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# Economic Outlook and Industry Analysis Report

For MidCoast Council



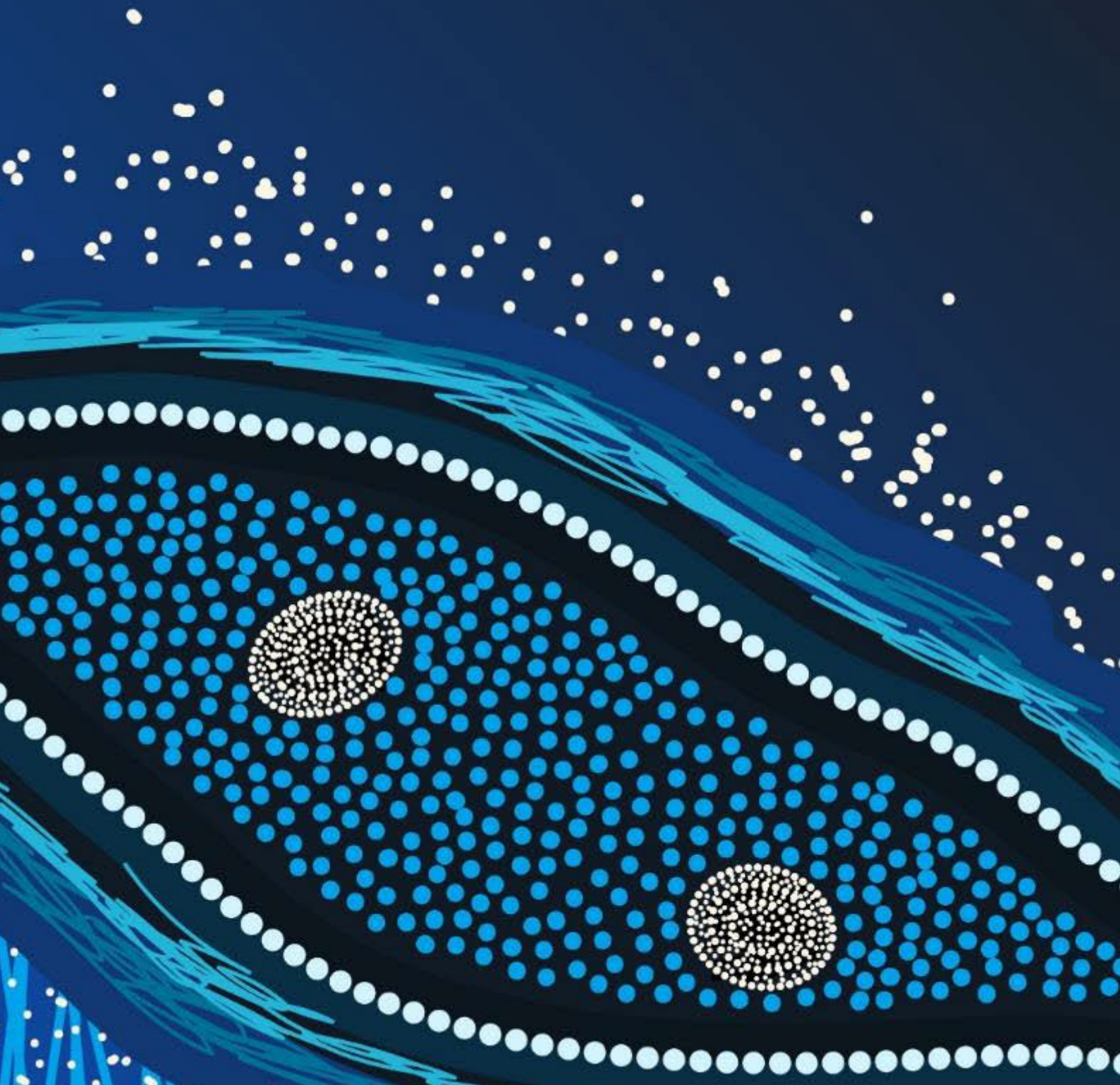
October 2024  
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## Acknowledgement of Country

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As we work on these lands, we strive to uphold the principles of respect, cooperation, and environmental stewardship, guided by a shared commitment to a harmonious future.



