

GROW



PORT STEPHENS
ECONOMIC
DEVELOPMENT
STRATEGY
2021-2025



PORT STEPHENS
COUNCIL

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GUUDJI YIIGU (GOO-JEE IK-KOO)

We welcome you to Port Stephens - part of the Worimi Aboriginal Nation.

Port Stephens Council acknowledges the Worimi people as traditional owners and custodians of the lands and waterways on which we all live, learn, work and play. We value and respect the Worimi people and the legacy 60,000 years of Aboriginal Nation traditions

and culture brings with it. As part of Council's culture of acceptance, diversification and harmony we walk alongside the Worimi people on a journey of listening and learning. Together we will strive to make this a better place for all peoples.

As guardians of these lands, we ask that you tread lightly to help preserve the biodiversity and respect those who came before as well as those who will follow.

A message from the Mayor

Welcome to our unique and beautiful part of the world. This is a place with endless horizons, abundant natural beauty, an engaged and forward thinking community and, I'm proud to say, an innovative, cohesive Council with a big vision matched only by the drive to make things happen.

It is our vision to build a vibrant and liveable place that supports local economic growth. It is our intent to provide fertile ground for growth whilst prioritising the people and the place. A fine balance where the environment is not sacrificed for the sake of economy but where growth is encouraged and supported and the economic benefits enhance the lifestyle we love to live. Where heritage and history and traditional owners are honoured as we work together and build a flourishing future for generations to come.

Here in Port Stephens we're not just known for our stunning natural wonders and enviable lifestyle – our LGA is a significant economic hub and forms an important part of Australia's engine room - the Hunter region. The resource rich Hunter Valley with its mines, wines and thoroughbreds and the dynamic cities of Newcastle and Lake Macquarie make this the largest regional economy in Australia.

Home to major strategic centres including Tomago, a thriving manufacturing and industrial area, the Newcastle Airport, RAAF and aerospace precinct at Williamstown and a booming tourism industry linked directly to our unique natural environment of National Parks, Marine Parks and the Worimi Conservation Lands - Port Stephens continues to diversify and grow.

We are a hub for manufacturing, resources, defence, aviation, aerospace, tourism, information technology, education, health, marine and energy industries.

Port Stephens provides a competitive, innovative business environment with well-connected transportation links, close proximity to the Hunter region's rich resources and access to key markets, infrastructure and a skilled workforce.

Recognised by the State and Federal Governments as a regional economic driver, significant investment continues to pour into Port Stephens via major public, private and civil projects. Millions have been committed to infrastructure, including urban development, town centre rejuvenation, environmental projects, educational facilities, tourism and roads, providing a high level of confidence for investors.

The Port Stephens Economic Development Strategy, created through in partnership with business, community and council, provides an economic blueprint for the next four years to guide the recovery from the COVID-19 pandemic and plant the seeds for future growth. The pandemic pause has only strengthened our resolve, highlighted our resilience and provided the time and space to identify new opportunities.

I invite you to share in our vision and the inevitable prosperity ahead. Join us as we strive to make Port Stephens an even better place to live, work, play and grow.

Ryan Palmer
Mayor of Port Stephens



READY.
SET.
GROW.

OUR VISION

THE PURPOSE.

To build relationships, grow trust and create connections to support the development of a strong and resilient economy.

Port Stephens Council is committed to leading an integrated and collaborative approach to the delivery of a strong economy, vibrant local business and active investment.

Our focus is on creating results that help make Port Stephens a better place to live, work and visit. It is imperative, to achieve these goals, that we work collaboratively with community, business and government.

By building relationships, creating connections and growing trust, we can create an environment that supports business growth, injects vibrancy into our town centres and drives the local economy.

THE VISION.

A vibrant and liveable place supporting local economic growth.

This strategy has been designed to provide a blueprint to achieve positive outcomes towards sustainable business in the long term and the recovery from recent natural disasters and the COVID-19 pandemic.

In partnership with our business community, Council will focus on the delivery of strategic priorities that support and enable business growth across Port Stephens:

- Investment attraction
- Sustainability and resilience
- Workforce for the future
- Support local

...a vibrant and liveable place supporting local economic growth...



