

**Dungog Shire
Economic Development
Plan 2022 – 2026:**



PATHWAYS TO PROSPERITY





ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the Traditional Owners of this land and pay our respects to their Elders – past, present, and future.

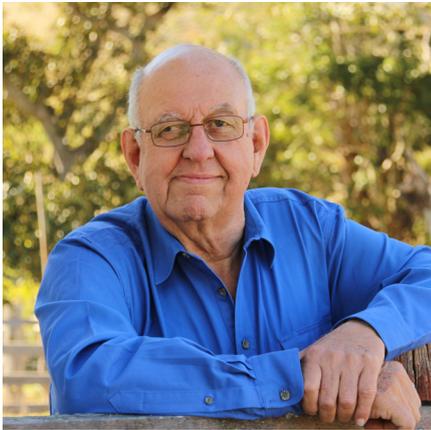
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WELCOME FROM THE MAYOR



This is an exciting time for the Dungog Shire. Our district is in the midst of an important transformation as more people choose to live in, work in and visit our great region. Our challenge lies in carefully planning and responding to these changes and opportunities to bring about the greatest benefits for our community.

The Dungog Shire 2022-2026 Economic Development Plan (EDP) has been designed for this purpose. Presented as 40 actions under the five themes of Identity, Infrastructure, Industry, Innovation and Income, it outlines a roadmap for the future prosperity of Dungog Shire. The EDP not only defines our community's aspirations in the areas of economic development but sets a bold direction on where we aim to be in four years.

This EDP is the result of six months of research, reflection and conversation with our community, directed by NDP Economic Development. While Council has played a central role in its development, it is first and foremost the community's plan. I am pleased with the high level of interest and participation generated in the formulation of this new EDP for our Shire and want to thank all those who provided input in its creation.

My thanks also go to the members of the Advisory Group for generously giving of their time during the EDP's preparation over the last 6 months. These business and community leaders were:

Cameron Archer	Dee Braithwaite	Grahame Chevalley
Cr Jessica Clarke	Annabel Kater	James Lovegrove
Cr. Digby Rayward	Marion Stuart	Jane Thompson

I ask that the community embrace the plan's recommendations and work with Council to bring them to fruition for the prosperity and sustainability of our local economy.

John Connors
Mayor of Dungog Shire



1925

THIS TABLET WAS ERECTED BY
EX MEMBERS A. I. F. DUNGOG AND DISTRICT
IN GRATEFUL APPRECIATION
OF LOYAL SERVICES RENDERED BY
OUR WOMENFOLK
DURING THE GREAT WAR 1914 - 1918
25. 4. 25.



DUNGOG
MEMORIAL RSL CLUB
Time to come
in and have a
cold drink of
water and

AD 1920



LEST WE FORGET

MEMBERS ASSOCIATION
OF AUSTRALIA
NEW SOUTH
WALES DISTRICT

WORLD WAR I

EXECUTIVE SUMMARY

Dungog Shire LGA is a beautiful region within close proximity to Newcastle and Sydney. It is a ‘clean and green’ paradise with rugged hills, fertile plains, protected forests and rivers. Home to World Heritage listed rainforests in the Barrington Tops National Park. The Shire is a major water catchment area that provides most of the Hunter region’s drinking water supply. The business community recognises the pristine environment as the Shire’s greatest asset and is primarily what attracts visitors to the region. Growth in businesses must not come at the expense of damaging this precious natural resource.



In recent times mountain biking has changed the face of Dungog Shire and opened it up to visitors from all over NSW. Trails were created through Dungog Common and the LGA quickly became a hot spot for mountain biking enthusiasts. The COVID-19 lockdowns drove even more interest as people from Sydney and Newcastle wanted to experience the great outdoors for their weekends. This caused ripple effects throughout the economy with the opening of new bike shops, new cafes and restaurants, and accommodation providers running at capacity.

Agriculture has traditionally been the main driver of Dungog Shire's economy and is still the largest employing sector. This is due to the area having good rainfall and the lands being suitable for both livestock and a range of produce. However, total jobs in this sector over the long-term are in decline. This is due to a range of market forces reducing returns on investment and advancements in technology removing the need for certain roles. There are however still investment opportunities for astute business owners such as in advanced and niche agricultural products and agri-tourism.

Some of the important questions for Dungog Shire is where will the new jobs come from? The lack of local jobs is one of the reasons there is an underrepresentation

of people aged 25 – 45 living within the LGA. Dungog Shire must therefore diversify its economy into new areas such as light industry and professional services. There may also be opportunities to unlock further growth in agriculture and tourism if these sectors are encouraged to innovate with new products and find additional markets.

Increasing the employment base is only possible after first identifying the key barriers to business growth. Feedback from business owners revealed there are three main challenges that limit growth. They include (1) infrastructure maintenance, (2) shortage of housing and (3) availability of industrial zoned land. Things such as road maintenance, telecommunication networks, footpaths and general amenities all need to be improved. A lack of housing to support key workers impacts businesses because potential staff cannot find a place to rent or purchase. There is also no available industrial land for new businesses to move into, or for existing businesses to expand. Successfully addressing these and other challenges will be critical to Dungog Shire's economy moving forward.

