Communities Project, Community Report* pp6-8.

“Employment Sectors

Agriculture is the major employment industry in the region and in all three Shires, accounting for about 27% of employment overall and over 31% of employment in Balranald Shire. Agriculture typically employs three times more workers than any other sector. Other major employment sectors include: retail trade; healthcare; education; and accommodation and food services

(Table 3).

Table 3: Top 10 Industry and Employment Sectors within Balranald, Hay and Wentworth Shires

Sector	Balranald Shire		Hay Shire		Wentworth Shire		Region	
	%	Rank	%	Rank	%	Rank	%	Rank
Agriculture, forestry and fishing	31.6%	1	27.5%	1	24.2%	1	26.6%	1
Retail	8.8%	2	10.1%	2	8.3%	2	8.8%	2
Health care and social assistance	7.7%	4	7.4%	5	7.1%	5	7.3%	3
Education and training	8.4%	3	7.3%	6	6.5%	7	7.1%	4
Accommodation and food services	5.2%	7	8.0%	4	7.2%	3	7.0%	5
Construction	4.9%	9	5.6%	7	6.9%	6	6.1%	6
Public administration and safety	6.0%	5	8.7%	3	4.5%	8	5.9%	7
Manufacturing	5.1%	8	3.3%	10	7.2%	3	5.8%	8
Transport, postal and warehousing	5.7%	6	3.9%	8	4.1%	9	4.4%	9
Wholesale trade	2.9%	10	2.9%	11	4.1%	10	3.5%	10

Note: % is the percentage of the workforce employed in the top 10 employment sectors for the whole region

Source: Australian Bureau of Statistics: 2006 Census community profile series

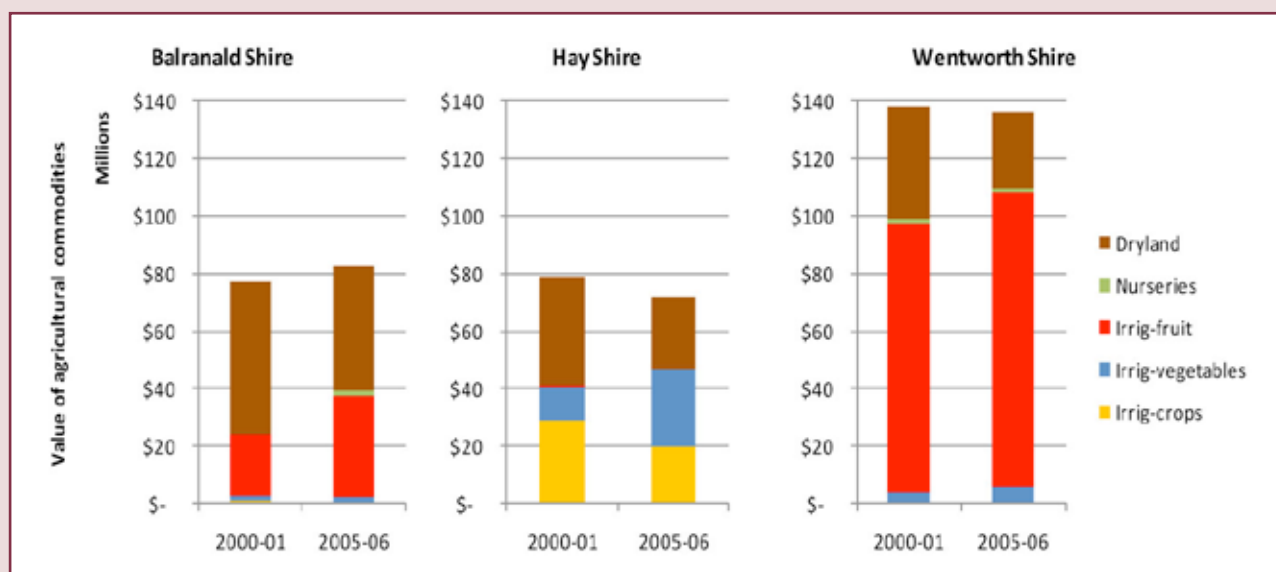
Agricultural Production

Across the three Shires, agriculture is the major use of land and contributes close to \$300 million in gross value of production to the region. As a result, trends in agricultural land use and production and their drivers (e.g. climate, irrigation water availability, commodity prices, interest rates) strongly influence the region's communities and economy.

Balranald, Hay and Wentworth Shire have diverse and productive agricultural economies. Production of various types of commodities reported in the 2000-01 and 2005-06 agricultural census is given in Figure 2.

The region is one of the main production areas in New South Wales for grapes, citrus, nuts and vegetables. It is also a significant producer of cereals (including wheat and rice), sheep and cattle.”

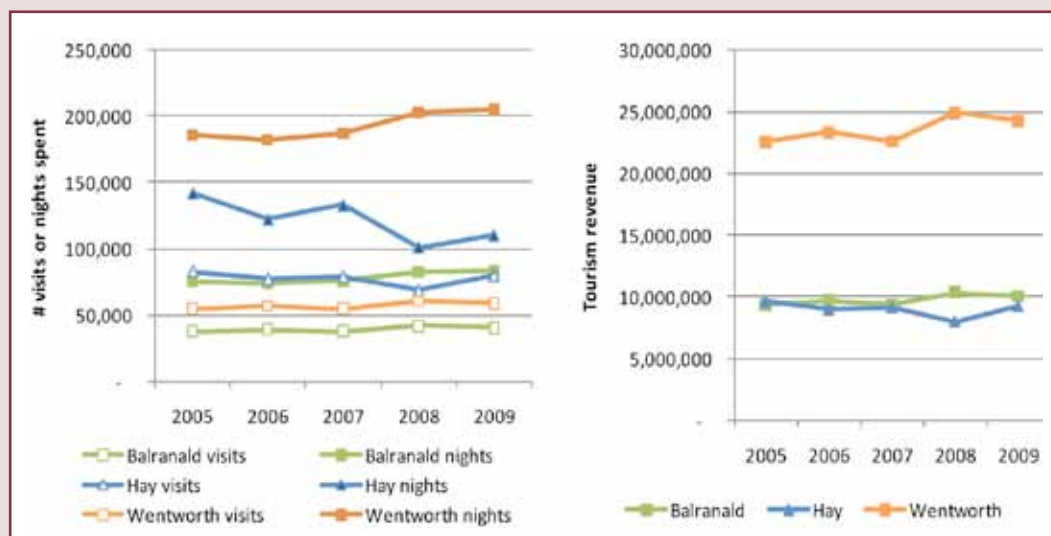
“Figure 2: Value of production by major categories of commodity breakdown between irrigated and dryland land uses



Tourism

The region falls within two NSW tourism regions, Outback and Riverina. Domestic overnight visitors are the main category of tourist. Estimates of visitation by this group are given in Figure 3. It shows that the number of visitors is stable at best and that nights spent has increased slightly in Balranald and Wentworth Shires and decreased in Hay Shire. Expenditure by domestic overnight tourists is similarly stable, at about \$22 – \$24 million/year in Wentworth Shire and \$9 – \$10 million/year in Balranald and Hay Shires. Revenue from tourism is between about 12% (Balranald) and 17% (Wentworth) of the gross value of agricultural production.

