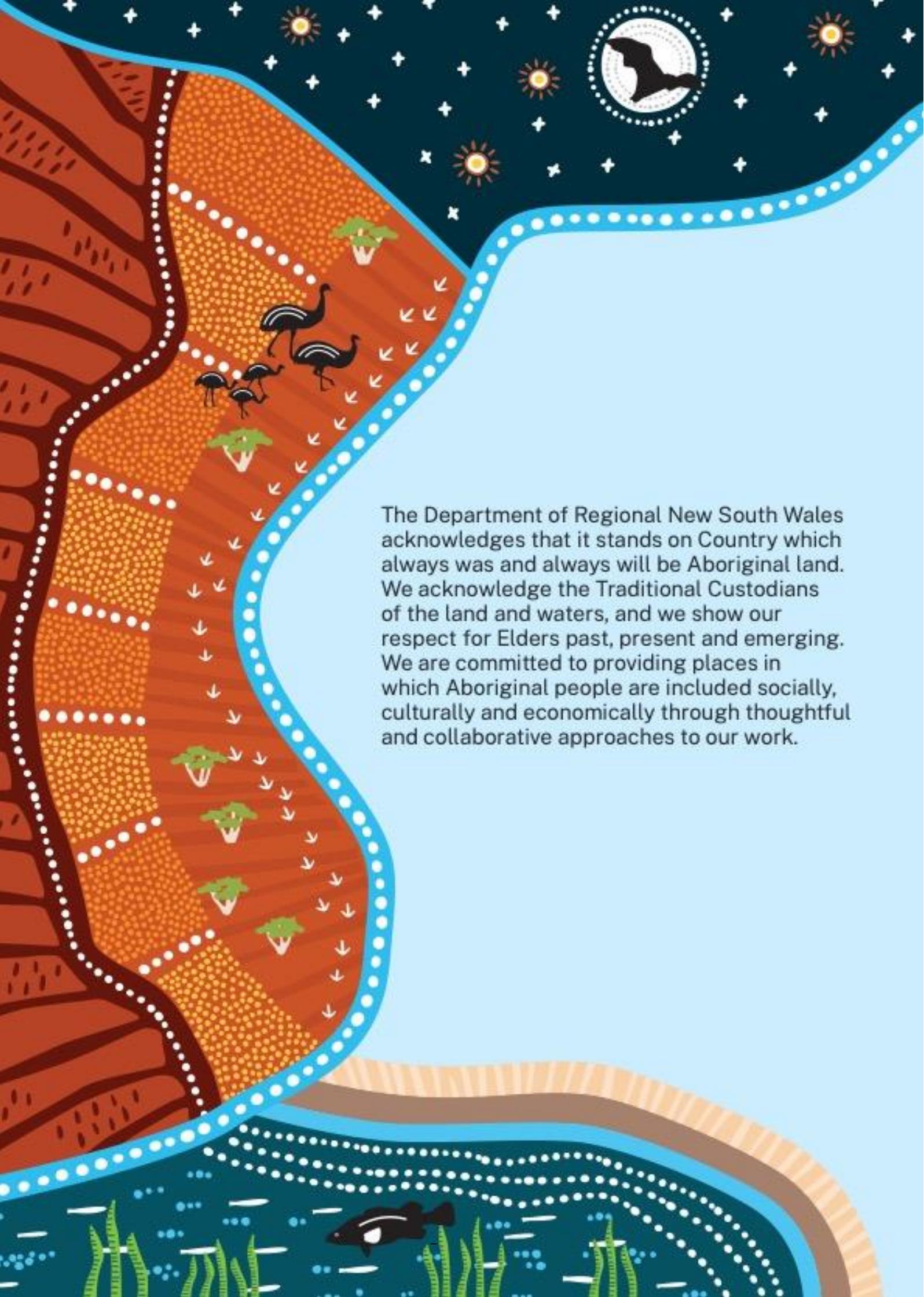


# Far South Coast Regional Economic Development Strategy – 2023 Update





The Department of Regional New South Wales acknowledges that it stands on Country which always was and always will be Aboriginal land. We acknowledge the Traditional Custodians of the land and waters, and we show our respect for Elders past, present and emerging. We are committed to providing places in which Aboriginal people are included socially, culturally and economically through thoughtful and collaborative approaches to our work.

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## **On Country – Artwork by Mumbulla Creative**

"On Country" captures the many different countries located within the Department of Regional NSW footprint. Only part of the image is shown on the Acknowledgement of Country page. The regions included in this partial image are detailed below.

The Far West region of NSW is represented by red earth plains, mallee scrubs and an abundant emu population. Freshwater countries are referenced by the expansive network of rivers stretching through the regions. The Riverina Murray region is represented by the roots of a river redgum on the banks of a river, and a large Murray Cod can be seen in the river. The night sky features as it plays an important navigational and story-telling role in traditional life.

Cover image: Beares Beach in Bermagui Photo credit: David Rogers Photography

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# 1. Executive Summary

## Changes in the Far South Coast region since 2018

In 2018, the NSW Government developed Regional Economic Development Strategies (REDS) for 38 Functional Economic Regions (FERs) across regional NSW. Since publication, regional NSW has endured shocks including bushfires, floods, COVID-19 and the mouse plague, and significant new economic opportunities have emerged. The 2023 REDS Update provides an updated evidence base to guide governments in making policy and investment decisions to enhance resilience and drive sustainable, long-term economic growth in regional NSW.

### The Far South Coast region has seen significant investment delivered since 2018, with additional projects in the planning or delivery stages



The new **\$260 million Eurobodalla Regional Hospital**.



**\$24 million investment into TAFE facilities** to boost skills.



Over **\$50 million** invested into in **regional tourism infrastructure** since 2018.



Over **\$100 million** has been committed to **private residential and commercial development**.

### The Far South Coast has seen significant population growth and substantial increases in house prices since 2018, which is creating key challenges for the region



+ **3.8%** population growth between 2018 and 2021.



**48%** of the Far South Coast's population is **over the age of 55**.



Housing vacancy rates sit at **2%** as at August 2022, with median house prices having **risen by 72%** between 2018 and 2022.



Unemployment in the region sits above the state-wide average, while job vacancies reached an all-time high of **3,088** in August 2022.

## The region's key engine industries (including tourism, agriculture, health care and manufacturing) have remained resilient despite significant external shocks since 2018



### Tourism

+ **1.4%** Year-on-Year (YoY) growth from 2011-2020

**\$ 782 million** visitor spend in 2021

**6,745 jobs** supported in 2021



### Agriculture, forestry and fishing

+ **7.5%** YoY growth from 2011-2020

**\$234 million** Gross Value Added (GVA) in 2020

**1,378 jobs** supported in 2021



### Health care

+ **4.6%** YoY growth from 2011-2020

**\$375 million** GVA in 2020

**4,795 jobs** supported in 2021



### Manufacturing

- **0.4%** YoY growth from 2011-2020

**\$ 235 million** GVA in 2020

**1,449 jobs** supported in 2021

## Key themes from local consultation

Stakeholders from the Far South Coast highlighted housing availability, resilience, and leveraging major projects for sustainable growth as key priorities for the region.

### Building resilience is a key focus



Recent shocks and natural disasters, in particular the 2019-20 bushfires have brought the need to enhance community, economic and infrastructure resilience to the front of mind for stakeholders in the Far South Coast region.

### The complex impacts of increased remote working



While remote working provides increased opportunity to access a wider labour pool, stakeholders in the Far South Coast outlined the region is facing greater competition for the workforce needed to meet local demand.

### Housing availability and affordability



Given existing housing availability and affordability issues, stakeholders expressed concern over successfully supporting a growing population in the region while also housing workers associated with major project delivery

### Taking a long-term view on major projects



Consultation revealed a keen focus on maximising the long-term benefits of major projects, so to ensure investment delivers sustainable and inclusive growth.

## Far South Coast REDS - 2023 Update strategies and enablers

Strategies	Enablers
<p><b>Support the development and growth of the region’s visitor economy and overall lifestyle appeal.</b></p>	<ul style="list-style-type: none"> <li>• Collaborate with NSW Government agencies and the tourism industry to improve coordination of tourism project delivery, including infrastructure and industry development, and identify opportunities to increase the year-round tourism offering.</li> </ul>
<p><b>Continue to grow the region’s agricultural, aquaculture and food production sectors.</b></p>	<ul style="list-style-type: none"> <li>• Support research and feasibility studies to identify opportunities for growth, value adding and circular economy projects across the agriculture, forestry and fishing industry.</li> <li>• Explore resource optimisation and circular economy opportunities by undertaking a material flow analysis and identifying pathways to enhance synergies between sectors.</li> <li>• Work collaboratively with local councils to implement the South Coast Regional Water Strategy in order to improve water security across the region.</li> </ul>
<p><b>Grow the participation, supply and retention of skilled labour, including through improving liveability, to enhance regional economic resilience.</b></p>	<ul style="list-style-type: none"> <li>• Engage with businesses and education providers to ensure that education and training providers can support the development of an appropriately skilled workforce to meet the current and future labour needs of the region, with a focus on key population serving sectors including health and education.</li> <li>• Collaborate with Aboriginal communities to develop training and employment opportunities and support Aboriginal enterprises.</li> </ul>
<p><b>Improve infrastructure and utility capacity to bolster resilience and support economic growth.</b></p>	<ul style="list-style-type: none"> <li>• Work with industry and emergency services to identify power supply issues and develop solutions which minimise the risk of failure during natural disasters.</li> <li>• Support councils to use the Connectivity Index Tool to review existing coverage and identify the areas of greatest need in the region for upgrades to telecommunications infrastructure.</li> <li>• Support research and feasibility studies associated with potential renewable energy generation and storage projects in the region, including offshore wind, small scale pumped hydro and solar.</li> </ul>

**Support investment in housing and population-serving infrastructure.**

- Work with local government to strategically plan for housing supply, focusing on development within existing centres where aligned with existing strategic plans.
- Identify opportunities to support the diversification of the region's affordable housing options and increase housing supply through a Regional Housing Delivery Plan.
- Work with NSW Government agencies to ensure residential and employment zoned lands offer a high standard of amenity and are supported by high quality transport connectivity, in particular to connect young and/or unemployed people to education and training opportunities.