THE VALUE

THE VALUE OF THE PORT STEPHENS ECONOMY

The Port Stephens Local Government Area (LGA) is situated on the northern boundary of the City of Newcastle and stretches from Fern Bay in the south, west to Duns Creek, east to Nelson Bay and north to Karuah and encompasses the Tomaree National Park, the Worimi Conservation Lands and a 98,000 hectare Marine Park.

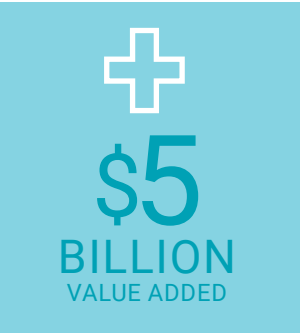
Almost 73,000 people call Port Stephens home and this is predicted to grow to over 90,000 in the next 20 years. The Port Stephens' economy has a diverse industry and employment base built around the natural environment. Well established manufacturing, defence and aviation facilities together with access to markets in Sydney, the Hunter and the Port of Newcastle, are key strengths.

Location and access to transport infrastructure create a strong competitive advantage for Port Stephens, with key linkages to national markets via the M1

Pacific Motorway, Pacific Highway Corridor and New England Highway. These transport networks support a robust and innovative manufacturing sector at Tomago leading in metals manufacturing, heavy engineering and light industrial activities.

Williamstown is home to Newcastle Airport, RAAF Base Williamstown and a number of high-profile primes in defence, aviation, aerospace and technology. In May 2020, the NSW Government announced the area as NSW's 5th Special Activation Precinct (SAP), which will essentially fast-track planning and prioritise investment to further stimulate economic activity and development.

A \$66 million funding investment from the State will bring the airport's runway to Code E standard allowing larger aircraft to land. This development significantly expands the potential for international connections, creating opportunities for business across a range of sectors, including tourism.



COUNCIL'S ROLE IN ECONOMIC DEVELOPMENT

Port Stephens Council understands the critical role it plays in the development of a strong and resilient economy.

The day to day operations of Council play a key role in creating an environment which attracts investment and encourages business to thrive. Land use planning, development application processing times, procurement, infrastructure, environmental management and the design and management of our public spaces all contribute to creating the foundations of a strong and resilient economy.

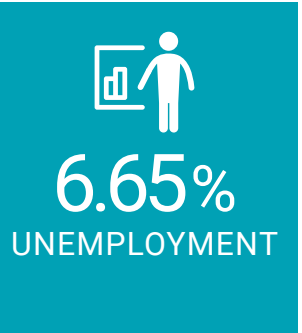
This influence, however, does not occur in isolation, and key to the growth of the Port Stephens economy is the development of strong partnerships with business, State and Federal agencies, industry organisations and neighbouring councils.

Council encourages creative and innovative ideas. Out of the box thinking will help create new

opportunities inject vigour and attract entrepreneurs, motivators, creators and leaders from all corners of the globe.

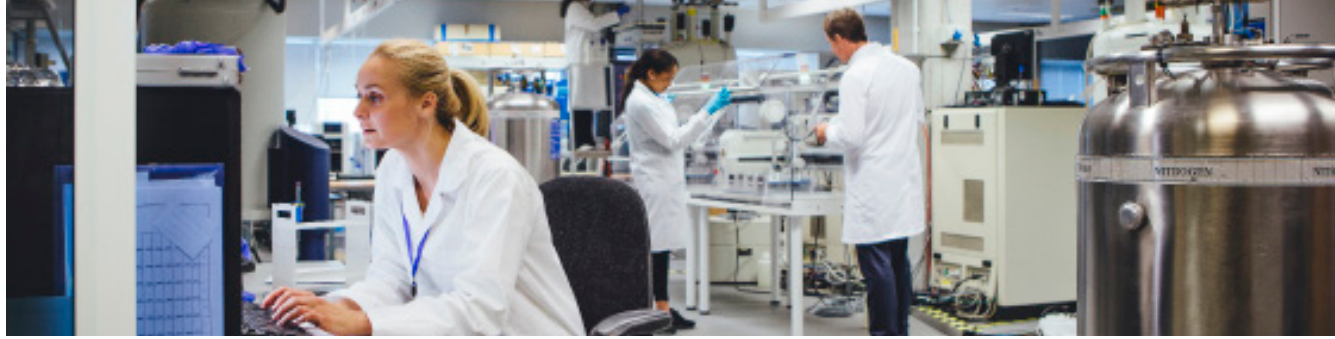
Council is committed to lead by example with a focused approach to the delivery of actions which create genuine opportunity for business across Port Stephens.