Figure 3: Domestic overnight tourism numbers and expenditure for Balranald, Hay and Wentworth Shires



Note: Calculations based on time series domestic overnight visits and night stays for NSW Outback (Balranald, Wentworth) and Riverina (Hay) regions, assuming the four year average to 2007 proportion of visits/nights for respective LGAs/regions. Expenditure based on average spend per visit for the four years to 2007 applied to all years."

3.2 The Significance of Water

The following information is taken from Wentworth Shire Council (2010) *Strengthening Basin Communities Project, Community Report* p10:

“Agriculture and Production

While dryland agriculture accounts for almost 90% of the region, the agricultural economy is dominated by irrigation.

Only about 1.2% of the total area of land across the three shires is used for irrigated agriculture, but the outputs from this land accounted for about 67% of the gross value of 2005-06 agricultural production.

The significance of irrigation is greatest in the Wentworth Shire, which holds the largest volume of high security irrigation entitlement. In the Wentworth Shire (in 2005/06), irrigation accounted for over 80% of the gross value of agricultural production. It accounted for 66% of the gross value of agricultural production in Hay Shire and 47% of the value of production in Balranald Shire (in 2005/06).

Regional Value of Irrigation

Total regional value of irrigated agricultural production was approximately \$162M in 2000/01 and approximately \$192M in 2005/06. This represents estimated average values of production of \$372/ML and \$616/ML of irrigation allocation.

Dry climate in recent years and low irrigation water allocations have affected some forms of irrigation production in the region.

Irrigated land use was estimated to have contracted significantly in each of the Shires. Irrigation in Hay Shire was estimated to have contracted by almost 80% from over 50,000ha in about 2004. This change was due to reductions in production of broadacre irrigated crops (predominantly rice) and pastures.”

Data Limitations

The data presented in this section particularly in relation to agricultural productivity is based on the ABS 2005/06 census. At this time the area was in the grip of a prolonged drought. The average annual rainfall for the 10 years from 2000 to 2009 was 296mm versus a long term average (133 years) of 323mm. General security irrigation allocations for the Murray River across this same 10 year period averaged 40%.

In 2010 rainfall was 691mm and 2011 was 588mm, both well above average. Irrigation allocations for the 2010/11 and 2011/12 years has been 100%. The region is now recovering from drought with high irrigation allocations and above average rainfall. Therefore, the productivity the region is capable of now will be far greater than experienced in the drought, and the figures presented in this section of the report reflect the below average productivity.

3.3 External Economic Trends and Influences

Economic trends and influences are external drivers of impacts on people, communities, regions, corporations, states and even national governments. These drivers of change are generally outside our control but prudent planning will recognise and provide for the best future management strategy.

The externalities of relevance for the Balranald Shire are discussed in the following points. The net themes are *“the world has a momentum of its own and waits for no-one”* and *“the Balranald Shire must drive its own future rather than wait for the future to come to the Shire”*:

- **Climate change** – Scientific projections identify and broadly quantify a diverse range of potential future impacts on all levels of communities, businesses and governments. These impacts include less rainfall and water for extractive purpose and increasing evaporation, temperatures and incidence of climatic extreme events. The Balranald Shire’s rural industry will be adversely impacted but has the capacity to adjust by accelerated business consolidation and efficiency gains to the benefit of the stronger businesses. The town of Balranald is expected to be affected more with the move to fewer and larger agribusinesses, larger and more efficient equipment and the use of contractors resulting in less employees.
- **Economic policies** – Australia is an open and free trading nation with our productive sectors subjected to world parity pricing for products against the elevated cost base of our high cost economy. The resultant pressure on commerce accelerates the drive for overall operational and capital efficiencies to the national advantage but with increased cost and management pressures on all economic and government sectors.
- **Public perceptions and attitudes** – Despite its wide open spaces Australia is essentially an urbanised nation. The urbanisation process has driven a loss of connection with agriculture, even within communities that support agriculture. Urbanisation has promoted an attitude that agriculture and associated communities must stand unsupported and meet perceptions of environmental responsibility and sustainability.

- **Price driven consumers** – All consumers (individuals, businesses or government) have budgets to work to. Whilst there are opportunities for elective expenditure the majority will only pay the minimum amount needed to purchase required goods and services. Consumers and businesses will purchase inferior products if the cost/benefit outcome warrants it rather than support Australian goods and services.
- **Terms of trade** – “Terms of trade” simply means that costs go up at a faster rate than does income. People, governments and businesses respond by becoming more efficient in what they do and in being more discerning in how they spend their money. The more efficient and careful cope with the on-going cost/price squeeze and the wider community benefits from the competitive pressure driving innovation. The negative effect is the demise of those that are unable to adjust.
- **Business critical mass** – This is a broad measure of the capacity to “shock absorb” against adversity and grow against the inevitable decline in the terms of trade. Commercial reality dictates the minimum preferred scale of business to be able to face challenges and have the capacity to be passed on to the next generation is >\$5M gross assets in 2011. In breeding ewes, critical mass has increased from around 3,000 to 10,000 over the past 50 years. Many farm businesses in the Balranald Shire do not meet this measure. This does not infer automatic lack of viability but it does mean there will be an inevitable loss of farm businesses by amalgamation with time.
- **Urban critical mass** – The generally accepted measure is a population of >25,000 but may stabilise at >10,000. In smaller communities businesses, service providers and tradesmen find it harder to generate sufficient profits to live and grow and so they leave town. The same principle drives a net loss of people over education, health and other liveability decisions.
- **Structural changes to the national economy** – The current mining boom is an excellent example of creating major management problems with the resultant two-speed Australian economy. Elevated interest rates and a high Australian dollar are but two adverse impacts on the non-mining sectors. At a regional level there has been the loss of skilled and non-skilled people chasing higher incomes paid by miners.
- **Policies and politics** – Policies manage the masses and the nation as whole. Policies change across sectors according to the perceived importance of that sector. Agriculture and its dependent communities will continue to decline in importance. Balranald Shire is highly dependent on agriculture and should expect declining levels of favourable policies and project funding support. Due to governments focus on a larger voting base which will primarily be urban or coastal based. The Guide to the Murray-Darling Basin Plan has highlighted Balranald’s dependency on agriculture, and also regional Australia’s vulnerability to policy changes driven by a lack of understanding of a perceived issue.