Figure 1: Lighthouse on Montague Island, Eurobodalla LGA. Photo credit: Destination NSW

## 2. About the 2023 REDS Update

In 2018, the NSW Government and local councils developed a series of REDS for 38 Functional Economic Regions (FERs) across regional NSW. FERs are made up of one or more Local Government Areas (LGAs) that work together to create smaller economies with strong economic links.

Supporting the *20-Year Economic Vision for Regional NSW*, the REDS set out a place-based vision and framework for economic development for each FER. The REDS identify each FER's endowments, industry specialisations and key vulnerabilities and opportunities, and outline economic development strategies and actions to leverage these strengths.

Since 2018, regional NSW has endured many challenges including drought, bushfires, floods, COVID-19 and the mouse plague. At the same time a range of broader state-wide trends and actions continue to change the economic landscape across regional NSW, including digital transformation, increased remote working and the shift towards net zero. These challenges and trends have altered the landscape of economic development in many regions and created new opportunities for growth.

The 2023 REDS Update provides an updated evidence base to guide governments in making policy and investment decisions to enhance resilience and drive sustainable, long-term economic growth in regional NSW. The objectives of the update are to:

1. **Highlight progress:** reflect on significant initiatives and investments that have supported progress against the key strategies and actions in the 2018 REDS.
2. **Capture major changes:** identify and assess the impacts of major changes to regional economies since 2018, including the effect of recent 'shocks' such as bushfires, droughts, floods, mouse plagues and the COVID-19 pandemic.
3. **Identify strategic opportunities:** identify key strategic opportunities and vulnerabilities for engine and emerging industries, as well as any changes to local endowments.
4. **Set the foundation for the future:** review, affirm and/or adjust the 2018 strategies, including consideration of new strategies to meet emerging priorities, to ensure they remain relevant.
5. **Identify key enablers to guide future action:** develop a non-exhaustive list of priority enabling actions that will support the 2023 REDS Update strategies.



Figure 2: Merimbula Boardwalk, Bega Valley LGA. Photo credit: David Rogers photography



Figure 3: Swimming with seals as part of the Montague Island Discovery Tours experience. Photo credit: Destination NSW.

### 3.About the Far South Coast region

The Far South Coast FER is 287 kilometres drive from Sydney and 149 kilometres from Canberra on the South Coast of NSW. The region is comprised of the Eurobodalla and Bega Valley LGAs, with major population centres including Batemans Bay, Bega, Bermagui, Merimbula, Moruya and Narooma.

Total area covered (km <sup>2</sup> )	9,707
Population (2021)	76,214
Bega Valley	35,761
Eurobodalla	40,453
Size of the economy (2020)	\$3.684 billion
Total employment (2021)	29,540

Source: ABS (2021) Estimated Resident Population, REMPLAN (2020), ABS Census (2021)



Figure 4: Map of the Far South Coast Functional Economic Region

## 4.2018 Far South Coast REDS and 2020 Bushfire Addendum

In the 2018 Far South Coast REDS, the region was actively pursuing growth in its key industry specialisations, particularly tourism and agriculture. Endowments recognised in the document spanned natural, social and infrastructure assets, which were central to the strategy's approach to enabling economic development in the region.

The 2020 Far South Coast Bushfire Impact Addendum offered additional areas of strategic focus for the region following the 2019-2020 bushfires, focused on infrastructure repairs, and investment and actions to help support regional businesses to recover and achieve long-term resilience.

### 2018 Far South Coast strategies

	Support the development and growth of the region's tourism sector and overall lifestyle appeal.
	Continue to grow the region's agricultural, aquaculture and food production sector.
	Grow the participation and supply of skilled labour and enhance regional economic resilience.
	Improve the reliability of infrastructure and telecommunications.
	The 2020 Far South Coast Bushfire Impact Addendum offered four additional areas of strategic focus following the 2019-2020 bushfires, which were rectifying damaged forestry infrastructure, investing in tourism infrastructure, supporting ongoing workforce transition and supporting regional business hubs/programs.

### 2018 Far South Coast specialisations

The Far South Coast is home to a wealth of physical, institutional, built and human endowments. These endowments play a key role in enabling growth across the region's industry specialisations.

	Dairy product farming and manufacturing
	Aquaculture
	Residential care services
	Accommodation
	Forestry and logging

## 2018 Far South Coast endowments

Endowment	Relevant 2018 specialisation
Natural assets and amenity	
Healthcare infrastructure and services	
Port of Eden Wharf	
Location – Proximity to Canberra, Sydney and Melbourne	
Intellectual and social capital	
Cultural festivals and events	
Education infrastructure	
Dairy industry	
Local institutions and strong leadership	



Figure 5: Eden Whale Museum, Bega Valley LGA. Photo credit: David Rogers photography.

## 5. The big picture: Shocks and trends impacting the Far South Coast since 2018



Figure 6: SAGE Farmers Markets in Moruya, Eurobodalla LGA. Photo credit: Destination NSW.

### Significant events impacting major industries

A sustained period of drought followed by major bushfires and floods has had severe social, environmental and economic implications for the region. COVID-19 related movement restrictions further challenged local businesses and created additional strain for a community still in the midst of recovery. In the period 2018 to 2022, the region had 11 natural disaster declarations<sup>[1]</sup> and received \$78.5 million<sup>[2]</sup> in disaster recovery grants.<sup>1</sup> Enhancing both industry and community resilience is a critical focus in the Far South Coast region, both as part of ongoing recovery from recent disasters, but also as part of a key longer term focus on achieving climate adaptation outcomes.

### Drought

In the period January 2017 to December 2019, NSW temperatures were the warmest and rainfall was the lowest on record, with the Far South Coast region suffering from a sustained period of drought.

This drought had a significant impact on the region's major catchment, the Brogo Dam, which recorded the worst consecutive 24 months of storage on record.<sup>[3]</sup> In January 2020, the Brogo Dam water level dropped rapidly to 14%, requiring water restrictions to be implemented to conserve the limited supply for town, domestic and stock uses.<sup>[3]</sup>

The drought had significant impacts on the local agriculture sector, in particular the dairy sector. A lack of feed required farmers to cut back on herd sizes, and the drought also impacted the operations of Bega Cheese, a key employer in the region.<sup>[4][5]</sup>

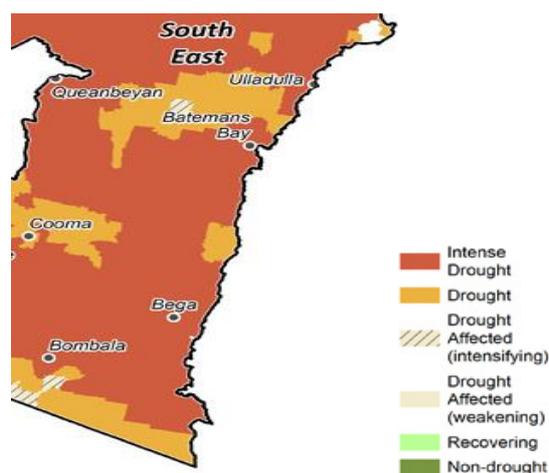


Figure 7: Combined Drought Indicator, 12 months to 31 December 2019 (Department of Primary Industries (DPI), 2022).

<sup>1</sup>Note: This value does not include funding provided for disaster recovery under Natural Disaster Relief and Recovery arrangements.

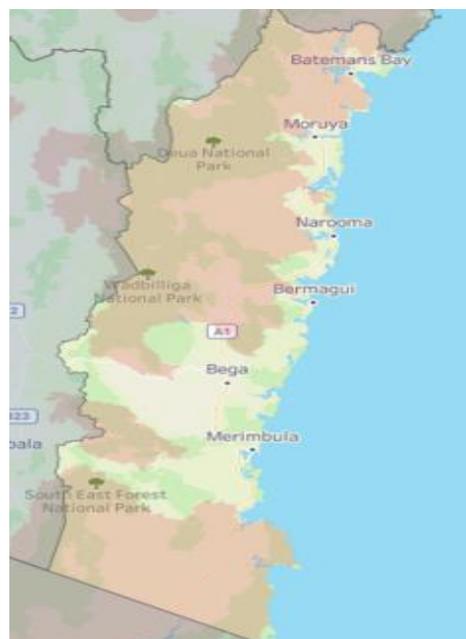
## Bushfires

The 2019-20 bushfire crisis had a devastating impact on the Far South Coast region with adverse social, environmental and economic impacts. The fire impacted 6,589 square kilometres of the region, equating to 68% of total land mass, while 3,855 properties were damaged or destroyed.<sup>[6]</sup> There were substantial economic impacts on key local industries, with estimated economic damage across the two LGAs of more than \$368 million.<sup>[7]</sup>

Key Impacts of the 2019-20 bushfires included:

- a reported 1450 cattle lost, which was approximately 4% of the total dairy herd,
- damage to the Eden Woodchip Mill and 80% of the hardwood native forest burnt, impacting the forestry sector in the region,
- 80% of yearly tourism revenue was lost in 2019-20 due to fires and evacuation, with Eurobodalla Shire highly exposed to tourism industry impacts,
- wide scale hardship experienced by residents who were evacuated and/or experienced destroyed or damaged properties, lost livestock and personal possessions.<sup>[6]</sup>

Beyond the significant support provided through disaster payments and grants to individuals and businesses, the region also received \$78.5 million in recovery funding across a range of projects, including support for burnt timber storage and targeted tourism industry support.<sup>[2]</sup>



■ Fire impacted

Figure 8: Areas impacted by fire in the Far South Coast region during the 2019-20 bushfires.