By sharpening our focus, Port Stephens Council will help build capacity and resilience in local businesses, activate employment opportunities and increase the liveability and wellbeing of the Port Stephens community.



COUNCIL'S ROLE

OPPORTUNITIES



ADVANCED MANUFACTURING

The Hunter Region is currently undergoing economic transformation moving from traditional goods-producing sectors, such as mining and manufacturing, to high value-added, knowledge-based industries based around aviation and defence, and advanced manufacturing.

The Williamstown Special Activation Precinct (SAP) was announced by the NSW Government In May 2020 as part of a broader commitment to accelerating investment and growth via infrastructure investment in NSW. The SAP is located adjacent to the of the Williamstown RAAF base, Australia's primary Department of Defence fighter pilot training base home to Australia's F-35 fleet and the Asia Pacific Regional Warehouse for F-35s. The investment in the Williamstown SAP and ongoing expansion of the RAAF base continues to create significant opportunities for Port Stephens.

Existing developments like Astra Aerolab and Williamtown Aerospace Centre are already home to internationally recognised companies such as BAE Systems, Raytheon, Lockheed Martin and Boeing. New investment in this precinct will further grow opportunities for advanced manufacturing by bringing together specialised large scale international prime contractors, small and medium enterprises, and research and development institutions to create jobs and attract talent into the region. Through an integrated planning process, the SAP will unlock the potential of surrounding land and enable further investment and growth to position Williamtown and Port Stephens as the global gateway to the Hunter and Greater Newcastle



NEWCASTLE AIRPORT RUNWAY UPGRADES

In May 2021, the Federal Government announced \$66 million in funding to bring Newcastle Airport's runway to Code E standard. This investment will see the widening of the runway to accommodate longer range domestic and international aircraft as well as significantly increased freight capabilities for the region. This investment is a game changer for the region generating around 4,400 full time jobs and delivering \$12.7 billion in regional economic benefit through increased freight and stimulation of the visitor economy.

Newcastle Airport is also investing in upgrades to the existing terminal with supporting services such as car hire, accommodation and retail also expected to grow. Business across Port Stephens will be boosted by access to year round visitor markets, new opportunities for the trade and the ability to attract a highly skilled workforce.



VIBRANT PLACES

Creating vibrancy in our town centres and public spaces requires a collaborative approach. It requires ownership from Council, business and the community to create places that are resilient, welcoming and inclusive.

Vibrant places are not about big budgets and big infrastructure. They are about creating unique and innovative experiences and testing new ideas which are connected to our local identity both through the built form of the place and the programming of the space. Through a place-based approach, Council will continue to build on the local identity of our towns and villages. Investment in quality social infrastructure and open space will provide the foundation for economic growth, attracting new investment, new residents and new experiences across Port Stephens.



RENEWABLE ENERGY

In September 2021, the Federal Government declared the Hunter Region as the NSW centre of a federal scheme for a "hydrogen hub" in each state or territory (except the ACT), complementing the NSW Government's November 2020 commitment to the development of the Hunter Renewable Energy Zone. This cluster will support the development of the hydrogen supply chain, reduce overlaps and identify gaps in the development, deployment and commercialisation of new hydrogen focused technologies. Our region has responded by establishing the Hunter Hydrogen Taskforce and the Hydrogen Technology Cluster (NewH2), which is designed to bring together industry, business, research and government.