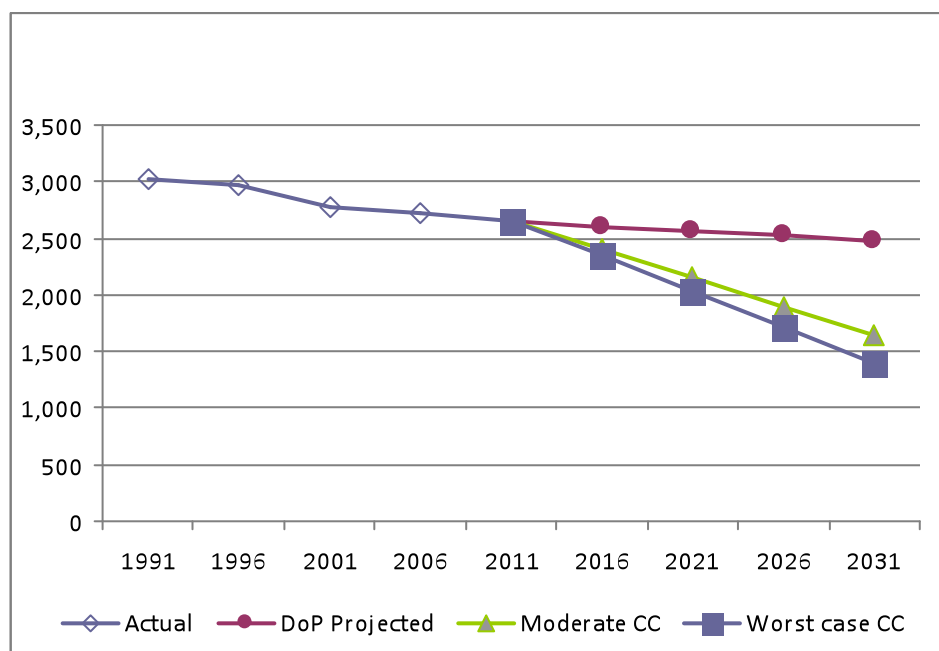
- **Skills shortages** – An impact of the recent drought has been the temporary downsizing of industry and slowing of regional economies. A result of this has been the loss of skilled labour from regions, which could impact future growth potential.
- **Cycles** – Droughts, floods, storms and temperature extremes come and go as do booms and busts in commodity prices. All industries have their own cycles and more than one cycle may be in play at any time. Best practice planning enables effective management of cycles.
- **Tyranny of distance** – A fact of life in inland Australia and for Australia with the rest of the world. Distance increases the costs for goods, services and the movement of people. It decreases our relative capacity to produce, transport and market products as well as increasing the costs of inputs. Negative impacts arising from the remoteness of Australia can be diminished through the development and implementation of relevant infrastructure such as the NBN and the benefits of resultant digital economy.
- **Transport infrastructure** – Agriculture is the primary driver of the local economy. As a commodity and/or bulk product producer the sector relies on the road and rail networks for timely and efficient transport of farm inputs and goods to markets/customers. The costs to maintain the road and rail network has increased over time and governments, including councils, have been challenged to maintain these networks. Declining rail systems and services has led to more produce being transported by road which in turn has increased pressure on road networks.

4.0 Base Line Scenario

4.1 A Shire in Decline

The SBC Stage 1 and Stage 2 Reports for the Western Cluster highlighted the past and projected population. Balranald Shire's population from 2001 and projected to 2031 is depicted in Graph 1.

Graph 1: Balranald Shire Population



The data in Graph 1 covers:

- Actual 2001 – 2011 (ABS);
- Projected 2011 to 2031 – NSW DoP (2005);
- Moderate climate change - RMCG (2011); and
- Worst case climate change - RMCG (2011).

The population projections all predict continued decline, at differing rates according to the severity of climate change impacts.



Total employment in Balranald Shire RMCG (2011):

- 1,500 in 1981;
- 1,100 in 2011;
- 1,012 in 2031 (no climate change);
- 847 in 2031 (moderate climate change); and
- 802 in 2031 (worst case climate change).

Assuming these predictions come to fruition the following impacts could be expected to occur within the Balranald Shire:

- A significant decline in health services such as local resident doctor, ambulance and other health services;
- Less children, and hence fewer school teachers;
- A lack of work for trades people;
- A further reduction in the number of government agencies;
- An accelerated consolidation of agricultural businesses;
- Council will have a diminished capacity to provide basic services and infrastructure; and
- Greater difficulty in maintaining sport and recreation facilities.

4.2 A Call to Action

To maintain the current population of 2,470 people and to counter the projected population loss the following must occur:

- Base case of (climate change) – retain and/or attract 18 people per year for the next 30 years;
- Moderate climate change – retain and/or attract 28 people per year for the next 30 years; and
- Worst case scenario (climate change) – retain and/or attract 36 people per year for the next 30 years.

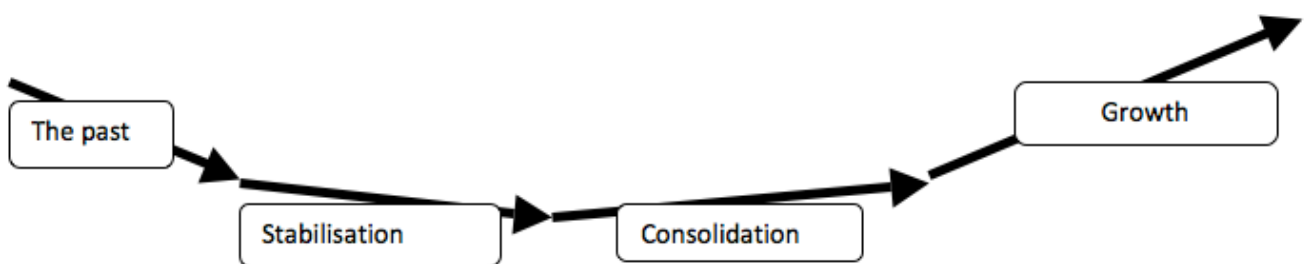


The Balranald Shire therefore has a significant challenge on its hands if it is to at best halt the decline, and a major challenge if it is to reverse the decline.

The first issue to recognise is the reality that the decline already has its own momentum and that it will take time to stop, let alone reverse the trend.

In a business sense, recovery from a declining trend inevitably requires the business to undergo four distinct phases as depicted in Figure 1.

Figure 1: Business Growth Phases



These phases are characterised as follows:

- **The past** – recognise the problem and become committed to addressing it;
- **Stabilisation** – to slow the decline and develop the basis of plausible strategic directions;
- **Consolidation** – to assess options then refine and settle on an agreed strategic direction around workable action plans. Includes a period to test and become confident with the action plans; and
- **Growth** – for the time when the action plans have proven themselves and there is confidence in the strategic direction/s.