# Document control

| Document summary | Details  |
|------------------|--|
| Title            | Economic Outlook and Industry Analysis Report  |
| Version          | 2.2  |
| Date             | 02 10 2024   |
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| Prepared by      | Hadron Group   |

| Version | Purpose of document | Authored by    | Approved by | Approval date  |
|---------|---------------------|----------------|-------------|----------------|
| 1.1     | Preliminary Draft   | K Xu<br>H Ross | L Walsh     | 1 August 2024  |
| 1.2     | Draft Report        | K Xu<br>H Ross | L Walsh     | 28 August 2024 |
| 2.2     | Final Report        | K Xu<br>H Ross | L Walsh     | 2 October 2024 |

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# Table of Contents

|     |   |    |
|-----|---|----|
| 1.  | Introduction .....                                  | 10 |
| 2.  | Economic snapshot .....                             | 11 |
| 2.1 | Gross Regional Product.....                         | 12 |
| 2.2 | Employed persons.....                               | 12 |
| 2.3 | GRP productivity .....                              | 13 |
| 2.4 | Unemployment.....                                   | 13 |
| 3.  | Shift share analysis.....                           | 15 |
| 4.  | Qualitative Review .....                            | 18 |
| 4.1 | Macro Perspective .....                             | 18 |
| 4.2 | Meso Perspective.....                               | 21 |
| 4.3 | Micro Perspective .....                             | 23 |
| 5.  | Industry segmentation and metrics.....              | 27 |
| 5.1 | Summary of key metrics.....                         | 30 |
| 5.2 | MidCoast’s economic pillars .....                   | 33 |
| 5.3 | Dynamic growth sectors .....                        | 36 |
| 5.4 | High-potential industries.....                      | 39 |
| 5.5 | Challenged industries.....                          | 41 |
| 6.  | Recommendations, forecast GRP and vision .....      | 42 |
| 6.1 | General recommendations .....                       | 44 |
| 6.2 | Industry-specific recommendations.....              | 46 |
| 6.3 | Forecast GRP .....                                  | 49 |
| 6.4 | Vision statement.....                               | 51 |
|     | Appendix A – Data tables .....                      | 52 |
|     | Appendix B – Summary of Stakeholder Engagement..... | 59 |

# Executive Summary

This MidCoast Economic Outlook and Industry Analysis Report is the first of its kind for the region. It is an important tool to better understand the MidCoast economy in relation to domestic and global trends and help to determine future strategic actions to help drive the local economy.

Economic Development has been identified as a priority area for the MidCoast Council. The challenge for the MidCoast over the next decade is to ensure the realisation of many of the region's economic opportunities to help drive growth of the region. With the attrition of some industries over the previous decade, it is now time to strategically plan how we can help to maintain our core sectors, whilst providing support to emerging industry sectors. To that end, it is important to have a better understanding of the current economy, the challenges, and opportunities, as well as understanding the region's potential in terms of forecast growth.

The tourism industry has been excluded from this analysis as it is already addressed in detail by the MidCoast Destination Management Plan.

The MidCoast Economic Outlook and Industry Analysis Report will help to:

- Inform investment decisions.
- Inform future actions as part of the Economic Development Strategy.
- Enable MidCoast Council to monitor progress over time and allow for headline targets.

The businesses, residents, and communities of the MidCoast are facing emerging challenges and opportunities amid significant economic restructuring and pressures both externally and internally. Now is the time for MidCoast Council to take a proactive stance in securing the region's economic future by working collaboratively with businesses, neighbouring Local Government Areas, and State and Federal government agencies to build a diverse, growing, and vibrant economy.

This Economic Outlook and Industry Analysis Report provides recommendations across several key areas: investment attraction, advocacy, delivery, investigation, ecosystem establishment, workforce development, and support. These recommendations, grounded in data analysis, qualitative and quantitative research, as well as stakeholder engagement, aim to further strengthen the Council's economic development initiatives. This report occasionally references regions beyond the MidCoast, including the Mid North Coast, Regional NSW, NSW, and Australia, to offer data comparisons and help illustrate how MidCoast's economic performance aligns with these regions.