The Economic Development Plan has a vision and five strategic themes. The goal is to maintain an average growth rate of between

1% – 2% per year. This modest growth rate will hopefully allow for infrastructure investment to keep up with business and population growth. A faster growth rate may not be possible given that Council has limited resources, a significant backlog of infrastructure projects and small ratepayer base.

It is for this reason the plan recommends Council actively aim to secure an income-sharing arrangement with the State Government whereby an equitable percentage of the royalty raised from Hunter Water's operations in Dungog Shire is shared annually with Council for the purpose of delivering much needed infrastructure.

Council wants to work closely with business owners, community groups and other levels of government to implement this plan. Fortunately, Dungog Shire has a very engaged business community with active chambers and industry groups. This plan provides a common reference point and will hopefully facilitate productive relationships between key stakeholders. The evaluation framework included in the plan will provide a means of assessing and reporting on progress.

INTRODUCTION

Aims of the Plan

The purpose of the Economic Development Plan (“EDP”) is to provide a strategic vision and supporting actions to deliver a sustainable and prosperous economy for Dungog Shire Local Government Area (“Dungog Shire” or “LGA”). The specific aims of the EDP include:

- Tell the story – explain the trends, challenges and opportunities of the Dungog Shire economy,
- Capture the voice – accurately capture and reflect the views and aspirations of the business community,
- Grow jobs and business – focus on the sectors within the LGA such as agriculture, retail and tourism,
- Specify government’s role – understand what infrastructure and services will support these industries,
- Prepare a roadmap – outline a strategic direction, clear actions and an evaluation framework.

The EDP is intended to be a highly practical plan that addresses the specific needs of local business owners. Rather than a ‘top-down approach’, the EDP was prepared only after consulting with a wide selection of business owners to hear their views on the major challenges, opportunities and project ideas. It is also a ‘living document’ that can adapt to suit changing circumstances and includes an objectives and evaluation metrics to track performance over time.

The EDP should be read in conjunction with the following Council documents:

- Dungog Shire Council Community Strategic Plan
- Dungog Shire Council Strategic Planning Statement
- Dungog Destination Management Plan

A strategic vision and supporting actions to deliver a sustainable and prosperous economy for Dungog Shire Local Government Area

About Dungog Shire LGA

Location

The Local Government Area of Dungog Shire is part of the Hunter Region near the Barrington Tops and covers an area of 2248 square kilometres. It is bound by the Mid Coast Council region to the north-east, Singleton Shire to the west, Upper Hunter Shire to the north-west, and by Port Stephens Shire and the City of Maitland to the south. Dungog Shire LGA is one hour's drive north of Newcastle and just over 2 hours from Greater Sydney.

Demographics and Towns

The LGA has a population of 9,786 (2016 Census) that increases by about 1% per year. The median age is 45 years old and there is an underrepresentation of people between the ages of 25 – 45. The major population centres within the Shire include:

- Clarence Town
- Dungog
- Gresford and East Gresford
- Paterson
- Vacy

Geography

The Shire consists predominantly of very rugged to hilly country which becomes less rugged from north to south. The Dungog Shire has two principal rivers, the Williams in the east of the Shire and the Paterson in the west. The Williams and Paterson Rivers drain from the Barrington Plateau and contribute over 40% of the flow of the Hunter. Lostock Dam was constructed on the Paterson River in the 1970's to regulate flow and prevent lack of water in drought. Chichester Dam was constructed between 1915 and 1926 as the Hunter's first dedicated drinking water storage system.

Local Economy

Historically, Dungog Shire's economy was almost solely agriculturally-based such as dairy, beef cattle, wheat and forestry. Agriculture is still the dominant industry today, but it is in decline as more rural properties are purchased as 'lifestyle blocks and hobby farms, rather than being used for significant commercial farming. This creates a problem because the jobs in agriculture need to be replaced with something else.

The other significant change has been the rise of tourism in Dungog Shire. In recent times mountain biking has become the most popular recreational activity drawing visitors from all over NSW. The winding and lightly trafficked roads of the Shire are increasingly also an attraction to recreational motorcyclists who bring business to cafes, and places of accommodation. There is a view held by locals that there is so much untapped potential for Dungog Shire's bushland and rivers to be better utilised for visitors interested in active recreational pursuits (e.g. camping, bush walking, kayaking, 4X4 driving etc.).

Council Rate Base

Dungog Shire Council currently manages a large and expensive 721km road network. Due to a relatively small ratepayer base, Council relies on Federal and State Government grand funding to deliver critical infrastructure and maintenance. Approximately 30% of Council's annual revenue is from grants and contributions. There is a significant and systemic backlog of infrastructure upgrades, e.g. roads, parks, telecommunications and amenities, across the LGA, as well as a general inability of the Shire's to finance new infrastructure projects.

Consultation Process

The EDP was prepared only after hearing the views of business owners and residents in the Dungog Shire LGA. We wanted to know the issues that were most important to them including the major challenges, opportunities and aspirations for the future. A broad range of industry sectors were included such as agriculture, real estate, manufacturing, construction, logistics, tourism, retail and accommodation. A Project Advisory Group comprised of business leaders, councillors and council staff was also pulled together to help advise on the formation of the strategy.

The consultation process with the business community included:

- Forming a Project Advisory Group to advise throughout the process,
- Site visits to key business, tourism and agricultural areas,
- One-on-one interviews with business owners within Dungog Shire LGA,
- Industry forums on tourism and agriculture,
- Interviews with Council staff.