Without a community based and mutually agreed set of strategic directions and a plausible set of action plans, Balranald Shire is faced with inevitable decline, with or without climate change. The ability to “turn the tide” will be driven by the promptness and level of acceptance of the facts.

5.0 Economic Development Vision

The economic development vision for Balranald Shire was developed with the following long term aspirations of the community via stakeholder consultation:

- Economic sustainability
- Population retention and ultimately growth;
- Retention and attraction of business;
- Diverse and prosperous agriculture;
- Retain and ultimately grow services; and
- Thriving tourism.

The economic development vision for Balranald Shire is to stabilise, consolidate and ultimately grow our community's future by:

- *Building prosperity,*
- *Encouraging enterprise, and*
- *Promoting liveability.*

The long term planning horizon that will underpin this vision links in with Councils' obligations to achieve their integrated planning framework.

The following sections of this report provide the strategy, objectives, actions and governance required to achieve the economic development vision.



6.0 Economic Development Framework



The seven guiding principles which provide the strategic framework to achieve the economic development vision for the Shire are listed below in no particular order:

Principle 1 – Build Business Prosperity

- Facilitate sustainable business growth;
- Facilitate new investment;
- Assist business to face the challenge of a future with less water.

Principle 2 – Promote the Region

- Building brand awareness;
- Targeted marketing.

Principle 3 – Responsible Resource Stewardship

- Provide leadership on environmental issues;
- Sustainably manage natural resources;
- Maintain and enhance the environment.

Principle 4 – Enhance Employment Opportunities

- Growing balanced workforce;
- Promote on-going skills development.

Principle 5 – Provide Enabling Infrastructure

- Maintain and enhance current infrastructure;
- Facilitate infrastructure innovation;
- Support community and social infrastructure development.

Principle 6 – Develop and Build Relationships

- Build partnerships with business;
- Grow government relationships;
- Build cluster approach amongst shires;
- Connect with community.

Principle 7 - Develop Strong Economic Development Governance

- Develop a governance framework with EDP;
- Define Council's responsibility for EDP;
- Resource the EDP;
- Performance monitor for accountability.

7.0 Strengths, Opportunities and Challenges

This Economic Development Strategy was prepared with the assistance of a Steering Committee from Balranald Shire. At the initial Steering Committee Workshop a Strengths, Opportunities and Challenges Analysis was prepared. A copy of this Analysis is included as Annexure 2. A categorised summary for the Western Cluster is included in Table 1.

The information is presented for the Cluster rather than Balranald Shire alone to provide context as to the commonalities of strengths, opportunities and challenges across the three Shires and potential to collaborate on key projects.



Table 1: Strengths, Opportunities and Challenges Analysis

STRENGTHS				OPPORTUNITIES				CHALLENGES			
	Balranald	Hay	Wentworth		Balranald	Hay	Wentworth		Balranald	Hay	Wentworth
Close proximity to major regional centre:				Define & develop town retail centre			✓	Tangible economic development	✓	✓	✓
• Mildura			✓	Review economic development process	✓	✓	✓	Federal & State Government – both NSW & Vic:			
• Swan Hill & Robinvale	✓			Create agricultural viability	✓	✓	✓	• Policy	✓	✓	✓
• Griffith/Deniliquin		✓		Digital economy strategy	✓	✓	✓	• Relationship	✓	✓	✓
Water access and security	✓	✓	✓	Residential growth			✓	• RD&E		✓	✓
Agricultural Productivity:				Monitor carbon economy opportunities	✓	✓	✓	• MDBP	✓	✓	✓
• Extensive pastoral systems	✓	✓	✓	Tourism expansion through the cluster:				A future with less water	✓	✓	✓
• Intensive irrigation	✓	✓	✓	• Eco/nature/outback	✓	✓	✓	Retail/services competition		✓	✓
• Strong leadership		✓	✓	• International attraction	✓	✓	✓	Agricultural viability	✓	✓	✓
Tourism assets				• Infrastructure	✓	✓	✓	Planning controls and development processes.	✓	✓	✓
• Junction of Murray and Darling Rivers			✓	• Water	✓	✓	✓	Training	✓	✓	✓
• 2 rivers		✓	✓	• Alternate Accommodation	✓			Decline of services	✓	✓	✓
• 5 rivers	✓			• Key sporting facilities eg golf, sports carnivals	✓	✓	✓	Leadership development	✓	✓	✓
• Outback	✓	✓	✓	Events and activities eg Five Rivers and Outback Festival, horseracing, tractor rally, agricultural show and other.		✓		Benefit from natural attractions	✓	✓	✓
• Heritage	✓	✓	✓		✓	✓	✓	Coping with rapid expansion (eg sand mines)	✓		✓
• Caravan Park on River	✓		✓					Limited tour improvements	✓	✓	✓
Liveability:				Mining	✓		✓	Population decline	✓	✓	
• Health	✓	✓	✓	Capturing small business Potential retail/services/trade	✓	✓	✓	Activities and opportunities for young people	✓	✓	✓
• Sporting		✓	✓	Biosecurity		✓					
Significant local value adding			✓	Encourage new business	✓	✓	✓				
Government services		✓	✓	Increase workforce skills base	✓	✓	✓				
Location	✓	✓	✓	Renewable energy		✓	✓				



8.0 Projects

8.1 Opportunities

This Strategy has identified a number of economic development opportunities for the Balranald Shire. A list of the key opportunities with a brief description is included as follows:

Renewable Energy

There are opportunities to attract investment in renewable energy generation arising from the Federal Government's current focus on climate change to attract investment. Renewable energy facilities could be used to attract businesses with a focus on sustainability. Following the passing of the carbon tax by the Federal Government, the Clean Energy Future program was released which includes a comprehensive plan comprising:

- Introducing a carbon price;
- Promoting innovation and investment in renewable energy;
- Encouraging energy efficiency; and
- Creating opportunities in the land sector to cut pollution.

A review of the Clean Energy Future program is required once more details are available to identify the potential impacts and benefits for local business of a carbon economy. The goal is to provide assistance to farmers, business and community groups to identify the impacts on their operations and ways to cope with any increased costs. This program should include processes to address passing on costs, undertaking internal processes to reduce operating costs by investing in alternatives and building resilience to business.

Retain and Attract Residents

Balranald Shire's population has been decreasing for a number of years. To prevent a continuation of this trend and a loss of services from the region there is a need to retain and/or attract residents to the Shire. This will assist in the growth of services. To halt the current rate of decline there is a need to attract approximately four families per year. Using ABS (2008) income figures this equates to an economic benefit through salaries of at least \$140,000/year with a local multiplier benefit of at least triple this amount, which over 10 years is \$4.2M.