**An economic snapshot of the MidCoast highlights several areas where the region is currently lagging, presenting significant opportunities for targeted growth and development.**

The MidCoast's Gross Regional Product (GRP) and job growth have been slower compared to the Mid North Coast, Regional NSW, and national averages. This indicates room for economic and policy interventions that could support job creation and stimulate broader economic activity. Additionally, GRP productivity per worker in the MidCoast falls behind, suggesting a need for enhanced capital investment and other productivity drivers. However, there are positive trends. The unemployment rate in the MidCoast, which was notably higher than in benchmark regions in late 2020, had nearly converged with these areas by December 2023. This reflects a stabilising economy and provides a strong foundation for future growth.

**Shift-share analysis reveals that the MidCoast's construction industry has significant regional advantages, but there are other industries that are comparatively weaker.**

The construction industry in the MidCoast stands out as a significant strength, with GRP and employment growth that surpasses broader industry trends across NSW, highlighting the region's robust demand. Meanwhile, the Health Care and Social Assistance sector, despite already

experiencing substantial employment growth, has the potential for further expansion by addressing certain local factors that may be limiting its full potential. Industries showing a competitive advantage in the MidCoast, such as Information, Media and Telecommunications and Agriculture, Forestry and Fishing, suggest that there is significant potential for Council to further support and develop these sectors.

### The MidCoast can capture positive external global and Australia wide factors to enhance economic development.

At the macro level, national and global economic trends are pointing towards a positive medium-term outlook, especially benefiting the export-driven sectors of the MidCoast economy, such as agriculture and manufacturing. The region's agricultural strength, coupled with the availability of cheaper industrial land, presents a significant opportunity to attract new industrial development and enhance value-adding processes within the agricultural sector.

On the meso level, the broader regional trends indicate that the MidCoast is well-positioned to capitalise on investment growth across the region. At the micro level, while the growth in new businesses and employment within the MidCoast has been modest, there remains strong potential for expansion. Addressing local challenges, such as the need for direct budget funding and leveraging external factors, could unlock further economic growth and prosperity for the region.

### The industry segmentation integrates insights from stakeholder engagement, along with quantitative and qualitative analysis, to identify key industry areas for MidCoast Council's attention.

MidCoast Council's economic development efforts should focus on the areas that yield the most impact. The industry segmentation categorises each industry into four quadrants:

- **Economic pillars:** These industries represent a significant share of MidCoast's total economy, having experienced strong historic growth and expected to continue growing in the future. They are crucial for maintaining and enhancing the MidCoast's economic prosperity. While they face certain challenges, there are opportunities to secure their competitiveness moving forward. These industries include Construction, Health Care & Social Assistance and Agriculture, Forestry and Fishing:
  - The Construction industry ranks second in the MidCoast with an Industry Value Added (IVA) of \$362.1m. Employment in this sector has grown by 65.2%, reaching 4,556 persons. Its IVA growth since 2018, at 17.9%, exceeds benchmark regions. Leveraging the substantial workforce to develop industrial and commercial zoned land presents a key opportunity.
  - The Health and Social Assistance industry is the largest in the MidCoast, with an IVA of \$564.7m and 7,224 employed persons. Although growth has been strong, with 20.3% in IVA and 14.4% in employment, it lags behind benchmark regions. Continued advocacy for the Manning Base Hospital Stage 2 redevelopment and exploring seniors housing development are essential.
- The Agriculture, Forestry, and Fishing industry ranks fourth in IVA (\$288.4m) and sixth in employment (1,850) in the MidCoast. It leads in exports, contributing \$351.2m, showing high demand for MidCoast produce. There is potential to boost IVA productivity per worker, currently at \$155,899, by addressing the productivity gap through improved techniques and capital investments.
- **Dynamic growth sectors:** These industries are nascent or moderately sized but exhibit strong potential for growth, driven by a combination of local and broader factors. Leveraging these industries is vital for boosting the MidCoast's potential for innovation and dynamism. These industries include Information, Media and Telecommunications, Manufacturing, Professional, Scientific and Technical Services and Administrative and Support Services:
  - The Information, Media, and Telecommunications industry experienced the largest IVA growth in the MidCoast, increasing by 88.8% and 17.5% in employment, reaching

383 persons, largely driven by new telecommunications businesses setting up in the region.