All the views and opinions captured during the consultation process were considered in the writing of this document.

Defining Economic Development

There are many definitions available of economic development. A simple definition is to ‘improve people’s lives through business activity’. A more comprehensive definition is provided by the World Bank. It explains the purpose of local economic development and the process by which it is achieved.

“The purpose of local economic development (LED) is to build up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation.” (Source: World Bank)

It is also worth noting the difference between economic growth and economic development. Economic growth is simply increasing GDP. Economic development has a much broader range of desired outcomes e.g. job creation, business ownership, education levels, environmental protection etc., to ensure people are benefiting from the economic growth with improved living standards.

Role of Council

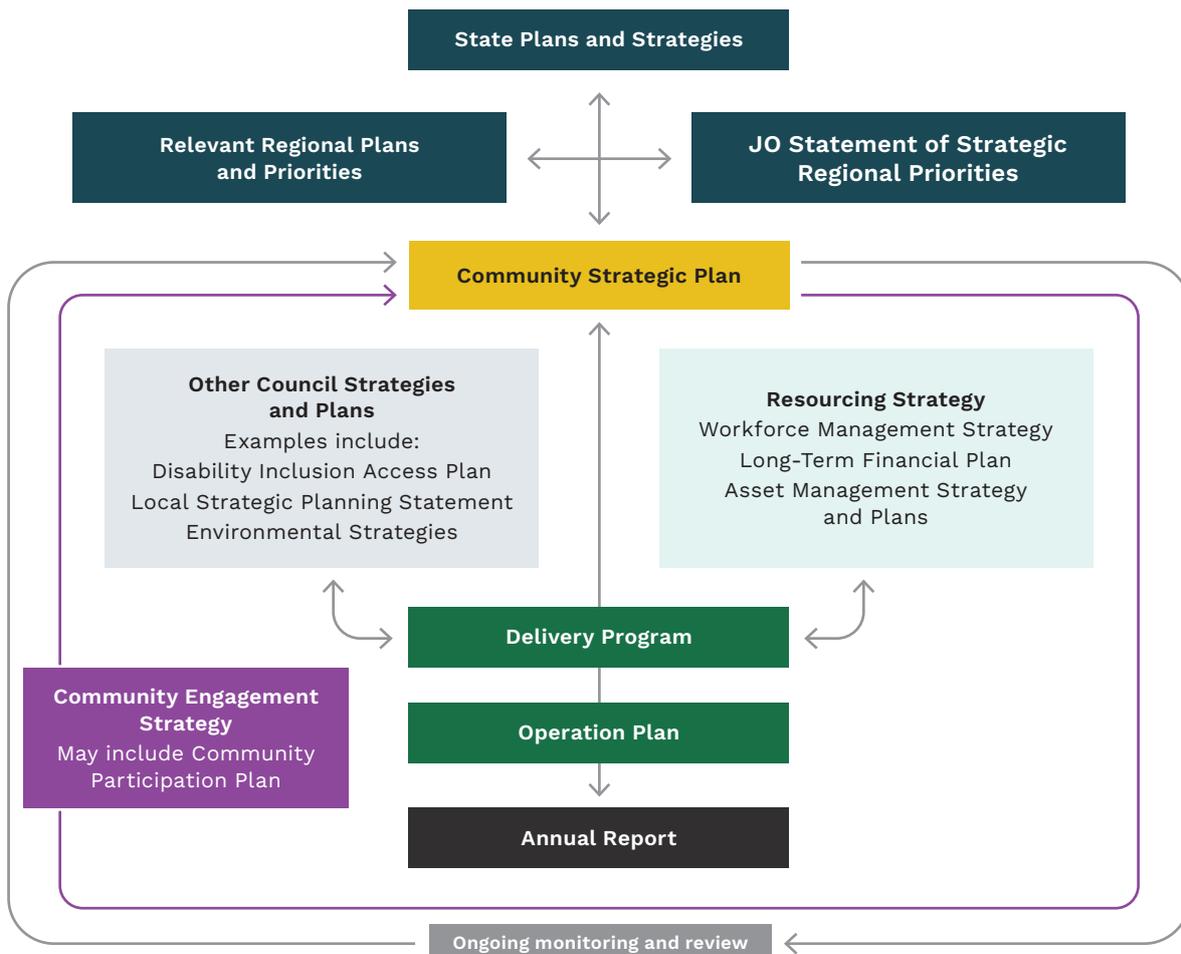
Economic development is a team sport with many stakeholders such as business owners, land owners, investors, developers, workers, real estate agents, community groups, education providers to name a few. Whilst local government is not solely responsible for the local economy, it does have a unique role in helping to deliver a business-enabling environment. Council’s primary economic development functions include:

- Defining an economic vision and providing leadership.
- Marketing and communicating accurate information on the local area for potential investors.
- Planning for the provision of housing, business and agricultural lands through the land use planning process.
- Maintaining local infrastructure such as roads, signage, parks and community facilities.
- Ensuring ongoing customer service for current business owners and residents.

The EDP will be used as a reference document for all Council planning moving forward. Council will also seek to work in partnership with other levels of government, local business owners and community groups to implement the actions contained in this plan.