For residents to remain and to attract new residents in the Shire, requires considerable effort to improve the range of education, health, allied health, training, continued improvements to a higher degree of recreation and provision of events and other activities.

Interpretive Centre

The Interpretive Centre will be built in Balranald, funded by Council with support from the River Red Gum Regional Employment and Community Development Fund. The aim is to stop an increased proportion of the passing traffic going through Balranald. The Interpretive Centre can link in with other tourism assets in the region, such as Lake Mungo. If the Interpretive Centre can increase visitors with overnight stays by 5% this equates to an extra \$165Kpa in increased spend, which is \$1.65M over 10 years.

Aged Care and Health Services

Balranald has a new hospital and good aged care facilities. There is an opportunity with these facilities to retain retirees in the region and utilise these facilities for training. Each new aged care bed equates to one new full time job. Given the ageing population, demand for aged care will increase over time and there is an opportunity to attract aged care residents from outside the region.

Digital Economy

The National Broadband Network (NBN) presents a limited window of opportunity for towns like Balranald to attract the NBN infrastructure while NBN Co is currently preparing their business plan. The NBN will provide new opportunities via a digital economy benefiting business, education, health services and ensuring infrastructure is in place for future opportunities. For Council to develop and implement a Digital Economy Strategy the cost would be in the order of \$30,000 over two years. This investment will be recouped via access to the optical fibre infrastructure and creation of opportunities to attract new business.

Trade Training Centre

Following a grant of \$1.5M from the Department of Education, Employment and Workplace Relations a new Trade Training Centre opened at Balranald Central School in November 2011. The funding was used to refurbish facilities and purchase equipment to deliver trade training qualifications. The Trade Training Centre provides the opportunity to up-skill the current workforce and attract trainees in new skills especially with the expected future growth from mining. Development of a localised workforce would reduce the potential for a drive in/drive out mining culture and strengthen the local trade workforce. The Trade Training Centre should incorporate Indigenous training to provide opportunities for local Indigenous communities, as outlined in the Federal Government's Indigenous Economic Development Strategy 2011-2018.



Sand Mining

Indications are that mineral sand mining will ramp up in the area in 2013 with the potential to create up to 200 direct jobs. This will provide diversification to the region, and significant add-on industries such as catering and cleaning. A key challenge will be for the region to maximise the opportunities that mining presents to ensure any growth and prosperity is retained longer term. The expected 200 jobs would see at least \$15M/annum put into the Shire. The challenge for the Shire will be to cope with rapid expansion and to retain people longer term. Balranald needs to become the centre of the sand mines with headquarters and depots located in the town.

This industry sector provides an opportunity for the community to develop industry sector diversification and growth of population. Consideration of improvements to community infrastructure (recreation, children's services, etc) will increase the potential for new residents and in particular families.

Small Business, Retail and Service Sector Strategy

The retail and service sectors in the Shire have demonstrated their resilience by surviving the prolonged drought and other recent challenges. It is imperative that these sectors are supported to access future growth opportunities. The retail and service sector could expand to maximise growth opportunities from mining and tourism. The retail sector expansion program needs to include encouraging locals to buy local and enhancing the current service culture of the retail industry. With potential increased salaries of \$15M/annum from mining alone, the retail sector needs to best position itself to capture and retain, and even enhance this new market.

Supporting small business development in the Shire of Balranald should include:

- Improving employment conditions and employee retention;
- Supporting small business skills and information;
- Increasing the number of small businesses and their retention;
- Provide space / accommodation for retail, commercial and small business;
- Identifying support programs for business including access for small business growth programs;
- Increase local small business partnerships and joint ventures to compete for employees and support employee conditions;
- Improve coordination efforts for small business within the Shire;
- Assist micro and self-employment in business development including home-based business.

The development of small business capacity and opportunity is particularly important with commercial and small business incubation.



Water Security

Water is a fundamental resource and key economic driver of the region. According to SKM (2010) irrigated agriculture provided a gross value of production of nearly \$40M in 2006. A 10% loss of water could see this amount fall by \$4M /annum. Council should support all water users to minimise the potential negative impacts from the Murray-Darling Basin Plan.

Transport Links

The north west Victoria – south west NSW Region Transport Study, 2011, highlighted the opportunities to upgrade current transport tourism routes (especially to Lake Mungo) and the opportunity to develop new through routes such as the “Wool Track” to Cobar. More than 2,200 vehicles/day travel through Balranald, a significant proportion of these are trucks. There is potential for infrastructure such as a truck stop and/or transport hub. The number of vehicle movements is forecast to grow at 1%pa. Balranald needs to continue to work with the other Councils involved in the study to pursue any opportunities.

Lobbying

Lobbying government has not been done effectively in the past, and there is a need to establish effective relationships with government. There is an opportunity with the new State Government to build new relationships and refocus government on rural New South Wales. This could be led by the economic development team working with departments and ministerial offices to ensure the background and context is established on specific projects before the General Manager and Mayor carry out higher level meetings.

Promote Agricultural Opportunities

Agriculture is the largest industry by value of production, land use and employment in the Shire. The value of production in 2006 was more than \$80M and irrigated agriculture was nearly 50% of this figure, despite occupying less than 1% of the Shire. There is an opportunity to grow the value of production through the development of a strategy that will identify and promote the attributes and future opportunities such as the use of hi-tech and highly efficient irrigation systems. A 10% growth in irrigated agriculture would equate to an extra \$4M of production per annum.

Tourism

There is a good opportunity to increase the tourism industry centred upon local natural tourism assets through the Interpretive Centre and collaboration with surrounding councils. To best understand and grow awareness of the economic benefits of tourism for the local community and Council, a long term tourism marketing and strategic action plan should be developed. This could include attracting traffic travelling along the Mallee Highway to cross the river and visit Balranald. An increase in overnight stays of 5%pa equates to \$350,000 or \$3.5M over 10 years. There is a need to work with other councils in the region in a cluster format to attract more tourism.

Project Integration

Each of the above projects may stand alone but the community will be better served by the integration of a range of strategies. For example, the stopping of an increased volume of passing traffic will need to be backed up by continual improvements in the range and quality of services available to the visitors which enhance their experiences during their stay.



Cost/Benefit

It is beyond the scope of this report to provide analysis of costs and benefits behind each identified project. In principle each project must demonstrate that the benefits will provide a reasonable return to all stakeholders.

Indigenous Involvement

The Shire of Balranald recognises that it has a key role to play and is an active participant in any initiative that will support the Indigenous communities, development of partnerships and new opportunities. However, indigenous economic development is challenging because it often goes to the heart of the traditions and cultures of the Indigenous people and the modern economy which is operating within the Shire.