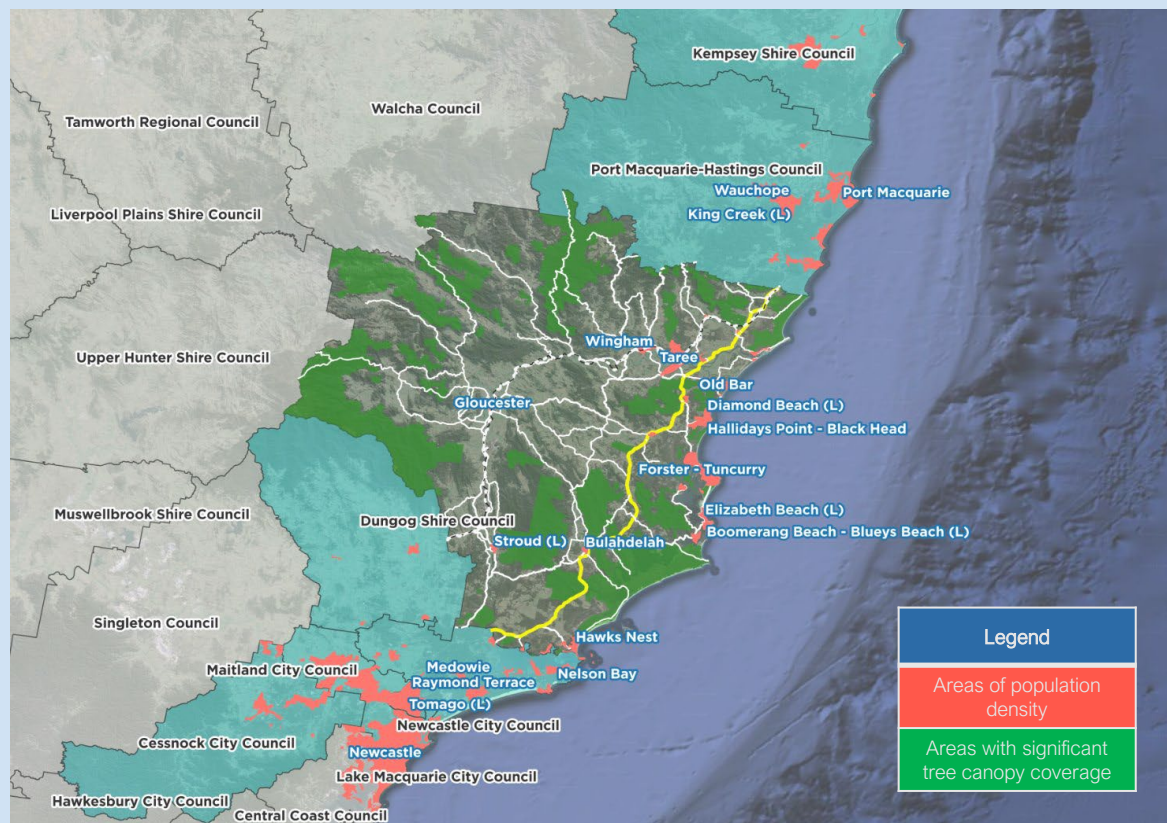
- The Manufacturing industry ranks sixth in IVA and is the third most productive sector, with an IVA per worker of \$128,913. It also ranks second in exports. There is potential to enhance IVA productivity and IVA through advanced manufacturing techniques and by fostering knowledge-sharing among successful businesses.
- The Professional, Scientific, and Technical Services and Administrative and Support Services industries saw significant business growth between 2021 and 2023, with increases of 62 and 61 businesses, respectively. This growth reflects the MidCoast's appeal to remote workers. Council should promote the region's affordability and growing community of remote professionals to further attract talent.
- **High potential industries:** These industries are generally moderately sized and make significant contributions to the MidCoast's economy. However, they have been affected by economic headwinds that are challenging to manage at the local level. They are reliable economic contributors that do not necessarily need to be on Council's immediate priority list for intervention.
- **Industries facing challenges:** These industries have experienced notable economic decline and have faced project shutdowns in the MidCoast or have been adversely impacted by broader economic headwinds. Preserving these industries is more challenging, requiring careful consideration and strategic planning.

The recommendations target multiple industries and provide multiple strategies for MidCoast Council to strengthen economic development and drive long-term prosperity in the region.