Council’s Planning Process

The NSW Office of Local Government has established the integrated planning and reporting framework to guide councils in how to develop plans for their communities. The diagram below shows the relationship between the plans of the NSW Government and the various plans of Council.



(Source: NSW Office of Local Government)

Dungog Shire's Economic Profile



POPULATION

The population is
9,784 (2016)
and grows at an average
of 1% per year.



ECONOMIC GROWTH

The Gross Regional Product is
\$410 million p.a.
(2021)
and is growing at an
average of 1% per year.



EMPLOYMENT

2,202 people work in Dungog

OCCUPATIONS

Top five occupations of residents who live in Dungog Shire LGA:



1.
Technicians
and Trades
Workers
(18%)



2.
Managers
(15.7%)



3.
Professionals
(14.2%)



4.
Clerical and
Administrative
Workers
(12.6%)



5.
Labourers
(12.1%)



INDUSTRY BASE

Top five industry sectors by employment located within Dungog Shire LGA:



1.
Agriculture,
Forestry and
Fishing
(19%)



2.
Education
and Training
(13%)



3.
Construction
(10%)



4.
Retail
Trade
(9%)



5.
Accommodation
and Food
Services
(9%)

There is a gradual shift towards ‘white collar jobs’ with ‘Professional, Scientific and Technical Services’, ‘Education and Training’ and ‘Administration and Support Services’ being the fastest growing sectors in Dungog Shire LGA.

DEVELOPMENT ACTIVITY



There was **\$32 million** worth of development applications approved in the 2020-21 financial year. This was a significant increase on previous years with the five-year average of about \$20 million per year.



HOUSING AFFORDABILITY

Median house prices Dungog are \$485,000 (2021)

Median house rental prices are \$430 per week (2021)



WORKFORCE AGES

Dungog Shire LGA is underrepresented in people aged 20 – 44 years old. This situation makes it difficult for businesses to fill certain positions.



STRATEGIC CONTEXT

This section is concerned with reviewing the relevant strategic documents at a state, regional and local level to inform the direction of Dungog Shire Economic Development Plan. A summary of each plan is provided below to highlight the relevant areas for the EDP.

NSW Government

NSW 2040 Economic Blueprint: Investing in the state's future

The NSW Economic Blueprint was designed to help chart a course for the NSW economy and keep the state strong long into the future. The 2040 Blueprint makes recommendations about where the state should focus its effort. Some of the relevant aspirations include:

1. Productive, vibrant regions
2. Innovative, world-class businesses
3. Sustainable environment and resource management

20-year Economic Vision for Regional NSW

The 20-Year Economic Vision for Regional NSW, sets out the Government's priorities and plans to achieve long-term social and economic success for regional communities across the state. The plan was refreshed in response to the changed economic landscape and opportunities that have emerged in regional NSW following the drought, bushfires, flood and COVID-19 pandemic. The Hunter section aims to build upon the following economic attributes of the region (that are also common to Dungog Shire LGA):

1. The Hunter is Australia's largest regional economy, valued at over \$40 billion.
2. Accelerate recovery through investments in the Williamstown Special Activation Precinct, renewable energy and a range of infrastructure.
3. Regional specialisations in mining and tourism will continue to drive employment and economic growth despite bushfire and COVID-19 related disruptions.

Productivity Commission White Paper: Rebooting the Economy

This report is concerned with structural reform of NSW to increase productivity. The report recognises the important contribution that regional economies currently make to the NSW economy, as well as how this can be further increased. The four main strategic themes have relevance for the Dungog Shire LGA economy. They include:

1. Talent – Supporting a skilled and high-performing workforce
2. Innovation – Enabling new technologies and ways of doing things
3. Housing – Improving housing choice and affordability
4. Infrastructure – Smarter use of infrastructure and natural resources

Regional Plans

Hunter Regional Economic Development Strategy 2018 – 2022

Regional Economic Development Strategies articulate a framework for identifying actions crucial to achieving the regional vision for the ‘functional’ economic hunter region. The strategy represents the council areas of Cessnock City, Dungog Shire, Maitland City, Muswellbrook Shire, Port Stephens, Singleton and Upper Hunter Shire.

The strategy classifies industries into three categories: ‘engines’ (e.g. agriculture), ‘enablers’ (e.g. veterinary services) or ‘population-serving’ (e.g. retail). The strategy recommends focussing on the engine-type industries because they are largely responsible for the success of the town or region. The strategy also recognises Dungog Shire LGA’s limited supply of suitably zoned and developed land for industry.

Three key strategic themes:

1.

Improve inter and intra-connectivity of the Region to boost business opportunities in the ‘engine’ industries of Agriculture, Mining and Manufacturing.” This theme is concerned with taking advantage of the opportunities presented by Newcastle Airport and addressing telecommunications as one of the major barriers to business growth.

2.

Manage transitions and risks to the Coal Mining and Electricity Generation sectors and diversify the Region’s economy to build resilience.” This theme recognises the region’s reliance on coal mining and electricity generation and should prepare for the future and diversify away from these sectors.

3.

Improve infrastructure, services and amenities to fully realise and sustain the Region’s growth potential.” This theme recognises the significant population growth potential of the region, and that it is a requirement for engine industries, but that there must be investments and planning for infrastructure to accommodate more people.