Within the mining and resources sector in Western Australia, there are requirements of employing Indigenous people within the sector and this has worked well with many opportunities being given to the local Aboriginal communities. The issues associated with economic benefits cannot be overstated as participation of Indigenous people in the economy is closely aligned to living standards and overall wellbeing.

Opportunities for Indigenous economic development include:

- Working with the Indigenous communities to promote economic development and assist Indigenous people to develop economic opportunities that link tourism, culture and use of aboriginal controlled land in tourism and tourism development;
- The development of direct business interests that might include art galleries, cultural artefacts of the aboriginal community and such areas as nurseries that grow bush foods and the like;
- Develop cultural experiences and stays that utilise local Indigenous people to undertake cultural experiences; and
- Form partnerships with aboriginal communities that engage them in the local economy and assist to develop skills associated with improving business and economic opportunity.

8.2 Actions

The opportunities/projects that have been considered in the development of this Economic Development Strategy are listed below, with supporting actions, stakeholders and priorities. Also listed is alignment with the economic development framework principles as described in Section 6.0.

OPPORTUNITY	ACTION	STAKEHOLDERS	PRINCIPLE							Priority
			1	2	3	4	5	6	7	
Renewable Energy	<ul style="list-style-type: none"> Review Clean Energy Future program and assess opportunities Investigate opportunities for renewable energy and identify potential stakeholders Investigate government support Prepare a strategy to attract investment 	<ul style="list-style-type: none"> Council Industry Government 	✓							Med
Retain and/or Attract new residents	<ul style="list-style-type: none"> Quantify current assets and facilities <ul style="list-style-type: none"> Type of land and development opportunities Services available Any other points of difference eg Euston subdivision and demand from Robinvale Identify the target audience Identify partners Prepare a marketing strategy Implement the strategy 	<ul style="list-style-type: none"> Council Local developers Real Estate Agents 		✓		✓				Med
Aged care and health services	<ul style="list-style-type: none"> Quantify current assets and facilities Identify any gaps or opportunities and stakeholders Prepare a Strategy to address with stakeholders 	<ul style="list-style-type: none"> Council Community Service providers Area Health service 				✓	✓			High
Digital Economy	<ul style="list-style-type: none"> Work with Cluster Councils to develop a brief for a Digital Economy Strategy Attract funding from State or Federal Government to conduct a Digital Economy Strategy project Prepare a Digital Economy Strategy Present strategy to NBNCo on a Cluster basis 	<ul style="list-style-type: none"> Council in conjunction with other Cluster members RDA 	✓			✓	✓			High

OPPORTUNITY	ACTION	STAKEHOLDERS	PRINCIPLE							Priority
			1	2	3	4	5	6	7	
Trade Training Centre	<ul style="list-style-type: none"> Located in Balranald Central School, opened November 2011; Conduct a full skills audit of region Identify gaps and opportunities Work with schools, departments and service providers to provide appropriate training programs Promote training programs 	<ul style="list-style-type: none"> Balranald Central School Balranald Inc Council TAFE RDA 	✓			✓	✓			High
Sand Mining	<ul style="list-style-type: none"> Talk to mining companies Identify mining companies needs and wants Identify gaps and opportunities such as housing development and retail sector expansion 	<ul style="list-style-type: none"> Council Federal Government Community Mining companies RDA 	✓		✓	✓	✓			High
Small Business, Retail and Services Sector Expansion	<ul style="list-style-type: none"> Assess present small business, retail and services sector Identify the gaps and opportunities Work with stakeholders to build the capacity of the Shire's small business, retail and service sectors 	<ul style="list-style-type: none"> Council Balranald Inc Businesses 	✓			✓		✓		High
Transport links	<ul style="list-style-type: none"> Work with transport companies to determine opportunities to assist heavy vehicle service areas Liaise with other councils to implement recommendations of Transport Study 	<ul style="list-style-type: none"> Council Other Shires Transport companies 	✓				✓			Med
Lobbying	<ul style="list-style-type: none"> Prepare a strategy to lobby government at a department and minister advisory level Align with Cluster Councils Identify key Government contacts Allocate resources to implement Strategy 	<ul style="list-style-type: none"> Council Cluster councils RAMROC RDA 		✓				✓	✓	Med

OPPORTUNITY	ACTION	STAKEHOLDERS	PRINCIPLE							Priority
			1	2	3	4	5	6	7	
Promote agricultural opportunities especially hi-tech/highly efficient water use industries	<ul style="list-style-type: none"> Review potential impacts of Draft Murray-Darling Basin Plan Identify challenges and opportunities arising from the Draft MDBP Work with water stakeholders to lobby for favourable outcomes from the Draft MDBP Engage with agricultural industries to assess the current attributes and opportunities of the region Identify target market for these attributes such as areas where shortfall in the region's attributes exist eg water access and quality in South Australia Develop a funding proposal Prepare a Marketing Strategy to promote the opportunities 	<ul style="list-style-type: none"> Council Farming groups Water users Lower Murray Darling CMA Western Murray Irrigation RDA 	✓	✓	✓	✓				High
Tourism	<ul style="list-style-type: none"> Develop a long term tourism marketing and strategic plan to make Balranald a tourism destination Undertake a tourism product gap analysis Identify why passing traffic do or do not stop in town 	<ul style="list-style-type: none"> Council Balranald Inc Tourism Operators RDA 	✓	✓						High
Interpretive Centre	<ul style="list-style-type: none"> Finalise design and structure of Centre Build centre and have an official opening Utilise lobbying strategy to maximise the profile of the opening Operate and promote facility in line with long term Tourism Marketing and Strategic Plan 	<ul style="list-style-type: none"> Council 		✓			✓	✓		High

9.0 Governance

9.1 Governance Framework

Balranald Shire Council's Economic Development Team is led by the Director of Community and Economic Development. The Director answers direct to the General Manager and is supported by the Tourism Project Manager, Assistant Community Development Officer and other Tourism staff. Council Directors meet fortnightly and report direct to Council.

While the Economic Development Unit will be charged with the responsibility to implement this Strategy, resources will need to be considered to facilitate its implementation. These resources could consist of working with surrounding Councils in a Cluster format or engaging external specialists.

Council should liaise with Balranald Inc on economic development to ensure the community is engaged in the economic development process and supports Council to achieve positive outcomes.

9.2 KPIs and Milestones

KPIs and milestones are important to ensure appropriate progress towards goals. Often the Economic Development Team can become responsible for many things outside of Economic Development. KPIs and milestones will provide emphasis on achieving economic development outcomes for those projects and actions adopted by Council.

The KPIs and milestones will be project specific and determined by the General Manager and the Director of Community Economic Development.