## COVID-19

The COVID-19 pandemic had a sizable impact on business in the region, with 53% of businesses reporting that COVID-19 negatively impacted them.<sup>[8]</sup> COVID-19 international border restrictions also took a heavy toll on the local visitor economy, with 2021 expenditure down \$87 million on 2019 levels, and a net decrease of 42,000 annual visitors to the region across the same period.<sup>[9]</sup> In addition, the pandemic stopped cruise ships docking at Eden Cruise Terminal for more than two years, impacting visitation associated with use of the upgraded facilities which opened in 2019.<sup>[10]</sup>

## Floods

Nine out of the 11 natural disaster declarations between 2018 and 2022 in the region were related to storms and floods. Their impact has been acute, with eight events occurring since July 2020.<sup>[11]</sup> Heavy rain in March 2021 caused significant flooding of rural land and damage to infrastructure, while heavy downpours in December 2021 caused flash flooding in Mogo, that cut key transport routes, washed away livestock and inundated commercial and residential buildings.<sup>[11] [12] [13]</sup>

Further heavy and sustained rain caused a range of road closures and localised flooding across the region in March 2022, including direct impacts on the aquaculture sector where estuaries were forced to close which disrupted seafood supply.<sup>[14]</sup> The floods had a major impact on businesses in the region, with an average direct damage cost estimated at \$238,500.<sup>[15]</sup>

## Macroeconomic trends shaping the region’s future

Macroeconomic trends related to climate and migration have played a significant role in the development of the Far South Coast region since 2018 and are likely to continue to have a strong influence on its future. With a growing population of remote workers, the impacts of successive natural disasters, and an increasingly central role in the progression to net zero, the region faces both opportunities and risks, both in building resilience against the impacts of key trends such as climate change, and leveraging competitive advantage to maximise benefits associated with digital transformation.

Trend		Opportunities and risks
 <p>Digital Transformation</p>	<p>The COVID-19 pandemic has bolstered remote workers who are taking advantage of the regional lifestyle offering while maintaining metro-based employment.<sup>[16]</sup> This is evident in the population shift in 2020-21, with regional NSW gaining an additional 26,800 residents while Sydney declined by 5,200.<sup>[17]</sup> This trend has been experienced in the Far South Coast region, with strong population growth recorded.</p> <p>Investment in improved telecommunications infrastructure since 2018 through the Connecting Country Communities program, including rollout of 7 new mobile phone towers has helped improve connectivity in the region, but additional investment is needed to ensure key enabling infrastructure can meet demand and to address coverage shortfalls.</p>	<p>An accelerated digital transformation opens up online opportunities for businesses to scale up e-commerce capability to new markets.</p> <p>The surge in demand for data puts increased pressure on existing telecommunications infrastructure, creating digital reliability and service quality issues.</p>
 <p>Changing Migration Patterns</p>	<p>Increased COVID-19 related migration to the region has been a contributing factor in increasing demand for enabling infrastructure, especially housing. Feedback from stakeholders highlighted the competitive nature of COVID-19 related migration in filling local vacancies, given many residents have an increased ability to live and work in higher paying jobs that are not based in the region.</p> <p>Retaining young workers, especially in hospitality and other in demand population serving roles typically requires high-quality placemaking and amenity.<sup>[18]</sup> In addition, to fill vacancies within the region there is a need to ensure employment packages are able to compete with out-of-region offerings and remote working opportunities.</p>	<p>A boost in population has the ability to boost local economic activity and attract new businesses and industries to the region.</p> <p>Population growth increases pressure on existing infrastructure, especially housing as well population serving sectors, such as health, childcare and education.</p>

Trend	Opportunities and risks	
 <p data-bbox="92 327 272 394">Towards Net Zero</p>	<p data-bbox="368 224 1038 495">There are significant opportunities for the Far South Coast region to contribute to the shift towards net zero efforts, as well as to pursue circular economy initiatives. Both Bega Valley and Eurobodalla LGAs are committed to net zero emissions by 2050 and to source 100% of council electricity demand from renewable energy by 2030.<sup>[19]</sup></p> <p data-bbox="368 517 1031 613">The long-term potential for an offshore wind farm south of Eden is an opportunity to diversify energy sources in the region.</p> <p data-bbox="368 636 1038 768">Resource optimisation will be crucial in reducing fossil fuel use, and supporting the growth of the circular economy in the region, which represents an important opportunity for the region.</p>	<p data-bbox="1098 224 1437 427">Opportunity for the region to leverage its natural wind and marine endowments to drive investment in new renewable energy.</p> <p data-bbox="1098 450 1442 719">A core challenge is ensuring long-term local benefit from new energy generation, especially post construction phase and ensuring land use conflict risks are managed.</p>
 <p data-bbox="92 965 256 1025">Rising Uncertainty</p>	<p data-bbox="368 871 1007 1072">The region has experienced a succession of extreme climate events since 2018, including drought, bushfires and floods. With the frequency and intensity of events projected to increase in coming decades, there is a need to enhance climate and economic resilience.<sup>[20]</sup></p> <p data-bbox="368 1095 1038 1431">Both Bega Valley and Eurobodalla Shire councils have already undertaken substantial work to improve the region's climate resilience and adaptation, but further work is needed, in particular for agriculture and manufacturing sectors. Building community resilience, alongside infrastructure and business supply chains, will be crucial to building a successful future for the region in the face of increasing uncertainty.</p>	<p data-bbox="1098 871 1434 1003">Rising uncertainty has placed upward pressure on inflation, driving up costs for business.</p> <p data-bbox="1098 1025 1450 1227">The need to build resilience presents an opportunity to pursue investment to upgrade transport, digital and key infrastructure.</p>

## 6. Responding to change: Initiatives and investments since 2018



Figure 9: Cyclists rest on a bench by the beach in Tathra, Bega Valley LGA. Photo credit: Damian Breach.

Since 2018, local councils, the NSW Government and other key organisations have delivered new and updated strategic documents and plans that help guide economic and community development in the region. These documents support the development of local enabling actions that contribute towards progress against key REDS priorities and strategies.

Strategies and plans	Relevant 2018 strategies
The draft <b>South East and Tablelands Regional Plan 2041</b> provides a blueprint for strategic planning to support economic growth, with a focus on sustainable growth, increasing resilience and empowering the Aboriginal community.	
The <b>Bega Valley Local Strategic Planning Statement 2040</b> and the <b>Eurobodalla Local Strategic Planning Statement 2040</b> set out the land-use planning vision at an LGA level to guide how enhanced liveability and sustainable economic development can be achieved across the region.	
The <b>Bega Valley Community Strategic Plan</b> and Eurobodalla Shire Council's <b>Community Strategic Plan – Our Eurobodalla</b> identify the community's main priorities and aspirations for the future and plan strategies to achieve these goals.	
The <b>Bega Valley Affordable Housing Strategy</b> and <b>Bega Valley Residential Land Strategy 2040</b> provide a framework to respond to housing needs in the LGA, with a focus on supporting sustainable housing development.	
The <b>Bega Valley Climate Resilience Strategy 2050</b> and <b>Eurobodalla Climate Resilience Plan</b> (in development) identify how each LGA can foster enhanced resilience to the social, economic and environmental impacts of climate change.	
The <b>Destination Southern NSW Draft Destination Management Plan 2022-30</b> , <b>Eurobodalla Destination Action Plan</b> and the <b>Batemans Bay Waterfront Masterplan and Activation Strategy</b> seek to bolster the diversification and growth of tourism, by growing visitor expenditure and overnight stays and improving local amenity.	

The **Canberra Regional Economic Development Strategy (CREDS)** sets out actions to develop an economically prosperous region that provides high quality of life and is resilient, accessible and environmentally sustainable.



The **South Coast Regional Water Strategy** sets out 22 actions to improve the South Coast's readiness to adapt to a more variable climate.



The **Draft South East and Tablelands Regional Transport Plan** outlines how Transport for NSW will respond to the region's transport needs, with objectives include improving public and active transport and supporting emissions reductions.