Strong signals of confidence from both levels of government and increasing private investment will

create significant demand for technology, infrastructure and industrial growth and give confidence to the private sector. Port Stephens is currently experiencing a high level of advanced enquiry from renewable energy businesses keen to establish, primarily in and around Tomago where advanced manufacturing businesses are actively supporting innovation and development of prototypes. These businesses will complement, and create new collaborative opportunities, for our existing corporates with a demonstrated focus on renewables.

Established industry connections with the University of Newcastle create unique collaborations for research and development, and the proliferation of STEM programs in schools will ensure future workforce supply. Port Stephens has the opportunity to play a vital role in delivering affordable energy generation to the state.

OPPORTUNITIES



THE VISITOR ECONOMY

Port Stephens is recognised as one of the most popular regional tourism destinations in NSW and while COVID-19 has decimated the international market for now, Port Stephens' domestic tourism is very much on the rise. Infrastructure developments such as Murrook Cultural & Conference Centre, Worimi Eco Tourism Resort, Tomaree Coastal Walk and the Port Stephens Koala Sanctuary not only keep the visitor offering fresh and interesting, but create flow-on opportunities for local businesses.

Balancing this growth will be key to the long term sustainability of the visitor economy. A focus on immersive, authentic, unique and environmentally sustainable experiences will grow visitor spend, not just visitors and create new opportunity for diversification and expansion of the current visitor offering.



WORK LIFE BALANCE

One of the most significant changes to emerge from the COVID-19 pandemic has been the rapid transition to a flexible workplace. Working from home has become the 'new normal' and since the first lockdowns in 2020, many business have moved to a hybrid model of employment.

Port Stephens offers an enviable lifestyle for people in all stages of life; with both rural and coastal lifestyles, 2 ½ hours from Sydney, and daily flights to capital cities combining to increase demand for sea changers and tree changers wanting to balance the best of work and lifestyle. This growth in professionals working from home will drive new opportunities and demand for local services, increase local spending and see greater participation in local programs contributing to vibrancy and growth across our communities.



RAYMOND TERRACE ECONOMIC ZONE

Raymond Terrace is recognized in the Greater Newcastle Metropolitan Plan as a Strategic Centre for the Hunter and has been identified as particularly suitable for the development of health services to support the region's growing population. Raymond Terrace is centrally located to regional population centres and transport nodes and is supported by suitably zoned land ready for development. New legislation is expected to further unlock employment precincts and expand investment opportunities in Raymond Terrace and surrounding suburbs.

The Raymond Terrace Economic Zone will drive an integrated approach to attracting investment and growth in the town centre. The program will identify and implement initiatives to activate street frontages, increase height limits, ensure zonings support business use and reduce red tape

the good life is
all about balance,
not just a
balance sheet...



CHALLENGES



PUBLIC TRANSPORT & ROADS

With the rapid increase of residents, visitors and workers in our region it is evident that public transport has not kept pace. Though private providers have gone some way to fill this need, transport and roads are posing a significant challenge. Public transport access and connections to Newcastle and Maitland, whilst reasonable for those traveling at traditional work or school hours, are often problematic for those commuting at irregular times. Tertiary education students and shift workers need to be considered at the risk of us losing their skills and talent.

Council continues to advocate for the upgrade to Nelson Bay Road, Cabbage Tree Road / Tomago Road and the M1 Pacific Motorway extension. The completion of these major infrastructure items will have a fundamental impact on travel times, reduce costs for business and open new opportunities for investment in Port Stephens.



BUSINESS RESILIENCE

Recent natural disasters and the COVID-19 pandemic have highlighted the challenges of planning for the future in turbulent times.

The pandemic has clearly illustrated the vulnerability of a number of sectors including; retail, tourism and food & accommodation services (21% of the regions workforce). These sectors have been severely impacted creating flow-on effects across the broader economy. Reliance on this single source of transient, visitor income has exposed the perils of this "holiday economy".

Council and key stakeholders will play a key role in helping build resilience through facilitating connections, collaboration and diversification. We will expose our businesses to 'best practice' solutions and innovation from across the globe and connect them to the training, information and support services they need to respond proactively and confidently in the future.



SMART CITIES

Digital connectivity across the Port Stephens Local Government area is continually improving, however remains a source of concern for residents and businesses in certain locations.