Dungog Shire Council

Dungog Shire Community Strategic Plan 2030

This Community Strategic Plan (“CSP”) is a compilation of the community’s thoughts and aspirations. The CSP has a goal under “Our Local Economy” which states, “Our economy is strong, innovative and sustainable providing diverse employment opportunities and ease of access to goods and services.”

The target industries are agriculture and tourism due to Dungog Shire’s natural endowment of agricultural lands and forests, parks and rivers. In addition, the community would also like to see a greater range of local retail and business offerings. The table below summarises the CSP’s key findings and recommendations for economic development:

Economic Challenges:	Community Priorities:	Desired Outcomes:
<ol style="list-style-type: none"> 1. Leakage to other regional centres 2. Shortage of investment opportunities 3. Reduction in locally delivered government services 4. Need for agreement on the priorities for tourism 	<ol style="list-style-type: none"> 1. Economic and agricultural diversity 2. Local employment opportunities 3. Increase awareness as a tourism destination 4. Tourist accommodation and facilities 5. Extend the day and overnight stay visitation 6. Land identified and zoned for industrial growth 7. Attraction of businesses, investors and workers 8. Improved telecommunications across the LGA 9. Improving business confidence and capacity 	<ol style="list-style-type: none"> 1. Town centres have a wide range of goods and services and are well patronised 2. The Shire has a well-recognised identity and brand that drives economic outcomes. 3. The agricultural sector is innovative, healthy and well supported. 4. Tourism is a significant contributor to our local economy. 5. There are increased local employment opportunities. 6. Access to good quality telecommunications. 7. Unemployment is kept below 5.5%

Dungog Shire Local Strategic Planning Statement: Moving Forward 2040

This Local Strategic Planning Statement (“LSPS”) provides a high-level land use planning framework for Dungog Shire Council’s economic, social and environmental land use needs over the next 20 years. It addresses the planning and development issues of strategic significance to the Council through planning priorities and actions, spatial land use direction and guidance.

LSPS vision: Dungog Shire has a vibrant united community, with a sustainable economy. It is an area where rural character, community safety and lifestyle are preserved.

Strategic themes:

1. A Thriving New Economy – building on agribusiness and industry while promoting growth in tourism.
2. Infrastructure Supporting Growth – for business growth, accessibility and an increasing population.
3. A Sustainable Environment – conserving the environment and ensuring growth is well managed.
4. A Place To Grow – improving liveability and ensuring diversity and affordability in housing.

Economic Challenges:	Community Priorities:	Desired Outcomes:
<ol style="list-style-type: none"> 1. High level of economic leakage due to residents working, shopping and engaging in neighbouring LGA’s 2. The LGA struggles to provide a strong local economy & employment base 	<ol style="list-style-type: none"> 1. Increase diversity in housing choice 2. Environmental, rural and heritage-based tourism opportunities 3. Growing the resident population to grow the local economy 4. Agriculture, tourism and retail industries 	<ol style="list-style-type: none"> 1. Protect & enhance local important agricultural land 2. Promote diversification & innovation of agriculture 3. Encourage new industry and economic development 4. Growth in tourism 5. Improve tourism infrastructure 6. Sustainable and diverse housing choice



Dungog Shire Destination Management Plan 2021 – 2026

The Destination Management Plan (“DMP”) is intended to be a ‘holistic’ approach to the development, management and marketing of the tourism sector within Dungog Shire LGA. The goal of the plan is to increase visitor expenditure by (1) growing the market and delivering visitation year-round, (2) developing tourism products, accommodation and events, and (3) ensuring that the infrastructure, facilities and services are in place.

DMP vision: Our Shire community will work together to build a strong and sustainable visitor economy; one which enhances our lifestyle, respects our environment, and generates significant social and economic benefits for our community. Leveraging our natural environment, picturesque setting and contemporary country lifestyle, Dungog Shire will be a destination of choice for outdoor, soft adventure and nature-based activities – a place to escape to; a place to explore.

The actions within the DMP are structured according to the following 9 strategic priorities:

1. Ensure that the framework and resources needed to coordinate and drive growth in the visitor economy are in place
2. Strengthen Dungog and the villages as both visitor destinations and service centres
3. Consolidate Dungog Shire as a destination for outdoor, adventure and nature-based activities
4. Foster arts and cultural tourism
5. Grow the events sector
6. Leverage emerging markets
7. Ensure that the infrastructure, facilities and services needed to support growth of the visitor economy are in place
8. Continue to build industry capacity
9. Market growth and development supported by effective marketing and promotion



PICTURE

THEATRE

THEATRE
RIDE LIKE A
COWBOY

THEATRE
RIDE LIKE A
COWBOY

WHAT BUSINESS TOLD US

This section provides a summary of the feedback received from business owners in Dungog Shire LGA. This information was collected through interviews, industry forums and round table discussions with local business leaders.

Business Sentiment

Business confidence in Dungog Shire is riding high. COVID-19 restrictions are now relaxed, visitors and visitor spending are up, new cafes and restaurants are opening, the drought is broken and cattle prices are good, new types of agriculture are being trialled and property prices have risen sharply in the last 12 months. All these factors contribute to a sense of optimism among business owners.

Only 3-4 years ago there was a very different mood in Dungog Shire. There were approximately a dozen vacant shops on Dungog main street (now there is only one), the agricultural sector was suffering from drought, and the visitor economy was not performing well. So what changed?