## Significant investments since 2018

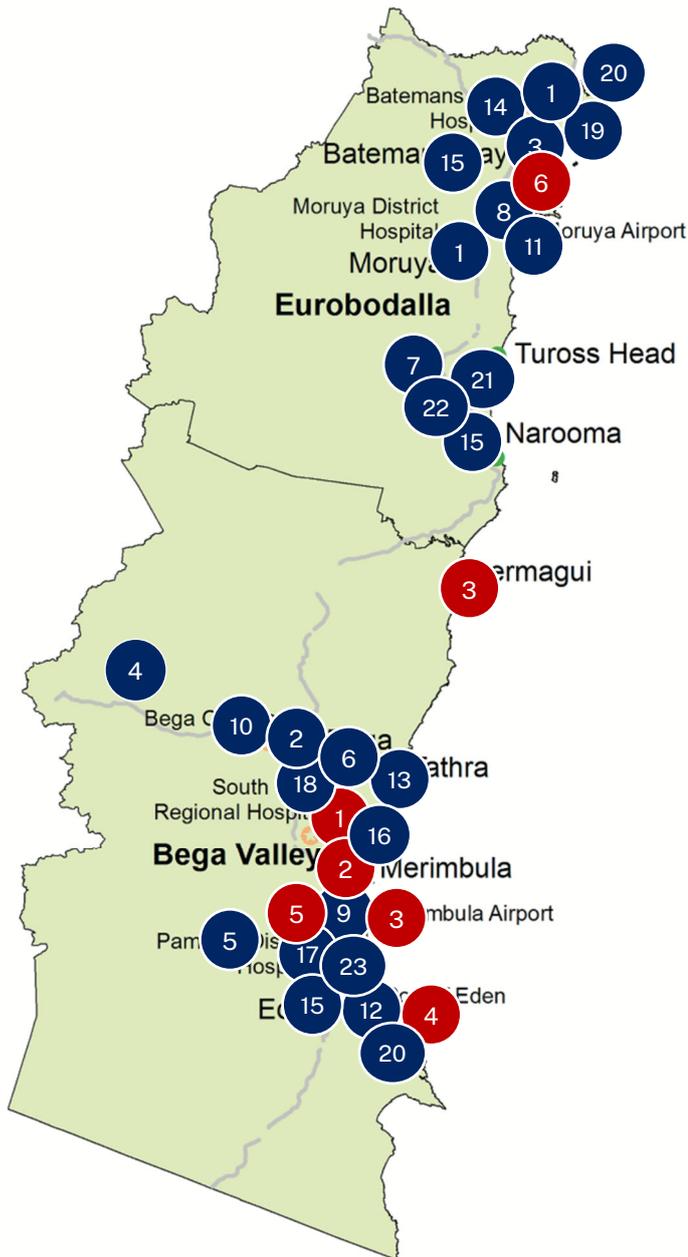


Figure 10: Significant investments in the Far South Coast region since 2018.

As shown in Figure 10, the region has received significant local, state and federal funding, as well as major private investment since 2018. These investments are at varying stages of progress, with some delivered, some underway, and some still in the planning stage. Public investments have focused on significant transport projects, health infrastructure and a range of local amenity and visitor economy projects. Grant funding has played a key role in delivery of many of these projects.

## Major public investment since 2018

Investment	Estimated total project value	Relevant 2018 strategies
1 ALDI Merimbula	\$6.9 million	
2 Theatre Twyford Merimbula*	\$8 million	
3 Bermagui and Pambula Beach kelp farms	Not Available	
4 Eden 1 kelp farm	\$8 million	
5 Pambula supermarket development	\$8 million	
6 St Peter's Anglican College expansion	\$23 million	

\*Supported by grant funding from the NSW Government.

## Major public investment since 2018

Investment	Estimated total project value	Relevant 2018 strategies
1 Eurobodalla Regional Hospital and Batemans Bay Health One	\$280 million	
2 TAFE NSW – Bega Multi Trade Hub and CLC	\$25 million	
3 TAFE NSW - Batemans Bays CLC	\$8 million	
4 Fixing Country Bridges program	\$20.5 million	
5 Towamba and Burragate roads upgrades	\$10 million	
6 Bega-Tathra Water Treatment Plant and Brogo Water Treatment Plant	\$31.5 million	
7 Eurobodalla Southern Storage Project	\$130 million	
8 Moruya Airport development	\$9.7 million	
9 Merimbula Airport upgrades and general aviation precinct	>\$12 million	

10	Bega National Circularity Centre	\$18 million	  
11	Shellfish hatchery at Moruya Airport	\$4.8 million	 
12	Eden Port - Wharf Extension and Safe Harbour Project	\$63 million	  
13	Tathra Wharf and Headland Precinct	\$7.8 million	 
14	Bay Pavilion aquatic centre, arts and cultural centre	\$63.5 million	 
15	Mogo Adventure Hub, Narooma Mountain Bike Trails and Eden Mountain Bike Hub	\$16.4 million	 
16	Merimbula Lake Boardwalk upgrade	\$11 million	 
17	Bundian Way Walking Track - Node 1 and Jigamy Campground upgrade	\$10.1 million	 
18	Bega Valley Regional Gallery Redevelopment	\$3.6 million	 
19	Batemans Bay Coastal Headlands Walking Trail and Observation Point Viewing Platform	\$6.5 million	 
20	National park walking trails - Light to Light and Murramarang South Coast	\$11.6 million	 
21	Narooma Arts and Community Centre	\$7.3 million	 
22	Muliyani Cultural Centre project	\$3.26 million	 
23	Monaroo Bubberer Gudu Keeping Place upgrade	\$2.94 million	 

### Regional grant programs

The region has received \$190.67 million in grants since 2018. Key grant programs in the region have included Bushfire Local Economic Recovery Fund and the Regional Growth - Environment and Tourism Fund, with \$73.14 million and \$27.17 million committed respectively.

Grant category	Approved funding
Community	\$52.47 million
Economic	\$59.7 million
Disaster recovery	\$78.5 million

Note: Total grant funding outlined above only includes programs managed by the Department of Regional NSW, accurate as at January 2023.

## 7. Far South Coast 2023 economic snapshot

A growing and an ageing population will continue to increase demand for social infrastructure in the Far South Coast region

Although the region has recorded strong population growth since 2018, a demographic profile with a larger share of older residents creates a continued need to focus on enhancing social infrastructure, so to support attraction and retention of prime working age people.

### Population growth

The region saw an average population growth of rate of 0.82% between 2011 and 2021.

As shown in Figure 11, the population growth rate has accelerated since 2018, with the region experiencing an average annual growth rate between 2018 and 2021 of 1.26%, representing a gain of 2,802 residents in this period. Since the start of the COVID-19 pandemic, migration to the Far South Coast has seen a further increase, with the population growth rate reaching 1.34% in 2020 and 2021, representing the highest growth rate recorded in the past decade.

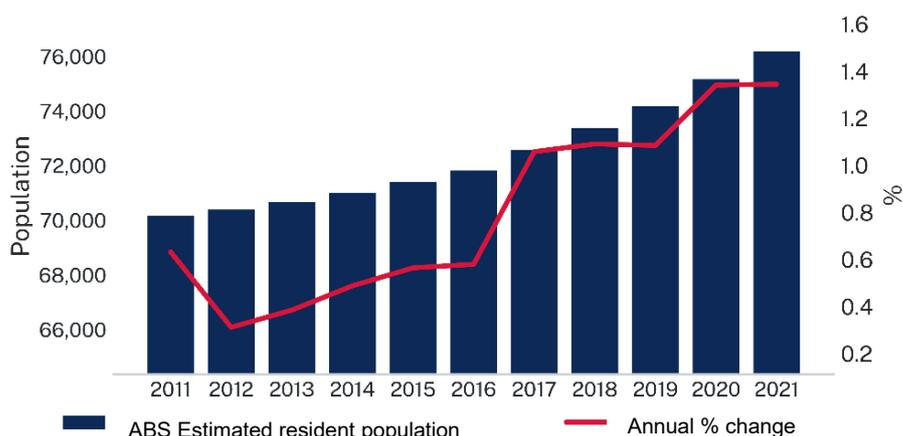


Figure 11: Far South Coast FER population growth, 2011-2021 (ABS ARP, July 2022)

### Demographic profile

Almost half (48%) of the region's population is currently over the age of 55, while just 45% of the population was estimated in 2021 to be under the age of 49, compared to 64% across NSW (see Figure 12). This highlights a key structural population challenge in the Far South Coast region.

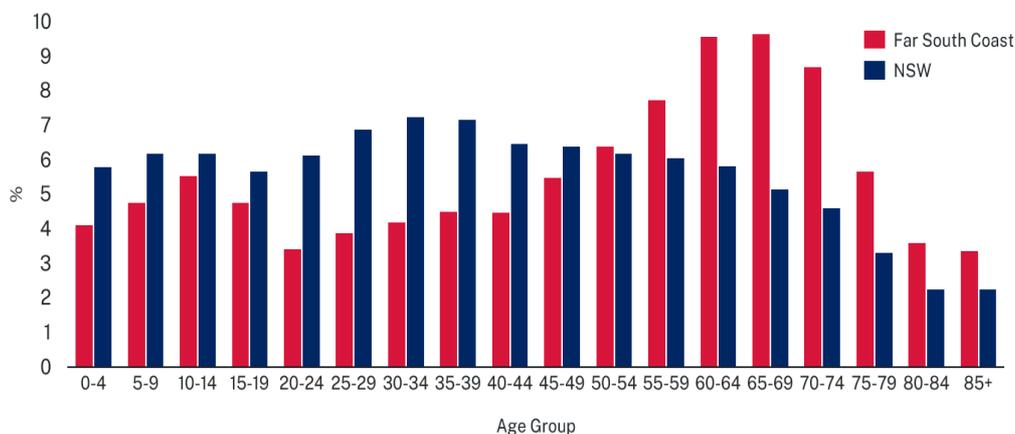


Figure 12: Far South Coast FER population by age, 2021 (ABS Census, 2022; ABS Census, 2021).

A key challenge for the region is ensuring sufficient workforce training, attraction and retention to ensure labour supply can meet demand, including large employment sectors including healthcare, public administration and construction.

The increased worker flexibility associated with the increase in remote working during the COVID-19 pandemic presents an opportunity to attract and retain young professionals in the region, hence this trend may adjust over time. For example, the 25-39 age group increased by 1.3% between 2019 and 2021, up from 11.6% to 12.9% over this period. A key challenge will be ensuring future growth in the working age population flows through to improved outcomes for the local workforce, given the increased ability for skilled workers to live in the region but work remotely in jobs based elsewhere.