- The recommendations are divided into two areas: general and industry specific:
  - **General recommendations** are industry-agnostic and represent broader considerations that should be embedded in Council's strategic approach to economic development.
  - **Industry-specific recommendations** are categorised into investment attraction, advocacy, delivery, investigation, ecosystem establishment, and workforce development and support.
- There are three key general recommendations: to **establish and broaden engagement**, to **develop a robust data source**, and to **align economic development considerations with the planning process**.
- Within the **investment attraction** category, which focuses on highlighting MidCoast's value proposition to private sector investors, several key points have been identified. These include emphasising the economic potential of industries as having a competitive advantage, such as in construction, health and social services. These recommendations address the presence of major projects like the Taree Regional Airport business park and the recently announced Northern Gateway Transport Hub Masterplan, the social need for seniors housing and fostering clean and circular economy manufacturing and supply chain development.
- In recommendations relating to **advocacy**, the focus is on securing support from the NSW and Australian Governments through funding, infrastructure, and services. This includes targeting state and federal budget opportunities for 2025/26 and beyond, particularly in the clean economy, precinct and housing development. Continued advocacy for the Manning Base Hospital Stage 2 Redevelopment is vital, as it will serve as a key economic and social pillar, supporting jobs and alleviating chronic capacity issues. Additionally, ongoing advocacy for improvements to rail, road, and air connections is essential.
- The **delivery** category includes two key recommendations: Investigate leveraging the MidCoast's construction workforce, ensuring sustained employment after major projects conclude and enhancing telecommunications infrastructure in the MidCoast to address significant challenges faced by businesses.

- The **investigation** category targets opportunities across key sectors—, agriculture, transport, energy, and manufacturing—with the aim of enhancing efficiency, expanding economic potential, and aligning with broader infrastructure projects. This approach includes gathering further stakeholder insights to guide strategic actions, exploring expanded uses for Taree Regional Airport, and identifying opportunities for local manufacturing to benefit from major infrastructure projects.
- **Ecosystem establishment** focuses on positioning the MidCoast as an attractive destination for remote workers and enhancing advanced manufacturing capabilities. These recommendations are based on evidence that the MidCoast is increasingly popular among remote workers and home to thriving manufacturing businesses, whose expertise could foster collaborative ecosystems.
- The **workforce development and support** category addresses the needs of workers impacted by recent downturns in the mining and electricity, gas, and water industries. By exploring alternative employment opportunities and implementing targeted support initiatives, Council can partner with relevant agencies to assist these workers in transitioning to new roles and industries, ensuring their skills continue to benefit the local economy.













**Figure 1 The MidCoast at a glance**



The MidCoast region, with a population of 97,909, is located on the Mid North Coast of New South Wales, Australia. The region covers a diverse area that includes coastal towns, rural communities, and hinterland regions. Its key urban centres are Taree, Forster, and Tuncurry. Taree is the largest town and serves as a regional hub for services and commerce, while Forster and Tuncurry are popular tourist destinations known for their beaches and waterways.