Most business owners attribute the turnaround to the advent of mountain biking and COVID-19. Due to the efforts of local enthusiasts, Dungog Common was opened for mountain biking use. Word spread quickly and before long the area was buzzing with weekend

mountain bikers from all over NSW. The rise in visitors increased spending for accommodation providers, the hospitality industry and showcased the LGA to potential investors. COVID-19 encouraged many people in Sydney to reconsider their life choices and are attracted to the beautiful natural landscapes the Shire has to offer.

The business community has a renewed sense of purpose and optimism. Local business and tourism groups are now regularly meeting to discuss how to support continued business growth. Recent forums on tourism, agriculture and trail planning were well attended and there was a strong desire for these sort events to continue. There are new businesses joining these groups. But there is a concern that mountain bikes will not be enough to sustain the LGA in the long term. Business owners would therefore like to see a more robust local economy that is not over-reliant upon visitors to the area.

Tourism

The size of Dungog Shire's tourism industry in terms of employment is estimated at 106 jobs, which is 4.8% of total employment. Whilst the impact of tourism in direct terms is small, it has a profound impact on showcasing the LGA to new visitors, consumers, suppliers and potential investors. The tourism sector can be thought of as the 'shop front' industry of Dungog Shire. Today's visitor can be tomorrow's small business owner.

The visitor attractors to Dungog Shire LGA include the pristine natural environment and active outdoor active recreation. There are good local events throughout the year, such as the Gresford Show, Dungog Rodeo and Tocal Field Days, and the location is convenient for both Newcastle and Sydney. There are also a selection of novelty gift shops and creative arts studios to keep visitors occupied. The recent addition of more modern cafes and restaurants are catering to this new clientele.



That is not to say, the visitor economy does not have problems. The most common complaint of visitors is the standard of the roads. It creates a negative first impression of the Shire that it appears to be unkept. There is insufficient visitor accommodation in terms of the total number beds and types (e.g. caravanning and camping options). Many businesses operating hours do not align with visitors shopping habits, and there is a clear lack of signage around the Shire which reduces awareness and exposure of its key attractions. There needs to be a coherent packaging, messaging and promotion of Dungog Shire's visitor offering used by all stakeholders in the tourism sector.

Business-Friendly Council

The business community have a genuine desire for a close working relationship with Council, but at present there are some frustrations. The most common complaints from business owners were the approvals process for land owners, business owners and event organisers, parking restrictions, lack of industrial

land and housing. On a more constructive note, what businesses want from Council is to be more progressive, more supportive of development that preserves local character, and more supportive of small business when explaining DA requirements and processes.

Business Networks

Business networks within the LGA are continuously improving. Business owners were impressed with recent events organised by the Dungog District Chamber of Commerce, Dungog Regional Tourism and Ride Dungog concerning tourism, agriculture and trail development. There are two main issues that undermine the level of business networking. Firstly, the large LGA has quite separate and distinct towns and villages with limited exchanges between them. Secondly, there is a view that there might be too many business groups which makes communication less efficient. Business owners expressed a desire to see more young people join existing business groups and for a 'women in business' peer networking group.

Marketing of the Shire

There is wide recognition that there is a need for a fresh marketing approach for business and tourism. Rather than communicating what the area was 50 years ago, it needs to reflect the modern economy of Dungog Shire and where it is headed. When we asked what the key elements of 'brand DNA' of the Shire the top answers (in no order) were 'clean and green', great food, adventure/active tourism, rural lifestyle and the arts.

A Summary of Critical Issues

It is necessary to be as specific as possible when stating the economic development problems you are attempting to address. The list below is a summary of the major challenges uncovered during the statistical analysis and consultation stages.

A Declining Traditional Agricultural Base

Agriculture is by far the largest industry, but it is in a steady state of decline in employment numbers. Long-time residents still remember with the Shire used to have over 300 dairy farms, a dairy factory and timber mills. Most of these are now gone. This was due to a range of market forces such as rising land prices and input costs, deregulation, and less young people taking over farms. The economies of scale are such that it is harder now to make a profit on smaller farms within Dungog Shire LGA.

When the largest industry in a town is in decline it causes problems. There is an obvious need to replace these diminishing jobs either by intentional innovation within the agricultural sector, growing other sectors of the economy, or both. One advantage is that with farms being sold, there are new people, typically professionals, with new skills being added to the local economy.

Insufficient Industrial Land

Given agriculture is in decline, other aspects of the economy must grow. There needs to be more people with the skills necessary to work in growing industry sectors, and there needs to be appropriate spaces for new businesses to setup and for existing businesses to expand. Unfortunately, Dungog Shire has a severe lack of industrial space or industrial park (with vacant lots) within the LGA. This finding is a consistent finding across all strategic planning documents. This chronic issue must be addressed if Dungog Shire is to have a sustainable economy and increased employment options for residents.

Lack of Housing Options for Workers and New Families

Dungog Shire must attract more people to address severe staff shortages and skills shortages. It is also necessary to grow the consumer market for population-serving businesses (e.g. local shops). There is not enough housing supply, housing types and at affordable prices within the LGA. The general view is that

people want to maintain the rural character of the LGA. A solution might be to increase housing density close to town centres with a wide range of housing types (e.g. detached houses, terraces and social housing units) whilst maintaining the larger rural blocks outside of town.