## Housing supply in the Far South Coast is struggling to meet demand

The region has faced a steep decline in housing availability and affordability since 2018. Given strong population growth in the region, the need for increased worker housing brought about by planned major projects and the demand for tourist accommodation to support the visitor economy, ensuring an adequate and accessible housing supply will be critical to supporting economic growth.

### Housing availability

Residential vacancy rates in the broader NSW South Coast region have dropped from 4.8% in March 2020 to 2% in August 2022 (see Figure 13), with COVID-19 related migration of remote workers to the region a likely key factor. Vacancy rates were particularly low during the acute phase of the COVID-19 pandemic, before some increases were recorded in the first half of 2022.

Meanwhile, outside of a peak in August 2020, residential building approvals in the region have remained relatively stable, with no evident increase in-line with increased demand for housing brought about by a growing population. This is in part may reflect the shortage of planners across NSW and finite council resources. While there is typically a degree of lag between supply and demand for housing, there is a need to ensure that state and local planning systems (and other land development enablers such as infrastructure provision) are appropriately calibrated and resourced to keep pace with the current and projected housing needs.

### Housing affordability

Similar to many parts of regional NSW, heightened demand has fuelled significant growth in house prices in the Far South Coast. The median house price in Eurobodalla grew by 53% from \$510,000 to \$780,000 between June 2018 and June 2022, with the median price in Bega Valley growing by 39% from \$500,000 to \$695,000. <sup>[21]</sup>

Between 2018 and 2022, growth in non-strata dwelling prices outpaced the NSW (excluding Sydney) growth rate. <sup>[22]</sup> The region's price-to-income ratio was estimated at 10.51 in July 2021, substantially above the NSW average of 8.12. This highlights that both housing availability and housing affordability represent key challenges going forward for the region. <sup>[23]</sup> Increased house prices combined with increasing rents and extensive waitlists for social housing may impact the ability to attract and retain skilled workers in the region.

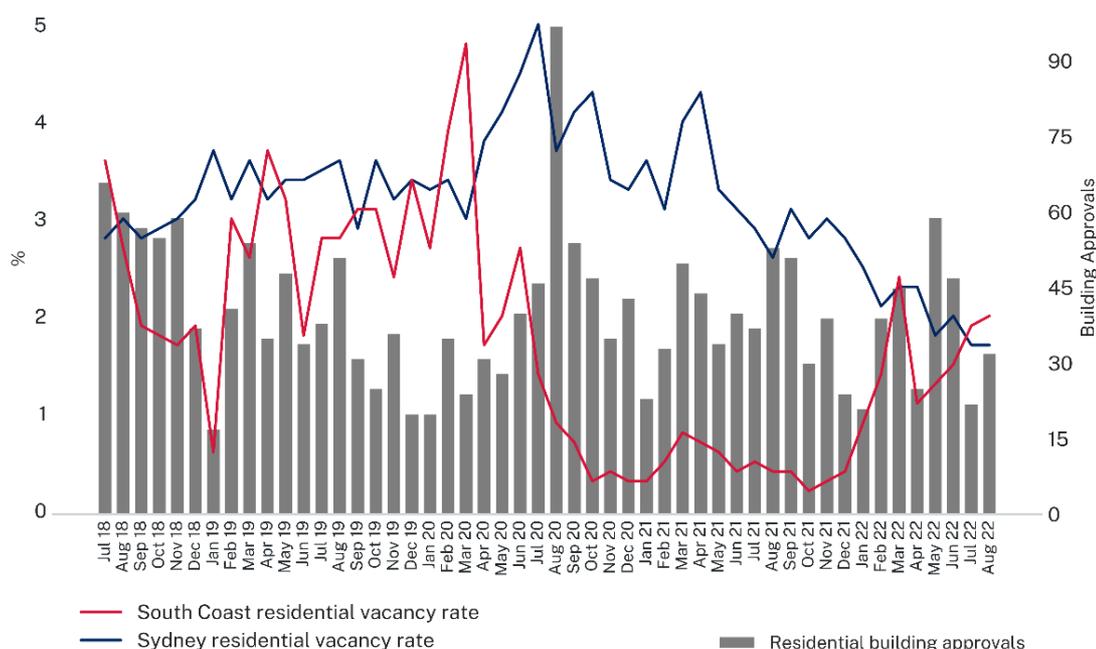


Figure 13: Far South Coast FER vacancy rates and building approvals, 2018-2022 (REINSW, 2022).

Note: REINSW vacancy data collection is not aligned with the FER boundary map, resulting in an overlap with other FERs. These results are therefore intended to provide an indication of housing vacancies in the region.

## The Far South Coast has seen unemployment rise since mid-2020, despite a sustained increase in job vacancies in the region

A constrained labour market represents an ongoing challenge for the region, exacerbated by the impacts of the COVID-19 pandemic. A need to further develop skilled workforce attraction and retention initiatives was identified in the 2018 REDS, and this needs to remain a priority.

### Employment

As at June 2022, Bega Valley and Eurobodalla had unemployment levels of 7.3% and 8.6% respectively (see Figure 14). This was above the NSW benchmark and partially reflects the impact of the Delta lockdown and the compounding effects of the 2019-20 bushfires on its key population serving industries. These external shocks have impacted the operational capability of service based industries, such as accommodation and food services and retail trade, both significant employers in the local economy. However, as the acute impacts of the Delta lockdown eased across the first half of 2022, the demand for workers has contributed to a sharp decline in the region's unemployment rate.

Throughout 2021, there was a strong growth in job vacancies in the broader Illawarra and South Coast region (see Figure 15). As at August 2022, top job vacancies in the region including carers and aides (83 vacancies), administrative staff (73), medical practitioners and nurses (72) and retail trades personnel (71). Rising unemployment despite rising job vacancies indicates a potential mismatch between local skills and the needs of key industries, suggesting the need for an ongoing focus on delivering improved training, recruitment and retention actions to support enhanced workforce capability and capacity.

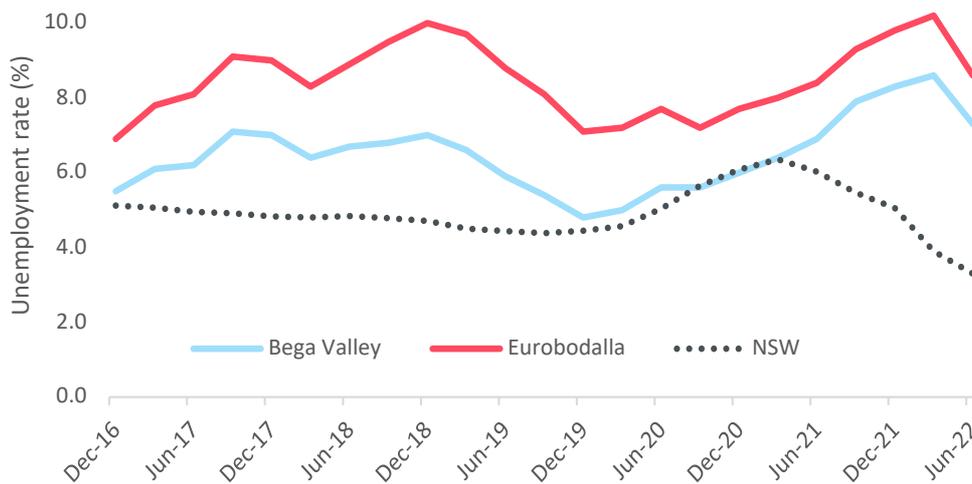


Figure 14: Far South Coast FER unemployment rates (%), 2016-2022 (National Skills Commission, 2022; ABS Labour Force, 2022).



Figure 15: Job vacancies, Illawarra and South Coast region 2018-2022 (Regional IVI, National Skills Commission, 2022).

Note: The Regional IVI – National Skills Commission job vacancy data collection is not aligned with the FER boundary map, resulting in an overlap with other FERs. Job vacancy data only includes online job vacancies. These results are therefore intended to provide an indication of job vacancies in the region.

## Aboriginal economic development

There has been significant progress in increasing the level of employment of Aboriginal people in the Far South Coast since 2011. The Aboriginal unemployment rate has dropped substantially over the past decade, from 26.8% in 2011 to 19.3% in 2016 and 10.7% in 2021. However, the rate remains above the NSW wide Aboriginal unemployment rate of 9.8% and the whole of NSW unemployment rate of 4.9%.

Aboriginal unemployment rate: Far South Coast	2011	26.8%
	2016	19.3%
	2021	10.7%
NSW Aboriginal unemployment rate	2021	9.8%
NSW unemployment rate	2021	4.9%

Source: ABS Census 2021

Improvement of economic and social outcomes for Aboriginal people continues to be a strong focus for stakeholders in the Far South Coast region. Enhanced collaboration between industry, all levels of government and Aboriginal communities, with a key focus on developing training and employment opportunities and supporting Aboriginal business development, can help ensure the positive trends recorded in the region continue.

Key opportunities exist to further develop Aboriginal-led cultural tourism attractions and experiences across the region. Recent major investments, including funding to deliver the first node of the Bundian Way track, upgrades to the Monaroo Bubberer Gudu Keeping Place and development of the Muliyan Cultural Centre will assist with the development of significant infrastructure to support cultural tourism in the Far South Coast region.



Figure 16: A sign to Bundian Way, an ancient Aboriginal route on Yuin country that covers the land between Targangal (Mount Kosciuszko) and the coast at Bilgalera (Twofold Bay, Eden). Photo credit: David Rogers photography.