## The MidCoast at a glance, headline indicators and top three by industry (2023)

|  |  |  |   |  |  |   |  |  |  |  |  |
|--|--|--|---|--|--|---|--|--|--|--|--|
| <b>\$4,791.0m</b><br>Gross Regional Product (2023)   | <b>\$3,501.2m*</b><br>Industry Value Added (2023)                                  | <b>35,546</b><br>Employed persons (2023)   | <b>\$134,783</b><br>GRP productivity per employed person (2023)   | <b>\$98,498</b><br>IVA productivity per employed person (2023)                     | <b>\$1,741.1m</b><br>Exports (2023)  | <b>4.1%</b><br>Unemployment rate (December 2023)  | Tourism directly employs <b>1,959</b> people and indirectly supports <b>1,093</b> jobs in 2023 |  |  |  |  |
| <b>9.0%</b><br>Growth in Gross Regional Product since 2018   | <b>6.2%</b><br>Growth in Industry Value Added since 2018                           | <b>5.6%</b><br>Growth in employed persons since 2018                               | <b>\$130,621</b><br>GRP productivity per employed person (2018)   | <b>\$97,958</b><br>IVA productivity per employed person (2018)                     | <b>-6.7%</b><br>Growth in exports since 2018   | <b>8.6%</b><br>Unemployment rate (December 2020)  | The MidCoast attracted <b>2.13m</b> visitors in 2023   |  |  |  |  |
| <b>Number of employed persons</b>  |  |  | <b>Growth in employed persons</b>   |  |  | <b>Total Industry Value Added (IVA)</b>   |  | <b>Growth in IVA</b>   |  |  |  |
| The <b>Health and Social Assistance, Construction</b> and <b>Retail Trade</b> industries have the highest share of employed persons in the MidCoast, comprising 45% of the region's total. |  |  | The <b>Construction, Public Administration and Safety, Information Media and Telecommunications</b> industries have the highest growth in employed persons in the MidCoast. |  |  | The <b>Construction, Health and Social Assistance</b> and <b>Retail Trade</b> industries have the largest industry value added (IVA) in the MidCoast, comprising 36% of the region's total. |  | The <b>Information Media and Telecommunications, Professional, Scientific and Technical Services</b> and <b>Administrative and Support Services</b> have the highest IVA growth in the MidCoast. |  |  |  |
| Health and Social Assistance   | Construction   | Retail Trade   | Construction  | Public Administration and Safety   | Information Media and Telecommunications   | Health and Social Assistance  | Construction   | Retail Trade   | Information Media and Telecommunications   | Professional, Scientific and Technical Services                                      | Administrative and Support Services  |
|    |  |  |   |  |  |   |            |    |  |  |  |
| 7,224 employed persons (20% of total)  | 4,556 employed persons (13% of total)  | 4,121 employed persons (12% of total)  | 65% growth since 2018, adding 1,798 employed persons  | 20% growth since 2018, adding 255 employed persons                                 | 18% growth from 2018, adding 57 employed persons                                     | \$564.7m (16% of total)   | \$362.1m (10% of total)  | \$322.7m (9% of total)   | 89% growth since 2018, increasing by \$59.1m   | 25% growth from 2018, increasing by \$34.5m  | 24% growth from 2018, increasing by \$30.8m  |

\*IVA (Industry Value Added) and GRP (Gross Regional Product) differ in that IVA measures the value industries add, calculated as total output minus intermediate goods costs. GRP, however, includes IVA plus rents and imputed rents, which contribute to the economy but aren't linked to specific industries. This inclusion explains why GRP is always higher than total IVA, as shown in the diagram and the report.

# 1. Introduction

## Project details and purpose

Hadron Group has been commissioned by MidCoast Council (Council) to prepare an Economic Outlook and Industry Analysis Report. This report provides a detailed description and understanding of the MidCoast economy.

The report presents an analysis of regional, industry-sector, and global macroeconomic trends. It evaluates these trends to identify opportunities for Council, supporting and enabling actionable recommendations. The analysis relies on a range of data sources and stakeholder engagement to identify challenges, opportunities, and strategies for the MidCoast's economic prosperity.

## About each chapter

This report is divided into seven chapters, including this introduction. The breakdown of the following six chapters is outlined below:

- **Chapter 2: Economic snapshot** – provides a breakdown of recent economic trends in the MidCoast.
- **Chapter 3: Shift share analysis** – considers the regional and industry breakdown of growth sectors and potential causes and impacts.
- **Chapter 4: Qualitative review** – analyses macro, meso and micro economic conditions shaping the short-, medium- and long-term market.
- **Chapter 5: Industry segmentation** – segments industries into categories based on prior analysis including supporting metrics.
- **Chapter 6: GRP forecasts, key findings & next steps** – collates the cumulative findings, key actions for Council and considers projected GRP scenarios.
- **Appendix A: Data tables** – Detailed data tables by industry for key economic indicators including IVA, employed persons, IVA productivity, exports and business sizes.
- **Appendix B: Summary of Stakeholder Engagement** – reviews internal and external stakeholder engagement and key findings.

## 2. Economic snapshot

The purpose of the economic indicators chapter of this report is to provide context for key economic drivers within the MidCoast Local Government Area (LGA), comparing them with benchmarked locations to offer a comprehensive view of its overall economic performance. Measured indicators include Gross Regional Product (GRP), unemployment, and GRP productivity<sup>1</sup>. Where possible, this analysis is also presented as a growth rate over time.