Incomplete Visitor Offering and Promotion

The visitor economy of Dungog Shire has many strong attributes such as the scenic landscapes, forests, biking tracks and waterways. But the visitor experience and complete offering is lacking. For example, many local businesses have limited daily trading hours or are closed on weekends. It is also difficult for visitors to find out exactly what is on offer in town in terms of entertainment and experiences. There is work to be done in bringing the various elements together so that visitors are encouraged to stay longer and spend more money whilst in the Shire. The branding and messaging of Dungog Shire LGA also needs to be updated for both tourism and business attraction purposes.



Infrastructure Backlog with Insufficient Funds

There is a need to upgrade infrastructure across the LGA. The infrastructure needs can probably be classified into business needs and lifestyle needs (noting there is overlap between the two). Business infrastructure needs include maintaining the local road network, activating Central Business Districts projects, NBN coverage and mobile phone blackspots, public transport, bus shelters, signage and improving connectivity. Lifestyle infrastructure needs include footpaths connecting to common areas, playgrounds, maintaining parks and reserves, picnic tables, BBQs and public toilets. As mentioned previously, Council lacks the required funds to address all the infrastructure needs of the LGA. Due to a small ratepayer base and large road network, it relies upon money from State and Federal Government to address these infrastructure needs.

Focus of Council

One of the questions we asked business owners was what they would like Council to focus on in the economic development plan. There was recognition that the task of growing the local economy has many facets. Some of the key topics were:

- Tourism with destination marketing
- Delivering small industrial lots for light industry
- Addressing the housing shortage
- Balanced, sustainable growth and development
- Helping the small businesses as much possible
- Need more employment options to retain young people
- Improving the quality of local roads

PLANNING FOR THE FUTURE

Vision Statement

By 2026, Dungog Shire LGA will be energised by a new brand that drives investment attraction. Housing and infrastructure will be delivered to enable business growth particularly in light industry and professional services. Agricultural and tourism sectors will continue to innovate as they trial new technologies and create new products and will be business-friendly and financially strong.



Theme 1 – Identity Council

OBJECTIVES:

- 1.1 To establish an updated brand and effectively market Dungog Shire LGA for investment opportunities.
- 1.2 To facilitate joint marketing initiatives with relevant industry stakeholders.

ACTIONS:

- 1.1 ***Develop a brand, identity and value proposition to promote Dungog Shire as an attractive location for work and investment, as well as a safe and affordable place to raise a family.**
- 1.2 ***Investigate new eco-tourism, agri-tourism, cultural tourism and active recreational possibilities for Dungog Shire.**
- 1.3 Assist local businesses and community groups with actions to improve food security and food distribution in the Shire (e.g. farmers market initiatives).
- 1.4 Continue to work with Dungog Regional Tourism, National Parks, Forestry Corporation of NSW, Destination NSW, tourism businesses and other key stakeholders to develop a strategic approach to growing visitor numbers across the Shire.
- 1.5 Review planning controls to encourage temporary events and other permissible tourism uses.
- 1.6 Partner on joint marketing campaigns for adventure-based tourism activities (e.g. biking, camping, kayaks, bushwalking etc.).
- 1.7 Develop and promote a calendar of events to support arts and culture, culinary experiences and quirky retail offerings.
- 1.8 Look for opportunities to take advantage of Dungog Shire's proximity to Newcastle and Sydney (e.g. attracting remote workers, Newcastle international airport expansion project).

*Denotes priority actions.



Theme 2 – Infrastructure

OBJECTIVES:

- 2.1 To understand the most critical infrastructure needs to support tourism and economic development.
- 2.2 To have budgeted infrastructure plans in place for when money becomes available.

ACTIONS:

- 2.1 ***Develop multi-use trails and increase overall access to the Forests, National Parks and Waterways.**
- 2.2 ***Conduct an audit of the existing internet and mobile phone services across the LGA to determine both the best performing areas and those in most need of improvement.**
- 2.3 ***Investigate temporary and permanent town centre activation projects to attract more people (e.g. temporary installations, Dungog Courthouse New Civic Precinct, Clarence Town Structural Plan, etc.)**
- 2.4 Investigate exporting and growth in the region by leveraging off the connections to the Newcastle Airport and Port of Newcastle.
- 2.5 Maintain an up-to-date budgeted infrastructure project list to guide lobbying activities towards State and Federal Governments
- 2.6 Consider how smaller scale infrastructure improvements may be delivered through Councils annual operational plans (e.g. public toilets, parks, tables, footpaths, scenic route stops, EV charging and bike parking stations).
- 2.7 Assist community groups and agricultural businesses, where feasible, to gain access to Council-owned lands and unused road reserves for the purposes of developing community or market gardens.
- 2.8 Investigate the feasibility of facilitating the development of tourism infrastructure.

*Denotes priority actions.



Theme 3 – Industry

OBJECTIVES:

- 3.1 To encourage and facilitate the delivery of industrial land.
- 3.2 To encourage and facilitate the delivery of affordable housing.
- 3.3 To make it easier to start and grow a business.