9.3 Performance Monitoring

For ongoing performance monitoring, Economic Development Reports to Council prepared by the Director of Community Economic Development should include performance against KPIs and milestones. This will allow Councillors to be kept appraised of progress towards economic development outcomes.

To ensure community engagement in economic development, regular reporting, including performance against KPIs and milestones should be undertaken.

9.4 Periodic Reviews

It is recommended that Council review their Economic Development Strategy every six months. This process should be facilitated by an external person to provide an objective review framework and to ensure Council fulfils their economic development obligations.

Council should set specific dates for these six monthly reviews within their current Council calendar.

9.5 Strategic Reviews

It is recommended that within six months of a Council election a full strategic review of the Economic Development Strategy is undertaken. The first such review should occur in 2016 following the Council elections. The Review should include a review of the current economic climate and economic development opportunities. Council should engage with local business, industry and community to provide input into the Review and revised Economic Development Strategy.

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Regional Profile

People and Community

The following information has been taken from Wentworth Shire Council (2010) *Strengthening Basin Communities Project, Community Report pp6-10*.

“Labour-force participation in Balranald, Hay and Wentworth Shires is high and unemployment low, relative to the average for the balance of New South Wales (Table 2).

Table 2: Education, employment and income profile for Balranald, Hay and Wentworth Shires – 2006 Census

Shire	Employment					Household Income
	Full Time	Part Time	Not (*1)	LFP (*2)	PSQ(*3)	
Balranald	41.3%	14.6%	4.5%	63.2%	23.5%	\$734
Hay	36.4%	15.7%	4.8%	59.1%	27.2%	\$731
Wentworth	37.7%	15.1%	5.1%	59.1%	28.6%	\$775
Average	38.1%	15.2%	4.9%	59.9%	27.3%	\$755
Balance of NSW	31.7%	16.9%	7.0%	56.1%	36.8%	\$795

Source: Australian Bureau of Statistics – 2006 Census community profile series

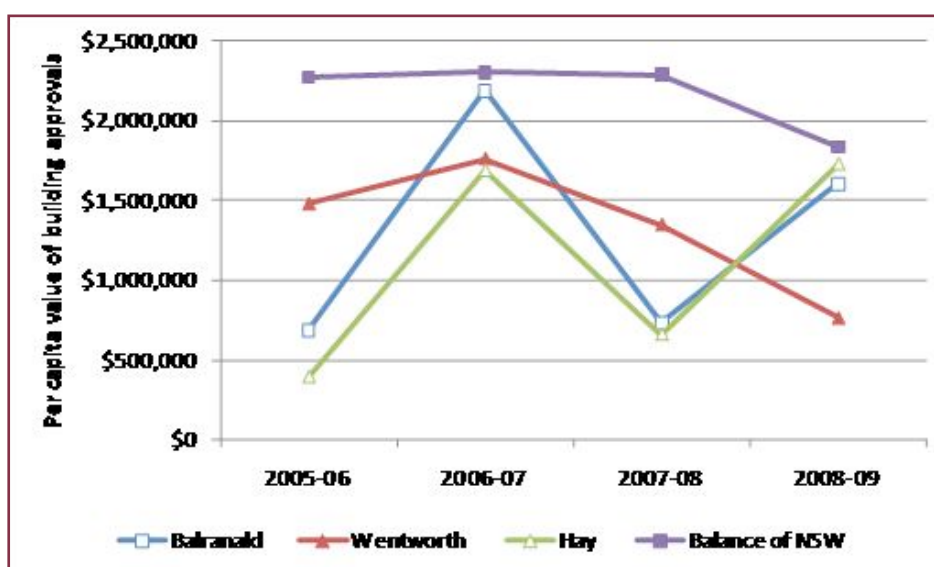
Note: (1) Employment and unemployment as % of working age population (≥15y); (2) Note – employed; (3) LFP – Labour force participation rate; (4) PSQ - % of population with post-secondary qualification; (5) Ranking among 152 LGAs in NSW.



Housing and Construction

Construction is the sixth largest employment sector in the region and activity in this sector is often a barometer of confidence in the overall economy and local area. Figure 4 shows the trend in per capita value building approvals from 2005/06 for the three LGAs and non-metropolitan areas of NSW. It shows that building approvals in Balranald and Hay Shires have followed a quite different pattern to those in Wentworth, with the latter broadly following non-metropolitan areas of NSW.

Figure 4: Per capita value of building approvals in Balranald, Hay and Wentworth Shires



Source: Australian Bureau of Statistics: Building approvals 2005-06, 2006-07, 2007-08, 2008-09.

Employment Growth Centres

Key employment growth areas were in health care and social assistance, education and training, construction, manufacturing and transport (fig.5). With the exception of manufacturing, this was broadly consistent with non-metropolitan areas of NSW. Growth in employment in some sectors (e.g. retail, health, education construction and manufacturing) in Wentworth Shire may partly reflect employment growth in nearby Mildura.

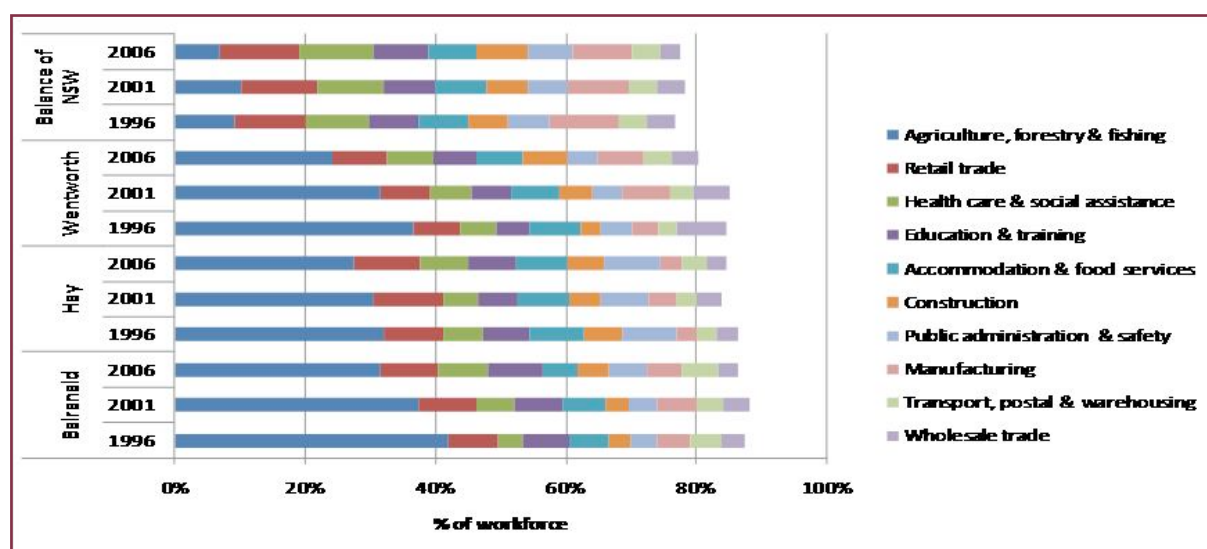
Changes in Employment

Despite its still dominant contribution, employment in agriculture has declined steadily since 1996. The change has been most significant in Wentworth Shire, with a reduction of about one third in the proportion of the workforce employed in agriculture.