In July 2020, Council adopted the new "Smart Cities Blueprint" and continues to work with Telstra and NBN to address blackspots and ensure they remain a priority for service improvement.

Developing innovative and relevant digital technologies to improve community connectivity, to drive smart city initiatives and build digital capacity will improve the liveability of our town centres, support local business, attract new residents and drive workforce attraction.



HOUSING SUPPLY

The supply of new housing in Port Stephens has been in decline since 2001, impacting housing affordability and the availability of new housing. Significant commitments to invest in Port Stephens to grow the regional and local economy and provide major infrastructure will attract new residents and drive additional demand for new housing in our area over the next 20 years.

Government investment in employment sectors such as defence and aviation, and easy access to Maitland and Newcastle City will increasingly attract more people to live and work in Port Stephens. Recent trends in regional migration, domestic tourism growth and increased remote working opportunities have already increased demand and increased the urgency to address housing supply shortages in Port Stephens. A lack of rental vacancies is impacting many local businesses who are



SUSTAINABILITY

unable sustain an adequate workforce and have reported difficulties in attracting staff due to shortages of suitable accommodation.

Maintaining an adequate pipeline of new housing will be critical to sustaining healthy local economies and ensuring there are diverse housing opportunities in our area.

Place Plans are being prepared for our centres to build more liveable communities and improve the quality of life for residents. In some centres, Place planning will attract investment in new housing and in more diverse housing types.

Place planning will be a key part of addressing our housing supply shortage and in particular encouraging more affordable housing options.

The success of the Port Stephens economy is based on the natural environment. Our beaches, bays, waterways, national parks, rivers and agricultural land are all key contributors to not only the growing regional economy and attracting business investment and residents – but to the well being of the people and the place.

Initiatives to reduce carbon emissions, incentivise renewables, limiting the use of plastics, protecting our waterways and educating business on the value of the local environment will help drive change. This can be further supported by strategies which communicate the value and importance of the environment to our local communities. Opportunities for eco-tourism accreditation will drive new experiences and appeal to a growing demand from visitors wanting to minimise their environmental impact.

WE LISTENED

...resilience, sustainability and business growth are key to getting through the pandemic...

MANY MINDS MAKE GREAT WORK

In 2021 Council undertook a formal consultation process with the community and business to ascertain the needs, goals, opportunities and challenges relating to the growth and sustainability of our local economy and the development of Port Stephens on a local, national and global level.

It was clear the liveability, environment, affordability, culture and location are key drivers in attracting people to live work and play here, but what were the incentives to attract business and investment? How can we create a sustainable future?

The pandemic highlighted the need for diversification and resilience and the ability to pivot, but what innovative and practicable solutions can we aim for to avoid the economic impact of unpredictable predicaments like natural disasters, pandemics or global crises.

This consultation process included input from Council’s Economic Development Advisory Panel (EDAP), industry representatives including; Business Port Stephens, Destination Port Stephens, TAFE NSW, Newcastle Airport, Port Stephens Women in Business, Tomaree Residents and Ratepayers Association, key members of local industry and residents.

To best identify what it is we want this place to be and how we want the world to view us we brought together big thinkers and small business, residents with a lifetime of local knowledge, industry leaders with global experience.

The outcomes of this consultation process laid the groundwork for our Economic Development Strategy providing clear goals, and identifying opportunities and challenges to help create a blueprint for growth.



THE CONSULTATION PROCESS

850
NEWSLETTERS

8
INDUSTRY
WORKSHOP

250
BUSINESS
HEALTH CHECKS

36
ONLINE SURVEYS

ECONOMIC
DEVELOPMENT
ADVISORY PANEL
CONSULTATION

PRIORITY ACTIONS

MAKE PORT STEPHENS
AN ATTRACTIVE PLACE
TO LIVE

ADVOCATE FOR
INFRASTRUCTURE TO
SUPPORT ECONOMIC
GROWTH

BUILD ON EXISTING
STRENGTHS AND
OPPORTUNITIES

TRANSITION
TO RENEWABLES

DEVELOP LOCAL
SUPPLY CHAINS

QUICK WINS

REDUCED
RED TAPE

PLACE
ACTIVATION

COVID RECOVERY
SUPPORT

SHOP
LOCAL

WHAT’S OUR FOCUS?