## Far South Coast 2023 engine and emerging industries

The Far South Coast region has a \$3.7 billion economy. Despite significant shocks since 2018, the Far South Coast region's engine industries have remained a source of stability for the regional economy and continue to deliver consistent growth. The relative strength of each industry is measured using Location Quotient (LQ) analysis<sup>1</sup> as displayed in Figure 17, where industry size correlates with bubble size.

### Engine industries

**Agriculture, forestry and fishing** (LQ of 3.27) remains a key engine industry in the Far South Coast's economy, with important specialisations including aquaculture (LQ of 33.8), fishing, hunting and trapping (LQ of 14.2), and forestry and logging (LQ of 13.6). The dairy industry continues to represent a key strength, with sheep, grains, beef and dairy cattle (LQ of 2.5), and dairy product manufacturing (LQ of 41.8) contributing \$210 million to local GVA in 2020. The industry has continued to experience strong growth over the last decade, growing by an average of 7.5% per year between 2011 and 2020.

The **tourism** (LQ of 2.03) sector remains a key driver of economic output in the Far South Coast region, with major natural attractions including the pristine coastline, marine environment and national parks providing a competitive advantage for the region. Accommodation and food services, a proxy to capture the size of the tourism industry, has an LQ of 2.03 in the Far South Coast, with GVA totalling \$193 million in 2020. Total visitor spend in the Far South Coast region was estimated at \$782 million in 2021.<sup>[9]</sup>

Although a population-serving sector rather than an engine of economic growth, the **healthcare** industry (LQ of 1.44) is an important regional contributor, having delivered 12% of local GVA in 2020. Major investment in the new Eurobodalla Regional Hospital will support ongoing future growth in the sector.

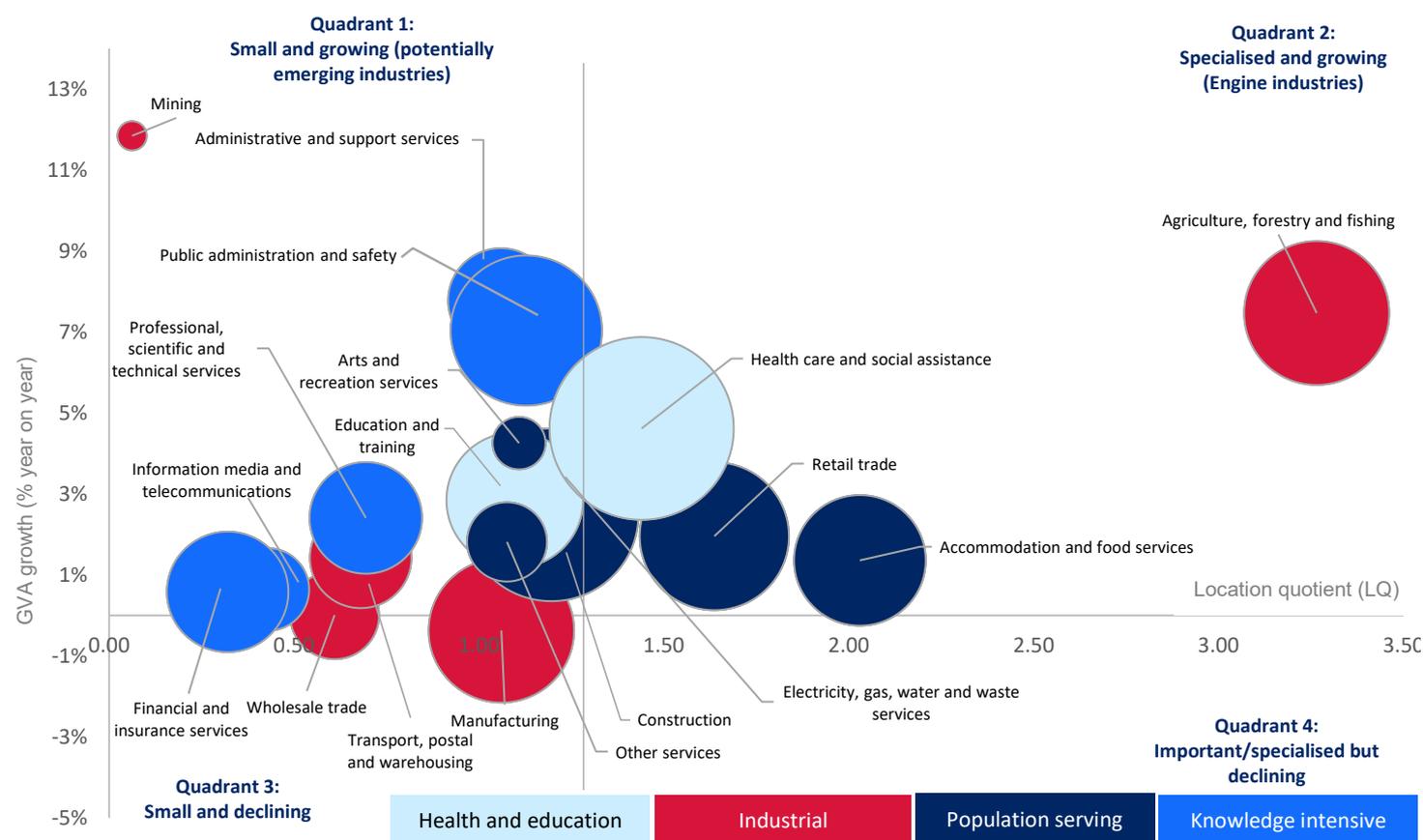


Figure 17: Location Quotient (LQ) Analysis by GVA, 2011-2020 (REMPPLAN, 2020).

Note: While the 2018 REDS used employment data as the basis for LQ analysis, the 2023 Update has used GVA data. This allows for a clear demonstration of the changing economic impact of both engine and emerging industries across the regions.

<sup>1</sup> LQ analysis is used to measure industry specialisation by comparing the relative size of an industry in the region versus the whole of NSW.

## Emerging industries

Emerging industries for the Far South Coast region remain largely in knowledge-intensive and population-serving sectors (see Figure 18). Supporting growth in these sectors will be key to building a diverse and resilient economy which can support projected population growth while maintaining a high standard of liveability.

**Public administration and safety** demonstrated strong annual GVA growth of 7% over the period from 2011 to 2020. Public administration and regulatory services is the strongest sub-sector performer, contributing \$206 million to the regional economy in 2020.

Despite the national trend of manufacturing output shrinking as a total share of the economy, the Far South Coast’s **manufacturing** industry has remained resilient. Dairy product manufacturing (LQ of 41.8) and seafood manufacturing (LQ of 16.4) are key drivers of the sector’s strong output in the region, and with improved supply chain alignment, investment and enhanced advanced manufacturing opportunities, the sector could return to positive growth given its relative size in the region’s economy.

The **mining** industry has seen significant annual GVA growth over the past decade, averaging 11.8% per cent per year, with its GVA growing from \$3.76 million in 2011 to \$10 million 2020. The significant growth relative to other industries is likely partially a function of the initial small base level in 2011.

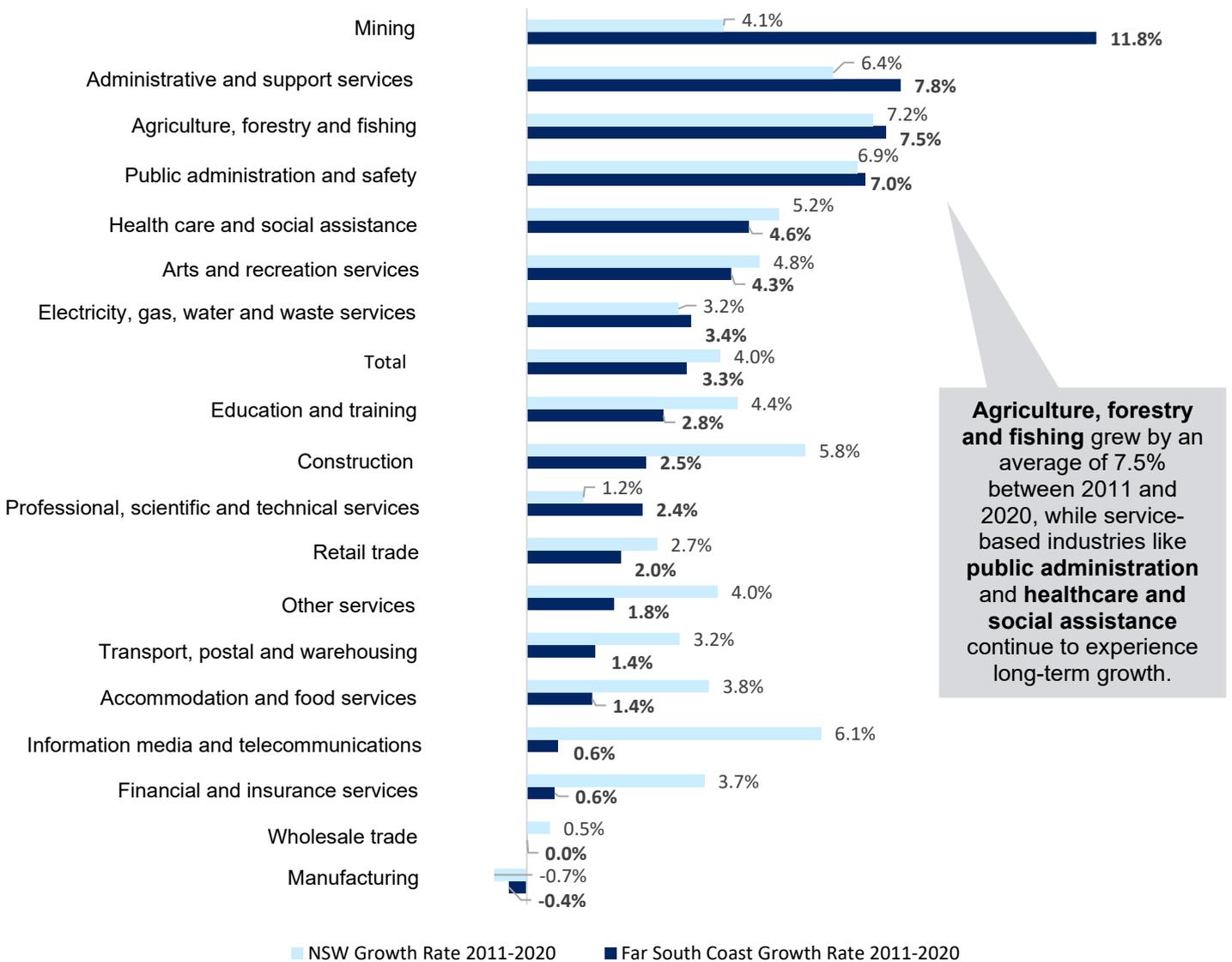


Figure 18: Change in GVA by Industry (% YoY), 2011-2020 (REMPPLAN, 2020).