ACTIONS:

- 3.1 ***Undertake Employment Lands Study and make necessary amendments to the Local Environmental Plan to deliver sufficient industrial land and commercial land in the Shire.**
- 3.2 ***Council to take a proactive role and investigate other options for the provision of increased industrial land (i.e. IN1 Lands) through the Strategic Property Review.**
- 3.3 ***Investigate and lobby for the provision of increased affordable and social housing in Dungog Shire LGA.**
- 3.4 Review and update the Local Environmental Plan to support housing supply and sustainable population growth (e.g. a target of 1 – 2% per annum).
- 3.5 Develop a priority business development applications process and concierge service to assist small business owners (e.g. fact sheets and information nights).
- 3.6 Partner with relevant State Government agencies and regional economic development initiatives to promote small business development programs.
- 3.7 Council to support business networking events and knowledge sharing between business owners (e.g. through the Dungog District Chamber of Commerce).
- 3.8 Council to support a practical business attraction program to showcase the LGA to potential investors and introduce them to local business leaders.
- 3.9 Work with business owners to encourage them to extend opening hours during peak periods (e.g. major community and tourism events).
- 3.10 Dungog Shire Council to work closely with relevant Chambers of Commerce and other business groups to lobby government on behalf of business and seek out grant and other revenue opportunities.

*Denotes priority actions.



Theme 4 – Innovation

OBJECTIVES:

- 4.1 To support innovation in target industry sectors (e.g. tourism and agriculture).
- 4.2 For Dungog Shire LGA to continue to protect, preserve and restore our natural areas.

ACTIONS:

- 4.1 ***Seek to deliver world-class mountain bike trails and multi-use trail networks and support major competitions in the Dungog Common and other outdoor areas and venues within the LGA.**
- 4.2 ***Investigate investment in energy conservation and renewable energy for Council and the LGA.**
- 4.3 Support agricultural businesses to continue to meet to discuss best practice, new technology and explore group marketing ideas.
- 4.4 Partner with TOCAL and other key education and training stakeholders to investigate new opportunities in agri-tech and agribusiness that might be suitable in Dungog Shire LGA.
- 4.5 Work with relevant agencies to promote programs that help businesses, regardless of industry sector, adopt more sustainable ways of operating.
- 4.6 Work with Forestry Corporation to introduce pre-booking and structured camping in State Forests.
- 4.7 Council to support networking events and forums designed to better plan the delivery of agricultural, commercial, industrial, recreational, cultural or tourism developments within the Dungog Shire LGA.
- 4.8 Council and the community stakeholders to review their strategic planning and operations to be more resilient and prepared for extreme weather events (e.g. droughts, floods, storms, bushfires) as well as extreme economic disruption events (pandemics, financial disruptions, food and water security, etc.).
- 4.9 Support the emerging bespoke manufacturers that are setting up in the LGA (e.g. clothing, food and beverage etc.) and find out the specific support they need to grow and successfully market their products.
- 4.10 Investigate opportunities for eco-tourism, 'regenerative tourism' and cultural tourism, whereby visitation to the area improves environmental outcomes.

*Denotes priority actions.



Theme 5 – Income

OBJECTIVES:

- 5.1 To attract more funding for identified infrastructure project needs to support tourism and economic development in the Dungog Shire LGA.
- 5.2 For Council to investigate ways of being more financially sustainable.

ACTIONS:

- 5.1 ***Council to continue to advocate with all levels of government on the 'offers and asks' aligned with Councils current ' City Living Rural Benefits' L2022 Advocacy Strategy.**
- 5.2 Work with relevant stakeholders to apply for suitable government grants for the delivery of necessary infrastructures and services.
- 5.3 Discuss opportunities to transfer the ownership of major arterial roads to the State Government.
- 5.4 Conduct a review of Councils rate base and expenditures to ensure financial sustainability of the LGA.
- 5.5 Explore opportunities to strengthen the capacity of Council's Economic Development Department.

*Denotes priority actions.

Evaluation and Reporting

Headline Economic Indicators for Dungog Shire LGA			
	Baseline	Target (by 2026)	Sources
Jobs	2,202 (2016)	2,640	REMPPLAN, Dungog/Other
Businesses	1093 (2021)	1,200	REMPPLAN, Dungog/Other
GDP	\$410 million (2021)	\$450 million	REMPPLAN, Dungog/Other
Unemployment	3% (Dec 2021)	Maintain below 5%	REMPPLAN, Dungog/Other
Population	9,872 (2021)	10,846	RMEPLAN, Dungog/Other

Council Key Performance Measures of Economic Development Plan			
	Baseline	Target (by 2026)	Sources
No. of actions completed	TBD	75%	Council
Business satisfaction rate with Council programs	TBD	75%	Annual Business Survey
DA processing times for business applications	TBD	20% improvement	Council

Monitoring and Reporting Process

Dungog Shire Council will monitor and report on the progress of the EDP according to Council's regular reporting processes such as the Annual Report. Actions contained in the EDP will be allocated funding according to Council's Combined Delivery Program and Operational Plan listed on Council's website.

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5. REMPLAN, Dungog Economic Profile
6. NSW Government, 2040 Economic Blueprint: Investing in the state's future
7. NSW Government, 20-year Economic Vision for Regional NSW
8. NSW Government, Hunter Regional Economic Development Strategy 2018 – 2022
9. NSW Government, Productivity Commission White Paper: Rebooting the Economy (2021)
10. NSW Office of Local Government website: <https://www.olg.nsw.gov.au/councils/integrated-planning-and-reporting/>
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