INVESTMENT ATTRACTION
Support opportunities
for innovation and
entrepreneurship to
attract new business
and investment

SUSTAINABILITY
& RESILIENCE
Support businesses to
be agile resilient and
innovative

FUTURE WORKFORCE
Building skills and
capabilities to ensure
skilled future workforce

SUPPORT LOCAL
Support the development
and promote the benefits
of local supply chains

BLUEPRINT FOR GROWTH

Council has a key role in creating a fertile environment where business can grow and thrive.

By fostering a business enabling environment, Council will facilitate the growth of innovative and successful businesses which are both strong and globally competitive.

We will provide the incentive, tools, strategies and support to foster diversity, growth, innovation and resilience throughout the Port Stephens LGA. Growth can only be achieved with clear goals and a roadmap to achieve these goals. Our blueprint for growth is outlined here.

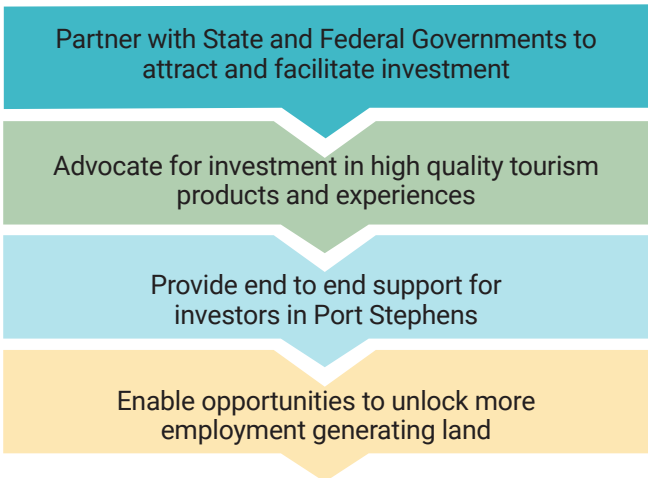


INVESTMENT ATTRACTION

Port Stephens has a lot to offer prospective investors. It is home to one of Australia's fastest-growing aviation and defence hubs, has a long-established manufacturing sector and is one of the east coast's most loved tourism destinations.

It is an integral part of the Hunter - the largest regional economy in Australia and has been identified by all tiers of government as a strategic centre for economic growth.

KEY PRIORITIES

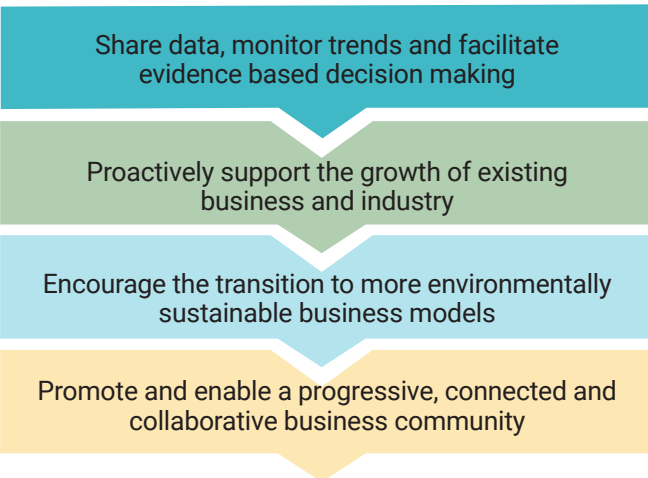


SUSTAINABILITY AND RESILIENCE

By creating strong networks which encourage collaboration and innovation, Council can help business adapt to ongoing disruptions.

Through strong industry networks, education and training Council will facilitate and deliver programs that expose business across Port Stephens to new ideas and new thinking along with insights and information which grow business confidence, business strength and resilience.