## Far South Coast 2023 endowments

### Review of the 2018 endowments

The 2018 REDS identified a range of endowments underpinning the Far South Coast's economy and regional competitiveness (see page 12).

Despite recent shocks impacting many key endowments, consultation confirmed most remain valid with key endowments including:

- Natural assets and amenity
- Healthcare infrastructure and services
- Port of Eden Wharf
- Location – proximity to Canberra, Sydney and Melbourne
- Intellectual and social capital
- Cultural festivals and events
- Education infrastructure
- Dairy industry
- Local institutions and strong leadership.



Figure 19: A man walks his dog along the beach at Tuross Head, Eurobodalla LGA.  
Photo credit: Phoebe Laing.

### New endowments

While not yet reflected in the employment and industry specialisation (LQ) analysis, recent investments and policy efforts have led to the creation of new endowments which will underpin new economic opportunities and future specialisations. Stakeholders noted ongoing development of these endowments should be approached with a long-term view, noting the need to deliver sustainable benefits for the community and local industry from investment.

+ Deep and safe port access	The expansion of Eden Cruise Wharf, construction of a safe harbour with wave attenuator, and ongoing marina development to accommodate larger ships and boat access will enhance tourism and marine activities.
+ Natural assets for emerging industries	Wind and marine resources can supporting attraction of new renewable energy and aquaculture investments in the Far South Coast region.
+ Education infrastructure	TAFE investments being made in the region are improving access to quality skills and training opportunities.

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## 8. Looking ahead: Strategic opportunities for growth, resilience and liveability

### Opportunities and vulnerabilities in engine and emerging industries

#### Agriculture, forestry and fishing

The Far South Coast region has been able to leverage its significant natural endowments and specialised infrastructure to continue to grow agriculture, forestry and fishing industries. A key enabler for future industry growth will be supporting enhanced resilience against climate change impacts.

GVA (2020, \$m)	234
Employment (2021)	1,378
LQ score (2020)	3.27
LQ Aquaculture (2020)	33.8
LQ Forestry and logging (2020)	13.6

#### Strengths

- The region's specialisation is broad-based, with a diverse range of specialisations including sheep, grains, beef and dairy cattle, fishing, aquaculture and forestry and logging.
- Significant interlinkages in the supply chain provides a competitive advantage for local producers and manufacturers, enabling technology and input alignment across the industry.
- The region has a range of significant natural assets including estuaries, forests, soil, rivers, harbours and water resources that support prosperity in the sector.
- The Moruya Shellfish Hatchery will provide reliable and quality oyster spat for the local shellfish industry, a key production input and will also serve as a training facility and research space.<sup>[24]</sup>

#### Vulnerabilities

- The industry is vulnerable to externalities, particularly longer-term impacts of climate change, as demonstrated by the multiple environmental shocks since 2018. Saltwater intrusion also poses a risk to productive water users.
- Supply side shocks in the form of natural disasters and the transport and logistics constraints of COVID-19 have put pressure on key production input costs such as transport and freight costs.<sup>[25]</sup>
- Natural disaster events such as bushfires may impact productivity and community perceptions of the industry, particularly during the immediate recovery phase.

#### Opportunities

- The region's natural endowments provide a foundation for sustainable growth, with opportunities to increase value-adding activities, such as meat processing, through new and improved facilities.
- The Bega Circularity Co-operative provides a vehicle for local businesses to develop and implement circular economy processing opportunities, with significant opportunity for value chain productivity gains. The major recent investment announced to help establish the Bega National Circularity Centre can help the region become a key leader in the development of circular economy initiatives.
- Engaging with regional producers and growers to recognise the opportunities associated with agritourism.

## Manufacturing

The Far South Coast region benefits from strong supply chain alignment between the region's agricultural and manufacturing industries, which can support ongoing growth in key specialisations.

GVA (2020, \$m)	235
Employment (2021)	1,449
LQ score (2020)	1.06
LQ Dairy product manufacturing (2020)	41.8
LQ Sawmill product manufacturing (2020)	19.0

### Strengths

- The Far South Coast's manufacturing specialisations are closely linked to the region's strength in agricultural, forestry and fishing.
- Key specialisations include dairy products, processed seafood and sawmill product manufacturing - these all reflect strong supply chain alignment with the region's primary production and contribute to significant local value-add.
- The region is home to 'Bega', a strong international brand.

### Vulnerabilities

- The region's main manufacturing specialisations significant reliance upon inputs from the agriculture, forestry and fishing industry mean disruptions to these supply chains as a result of externalities, including those associated with climate change, can be detrimental to manufacturing productivity and output.
- Employment in the manufacturing sector is concentrated in a small number of large enterprises, meaning ongoing employment levels are highly dependent on success and growth of these enterprises.
- Limitations on existing transport infrastructure, specifically the lack of B-double access to many parts of the region limits the efficiency of manufacturing product transport to market.

### Opportunities

- An increased emphasis on sovereign capability following significant supply chain interruptions during the COVID-19 pandemic presents opportunities to improve supply chain resilience and transport infrastructure in the region.
- Given the alignment between the agricultural and manufacturing industries in the region, the Far South Coast is well placed to capture benefits from increased local food processing and implementation of advanced manufacturing that can deliver increased efficiency, productivity and output in the manufacturing sector.
- Opportunities exist for further synergies between the key engine industries of tourism, manufacturing and agriculture in the development of value-add products that can benefit all sectors.
- Local enthusiasm for circular economy initiatives can help drive the development of a regional circular manufacturing industry in the Far South Coast region.

## Tourism

The Far South Coast region's diverse natural endowments set the foundation for a thriving tourism industry, which has significant potential for further expansion and growth in future years.

Visitor spend (2021, \$m) <sup>[9]</sup>	782
Employment (2021) <sup>a</sup>	6,745
LQ score (2020) <sup>b</sup>	2.03
LQ Accommodation (2020)	3.7
LQ Food and beverage services (2020)	1.6

*a Summation of ANZSIC 1 digit Retail trade, Accommodation and food services, Arts and recreation services.*

*b LQ score is for the Accommodation and food services industry*

### Strengths

- The Far South Coast's natural assets and amenity (beaches, state forests and national parks) support both eco-tourism and marine tourism as part of a diverse visitor economy offering.
- The region is home to multiple cultural, food, wine and adventure trails that are well connected by road, air (Moruya, Merimbula and Canberra Airports) and sea (upgraded expansion of Eden Wharf).
- The region's relative proximity to key domestic markets including Sydney, Melbourne and Canberra.
- There are a range of well-established signature events in the region including the Four Winds, Gilyong, Cobargo Folk, Wanderer and Eden Whale Festivals.

### Vulnerabilities

- The region's tourism industry is exposed to external shocks, as evidenced over recent years where the COVID-19 pandemic saw domestic overnight travel, international visitors and total tourism spend figures drop substantially in 2020 and 2021.<sup>[26]</sup>
- The market is largely seasonal and concentrated in the summer months, which given the dependence on casual workers amplifies labour shortages being experienced in the region.

### Opportunities

- Cultural tourism is an identified area for significant future growth, leveraging key events such as the River of Art Festival and infrastructure investment including the redevelopment of the South East Centre for Contemporary Art and the Far South Coast Oyster Trail.
- The enhancement of lake walks around Merimbula and Eden present an opportunity to grow nature-tourism and eco-tourism in the region.
- Recent investments in adventure tourism, including significant investment to deliver new and upgraded Mountain Bike Trails in Narooma, Eden, Tathra and Mogo represent an opportunity to broaden the visitor economy offering in the region.
- Further investment in nature-based tourism, such as further upgrades and renewal of signature walking trails and boardwalks can also be a catalyst for future growth in the visitor economy.
- Major investments in Aboriginal-led cultural tourism offerings provide significant opportunities for growth and diversification of the region's tourism sector. Potential projects include delivering the first node of the Bundian Way, upgrading the Monaroo Bubberer Gudu Keeping Place and developing the Muliyan Cultural Centre.

## Health care

Health care provides a significant economic contribution to the region but has faced challenges in recent years due to worker and skills shortages. Future planning needs to consider the impacts of cross-sector issues such as skills, training and housing to ensure long term growth in the sector.