The reduction in agricultural employment was smaller in Balranald and Hay Shires, which have fewer alternatives and was at a similar level to the decline in agricultural employment in Balance of NSW. In the net terms, the loss of employment in agriculture was more than offset by the take up of employment in other sectors in Wentworth Shire, but only partly so in Balranald and Hay Shires.

In the Wentworth Shire, employment in agriculture declined by over 350 between 1996 and 2006, but total employment grew by over 100 persons. Agricultural employment in Balranald Shire fell by 140 over the same period, but total employment fell by only 33 persons. In Hay Shire, agricultural employment fell by 91 persons and total employment declined by 80 persons.

Figure 5: Changes in Employment in Balranald, Hay and Wentworth Shires in the region's top 10 employment sectors



Note: Order of employment sectors from top to bottom in legend is replicated in the left to right order in the figure. Only the region's top 10 employment sectors have been included for ease of interpretation. Source: Australian Bureau of Statistics: 2006 Community profile series.

Agricultural Production

Table 4: Total agricultural projections in 2000/01 and 2005/06 in Balranald, Hay and Wentworth Shires expressed in tonnes (T) of output or numbers of livestock

Production Type	Balranald Shire		Hay Shire		Wentworth Shire	
Crops (T)	2000/01	2005/06	2000/01	2005/06	2000/01	2005/06
Cereals	138,069	99,582	173,595	73,388	115,912	78,301
Oilseeds	637	270	4,251	2,134	1,463	9
Legumes	707	688	922	1,670	177	215
Hay	3,702	3,013	1,272	4,884	15,854	4,972
Cotton	1,429	-	-	16,262	-	-
Vegetables	3,273	4,364	12,864	25,158	3,950	4,431
Fruit (T)						
Citrus	-	-	-	-	49,953	48,867
Grapes	19,591	30,354	-	792	81,906	116,906
Stone Fruit	-	12	-	63	544	50
Nuts	-	-	-	-	12	50
Livestock (#)						
Sheep	523,554	388,592	683,554	371,597	422,274	338,992
Cattle	24,565	19,874	41,547	33,902	11,474	7,926
Annual Rainfall						
mm	371	465	382	383	324	348
% of average	115%	144%	96%	96%	117%	125%
Irrigation of allocations						
ML	59,757	40,604	235,780	138,318	141,626	133,046
% of full entitlement	94%	64%	93%	54%	99%	93%

Source: ABS Agricultural Census

Agricultural Land Use

Table 5: Balranald, Hay and Wentworth Shire Land Uses

Land Use	Balranald Shire		Hay Shire		Wentworth Shire	
	Ha	%	Ha	%	Ha	%
Degraded land	9,537	0.4%	1,481	0.1%	36,837	1.40%
Dryland – cropping	74,482	3.4%	4,150	0.4%	55,413	2.10%
Dryland – grazing	1,974,640	91.0%	997,037	87.9%	2,198,175	83.80%
Forestry	10,092	0.5%	2,537	0.2%	14,301	0.50%
Irrigation and drainage channels	1,052	0.0%	14,041	1.3%	52	0.00%
Irrigation – cropping	3,738	0.2%	42,908	3.8%	653	0.00%
Irrigation- grazing	3,902	0.2%	7,368	0.6%	1,406	0.10%
Irrigation – perennial horticulture	1,978	0.1%	73	0.0%	9,654	0.40%
Irrigation- seasonal horticulture	244	0.0%	406	0.0%	486	0.00%
Natural environments	64,113	3.0%	37,499	3.3%	273,458	10.40%
Other uses	1,018	0.0%	2,598	0.2%	2,492	0.10%
Transport	3,958	0.2%	3,829	0.3%	5,093	0.20%
Water – rivers and wetlands	21,849	1.0%	19,990	1.8%	26,488	1.00%
Total	2,170,603		1,134,918		2,624,508	

Source: Bureau of Rural Sciences

Note: Land use areas are in ha. Other uses include a variety of urban and commercial uses"

Reference

Wentworth Shire Council (2010) *Strengthening Basin Communities Project, Community Report*.

Strengths Opportunities and Challenges Analysis – Workshop Summary September 2011

STRENGTHS

- The rivers and lake systems
- Location:
 - On Sturt Highway
 - Central to capital cities
 - On doorstep to outback/ national parks
- Secure water access
- Health Services
- Affordable housing/cost of living
- Tourist accommodation – quality and quantity
- Relative low cost of agricultural land
- Strong cultural heritage
- Diverse and prosperous agriculture
- Tourism
- Aged care (multi purpose health facility and hostel) and good child care
- Lifestyle - safe and friendly
- Good facilities, such as airport/ sporting/etc
- Positive community spirit
- Swan Hill & Robinvale
- Good climate, supports a diverse range of agricultural systems
 - Ideal for pistachios
 - Long sunny days (solar energy potential)

OPPORTUNITIES

- National Park tourism product development
- Diversify into intensive agriculture/horticulture
- Expansion of irrigation delivery system
- Development and promotion of trade training centre
- Escalating prices and scarcity of food
 - Growing global population
- Mining, sand mines north of Balranald
- Attracting tree changers
- Carbon economy – climate change
- Brand - Town of frogs
- Promotion of region
- Expansion of aged care facilities
- Attract retirees with affordable housing/lifestyle
- Digital economy - NBN
- Attracting rural doctors/nurses for training, such as Allied Health
- Research growth opportunities
- Improve relationship with State and Federal Government

CHALLENGES

- Increasing agricultural research and development
- State and Federal Government
- Promotion of high value agricultural opportunities in Shire
- Foreign land and water ownership
- Superannuation tax rules preventing lump sum injections to support retirees selling out in capital cities and relocating to the country
- National Park expansion and usability
- Negative local and national perception of the region
- Imported food/beverage/ products
- Level of education
- High AUD and relatively high interest rates
- Decline in health services
- Lack of public transport
- Government water policy inconsistency eg buybacks, MDBP
- Lack of mining benefits to landholder as land ownership is Western Land Lease
- Prolonged drought
- Interpretative Centre, getting it right
- Future with less water

[illegible]





Sustaining our Region for a Productive Future