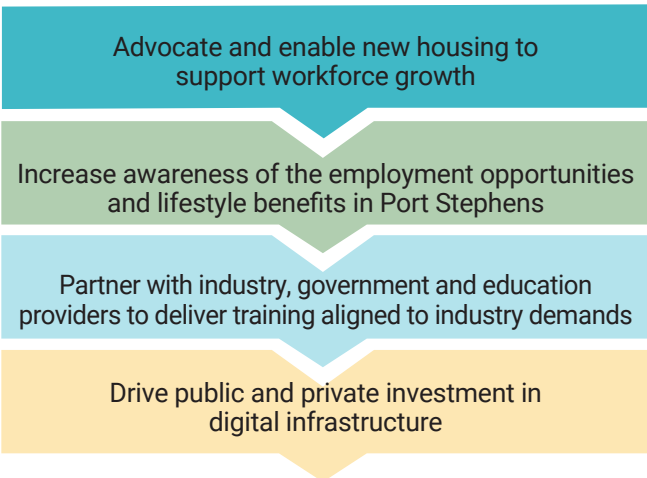
KEY PRIORITIES



WORKFORCE FOR THE FUTURE

Traditional structures for working as we know it are undergoing a fundamental transformation creating both opportunities and challenges. With the increasing demand for regional living, the ability to work remotely and a greater focus on work life balance, housing prices in Port Stephens continue to rise. This in turn impacts the abilew residents moving to Port Stephens, demand for suitable housing is increasing, boosting prices and reducing the ability for many to find suitable housing near their place of work.

KEY PRIORITIES



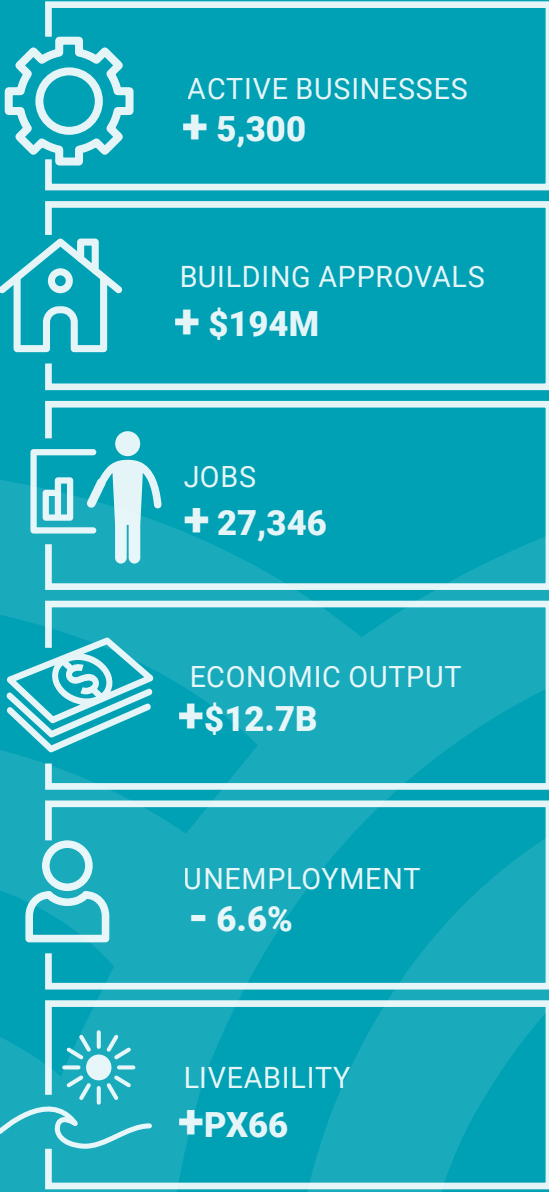
SUPPORT LOCAL

The COVID-19 pandemic has created both a realisation of the value of shopping locally and the importance of local businesses localising their supply chains. Across Port Stephens, there is significant opportunity for business to adopt a more purposeful approach to local spending. By connecting big business with small business and growing awareness of the value of local spending and supply chains Council can support the growth of local business and increase local jobs.

KEY PRIORITIES



MEASURES OF SUCCESS





PORT **STEPHENS**
COUNCIL

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