GVA (2020, \$m)	375
Employment (2021)	4,795
LQ score (2020)	1.44
LQ Residential care and social assistance (2020)	1.7

### Strengths

- The Far South Coast specialisation in healthcare and social assistance has grown strongly over the past decade, especially in residential care and social assistance services.
- The region is home to a multiple health care assets including the South East Regional Hospital in Bega, Batemans Bay Hospital, Pambula Hospital, Moruya Hospital and Katungal Medical Clinics.
- The significant investment to develop the Eurobodalla Regional Hospital, along with the development of Batemans Bay HealthOne demonstrates an ongoing commitment from the NSW Government to enhancing the health services available in the region.

### Vulnerabilities

- Competition from across NSW for skilled health workers impacts the region's ability to attract skilled professionals, which is critical to meet the growing demand for healthcare and social assistance services that an ageing population requires.
- Attracting workers to fill key vacancies in the health sector is also constrained by a shortage of affordable housing across the region.
- There are significant cost pressures on aged care facilities under the current funding arrangement. This has contributed to multiple facilities closing over recent years, with flow on impacts for overall sector capacity. This has significant implications given the relatively high proportion of residents in older age brackets living in the Far South Coast region.

### Opportunities

- The region's array of health assets, soon to be added to by the Eurobodalla Regional Hospital and the Batemans Bay HealthOne facility are well placed to support ongoing growth in the sector and enhanced local healthcare delivery capability going forward.
- There is the capability to improve health precinct offerings in the region by leveraging education infrastructure to improve teaching capability. This could include leveraging the TAFE network to support skills development for care economy jobs, and the University of Wollongong satellite campuses for medical practitioners and nurses, as well as broader research and development.
- Opportunities exist to better integrate local health services across LGAs in the region.

## Key themes in stakeholder consultation

Consultation with local stakeholders in the Far South Coast region highlighted the need for sustained investment in major projects, which continues to recover from the impacts of major natural disasters in recent years.

The region is facing both challenges and opportunities related to skills shortages and housing availability. Consultation highlighted that priority needs to be placed on actions to support expansion of the housing supply, as well as an ongoing focus on workforce attraction and retention and enhancing skills development in the local workforce as ways to build economic resilience.

### **Building resilience is a key focus**

Stakeholders noted that significant recent natural disasters, in particular the bushfires in 2019-20 and floods in 2021 and 2022 had significant impacts, and that long-term recovery remains ongoing. Stakeholders emphasised the need to continue to invest in community and infrastructure resilience given the impacts of a changing climate, and also outlined the need to better embed the principles of resilience into the design of policy, programs and projects.

### **The complex impacts of increased remote working**

The Far South Coast region has seen a significant uptick in remote workers relocating to the region since the COVID-19 pandemic. While remote working provides increased opportunity to access a wider labour pool, stakeholders outlined the region is facing greater competition for the workforce needed to meet local demand, given the enhanced ability for local skilled workers to retain jobs based out of region.

Stakeholders noted the disconnect observed between strong population growth in the region and the continuing workforce challenges being faced across a range of key industries.

### **Housing availability and affordability**

In line with the analysis of recent changes to housing supply and median prices in the region (see page 22), consultation input revealed significant concerns among stakeholders about current housing availability shortages and a reduction in housing affordability. Stakeholders noted that these pressures are expected to continue to increase in future years given major projects and the need to house workers associated with their delivery, and ongoing population growth.

### **Taking a long-term view on major projects**

While stakeholders acknowledged the economic opportunities provided by major infrastructure projects in the region, concerns were raised around ensuring long-term benefits for communities from these investments. Consultation highlighted a key focus is needed on achieving sustainable and inclusive growth, that successfully avoids a boom-bust scenario driven primarily by major project investment.

## Far South Coast REDS - 2023 Update strategies

Significant updates to the 2018 strategies have been made to reflect the changed regional economic context and updated priorities for the region. Key changes made include:

- updating terminology to reflect the need to support development of the visitor economy
- highlighting the need to enhance liveability of the region as part of broader actions designed to support skilled worker attraction and retention
- amending the strategy focused on reliability of infrastructure and telecommunications to broaden its focus to improve infrastructure more generally and enhance utility capacity to build resilience
- adding a new strategy highlighting the critical need to support investment into housing and population serving infrastructure, given the key challenges currently being faced in the region.

Reflecting the changes outlined above, the 2023 REDS Update strategies for the Far South Coast region are listed below (amendments made to existing 2018 strategies are highlighted in **bold**):

Amended	Support the development and growth of the region's <b>visitor economy</b> and overall lifestyle appeal.
Existing	Continue to grow the region's agricultural, aquaculture and food production sectors.
Amended	Grow the participation, supply and retention of skilled labour, <b>including through improved liveability</b> , to enhance regional economic resilience.
Amended	Improve infrastructure <b>and utility capacity to bolster resilience and support economic growth.</b>
New	<b>Support investment in housing and population-serving infrastructure.</b>

## Key enablers of economic growth

A number of key enablers have been identified to assist with delivering each of the strategies. This list is non-exhaustive, with a focus on identifying priority short- to medium-term enablers. Responsibility for implementation of these enablers sits with various levels of government, and in some cases may also include business, industry or non-government bodies. Collaboration across these entities at a local level will be key to achieving results.

Strategy	New Enablers		Lead and support	Rationale
<b>Support the development and growth of the region's visitor economy and overall lifestyle appeal.</b>	Government, regulation and information	Collaborate with NSW Government agencies and the tourism industry to improve coordination of tourism project delivery including infrastructure and industry development and identify opportunities to increase the year-round tourism offering.	<b>Local councils</b> , Department of Regional NSW (DRNSW), Destination NSW, Crown Lands, National Parks and Wildlife Service, Transport for NSW, Regional Development Australia (RDA) Far South Coast, Port Authority NSW	Improve the region's visitor economy offering, and supporting improved economic outcomes for Aboriginal communities in the Far South Coast region.
<b>Continue to grow the region's agricultural, aquaculture and food production sectors.</b>	Government, regulation and information	Support research and feasibility studies to identify opportunities for growth, value adding and circular economy projects across the agriculture, forestry and fishing industry.	<b>DRNSW</b> , local councils, industry peak bodies, Department of Planning & Environment (DPE) - Planning, Local Land Services	Maximise growth opportunities in the region's agricultural specialisation.

Strategy	New Enablers		Lead and support	Rationale
		Explore resource optimisation and circular economy opportunities by undertaking a material flow analysis and identifying pathways to enhance synergies between sectors.	<b>Local councils, DRNSW</b>	Leverage enthusiasm in the region for developing circular economy processing opportunities.
		Work collaboratively with local councils to implement the South Coast Regional Water Strategy in order to improve water security across the region.	<b>DPE Water, local councils, DRNSW</b>	Enhanced water security will support a range of key industry sectors and the community.
<b>Grow the participation, supply and retention of skilled labour, including through improving liveability, to enhance regional economic resilience.</b>	People and skills	Engage with businesses and education providers to ensure that education and training providers can support the development of an appropriately skilled workforce to meet the current and future labour needs of the region, with a focus on population serving sectors including health and education.	<b>Training Services NSW, TAFE NSW, DRNSW, local councils, registered training organisations, Aboriginal communities, local Aboriginal land councils (LALCs)</b>	Build out the capability of the region's workforce to fill key skills shortages and maximise local benefits from major investments made in the region.
	Government, regulation and information	Collaborate with Aboriginal communities to develop training and employment opportunities and support Aboriginal enterprises.	<b>DRNSW, NSW Aboriginal Affairs, Training Services NSW, LALCs, native title holders, Aboriginal communities</b>	Increase opportunities for the region's Aboriginal communities to support skills and industry development.
<b>Improve infrastructure and utility capacity to bolster resilience and support economic growth.</b>	Infrastructure/ Utilities	Work with industry and emergency services to identify power supply issues and develop solutions which minimise the risk of failure during natural disasters.	<b>DRNSW, local councils, NSW State Emergency Services, local business chambers, DPE Planning</b>	Increasing energy security, including during emergency situations is critical to enhancing resilience.

Strategy	New Enablers		Lead and support	Rationale
	Infrastructure	Support councils to use the Connectivity Index Tool following release in 2023 to review existing coverage and identify the areas of greatest need in the region for upgrades to telecommunications infrastructure.	<b>NSW Telco Authority</b> , local councils, DRNSW	Support business growth and resilience through improved connectivity.
	Infrastructure	Support research and feasibility studies associated with potential renewable energy generation and storage projects in the region, including offshore wind, small scale pumped hydro and solar.	<b>Local councils</b> , DRNSW	Capitalise on the region's natural endowments to provide energy security to local industries.
<b>Support investment in housing and population-serving infrastructure.</b>	Government, regulation and information	Work with local government to strategically plan for housing supply, focusing on development within existing centres where aligned with existing strategic plans.	<b>DPE Planning</b> , DRNSW, local councils	Enhance the ability of local councils to meet housing demand while preserving the region's lifestyle traits.
	Infrastructure	Identify opportunities to support the diversification of the region's affordable housing options and increase housing supply through a Regional Housing Delivery Plan.	<b>DRNSW</b> , local councils, DPE Planning	
	Infrastructure	Work with NSW Government agencies to ensure residential and employment zoned lands offer a high standard of amenity and are supported by high quality transport connectivity, in particular to connect young and/or unemployed people to education and training opportunities.	<b>Local councils</b> , DRNSW, NSW Telco Authority, TfNSW	Support both productive use of land and a high level of liveability within the region.

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Figure 20: Green Cape Lighthouse. Photo credit: David Rogers photography.