### Purpose of benchmarking between regions

Benchmarking economic indicators is crucial for understanding the MidCoast's relative economic performance. It helps identify strengths, weaknesses, and opportunities for improvement by comparing key metrics such as GRP, employment, and GRP productivity. This comparison reveals areas where the MidCoast lags or excels, informing targeted policy and investment decisions to stimulate economic growth. Additionally, benchmarking provides insights into broader economic trends and challenges, enabling MidCoast to adopt best practices from more successful regions and align its strategies with state and national objectives.

**Table 1 Benchmarked regions**

| Benchmark regions      | Definition   |
|------------------------|--|
| <b>Australia</b>       | Whole of Australia   |
| <b>NSW</b>             | Whole of NSW   |
| <b>Regional NSW</b>    | Whole of NSW (excl. Sydney's Three Cities boundaries)  |
| <b>Mid North Coast</b> | LGAs: MidCoast, Bellingen Shire, City of Coffs Harbour, Kempsey Shire, Nambucca Shire, Port Macquarie-Hastings |
| <b>MidCoast</b>        | The MidCoast only  |

### Key insights

- The MidCoast's slower GRP and job growth compared to the Mid North Coast, Regional NSW, and national rates highlight opportunities for economic and policy changes to create more jobs and boost economic activity.
- The MidCoast had a higher GRP productivity in all measured years compared to the Mid North Coast; however, it was lower compared to Regional NSW, NSW, and Australia. Overall, GRP productivity per worker was lower in the regional benchmark areas – Mid North Coast, and Regional NSW – compared to NSW and Australia, suggesting broader discrepancies in productivity-driving factors such as use of or access to capital or use of infrastructure.
- The MidCoast's unemployment rate was notably higher than benchmark areas in late 2020 but had converged by December 2023, with a rate of 4.1% compared to 3.6% in the Mid North Coast, 2.9% in Regional NSW, 3.3% in NSW, and 3.7% nationally.

<sup>1</sup> Note: Chapter 2 of this report defines productivity as GRP divided by the number of employed persons, representing the overall economy. However, from Chapter 5 onwards, where the focus shifts to industry-specific analysis, the report uses IVA productivity. This is because certain components of GRP, such as property ownership and imputed rents, are not attributable to specific industries. For further details, refer to the note on page 9.

## 2.2 Gross Regional Product

Gross Regional Product (GRP) is the total value of all goods and services produced in a specific region over a certain period, typically a year. It refers to the region's "income," showing how much it contributes to the overall economy.

### Steady Growth in GRP for the MidCoast

The GRP of the MidCoast increased from \$3,989 million in 2003 to \$4,791 million in 2023 (Table 2). This increase of 20% demonstrates the region's potential for continued economic expansion. While the MidCoast's growth pace is slower than regions like the Mid North Coast, Regional NSW, NSW, and Australia, the upward trend indicates opportunities for further development and investment.

**Table 2 GRP by benchmarked region, selected years (\$m)**

| Year | MidCoast | Mid North Coast | Regional NSW | NSW       | Australia   |
|------|----------|-----------------|--------------|-----------|-------------|
| 2003 | \$3,989  | \$12,996        | \$153,769    | \$483,433 | \$1,403,822 |
| 2013 | \$4,323  | \$14,818        | \$176,879    | \$578,475 | \$1,896,142 |
| 2023 | \$4,791  | \$18,240        | \$213,969    | \$733,611 | \$2,405,323 |

Source: Economy.id, NIEIR

### Improving compound annual growth rate (CAGR) for the MidCoast

The MidCoast's CAGR from FY 2003 to FY 2023 was 0.92%, reflecting steady, modest growth over the 20-year period (Table 3). Encouragingly, the growth rate increased from 0.90% during FY 2003–2012 to 1.03% during FY 2013–2023. This indicates a positive trend, suggesting that recent initiatives may be starting to have an impact, and highlighting the potential for further strategic economic initiatives to boost growth.

**Table 3 CAGR by benchmarked region, selected years**

| Measurement period | MidCoast | Mid North Coast | Regional NSW | NSW   | Australia |
|--------------------|----------|-----------------|--------------|-------|-----------|
| FY 2003 to FY 2023 | 0.92%    | 1.71%           | 1.67%        | 2.11% | 2.73%     |
| FY 2003 to FY 2012 | 0.90%    | 1.53%           | 1.11%        | 1.79% | 3.18%     |
| FY 2013 to FY 2023 | 1.03%    | 2.10%           | 1.92%        | 2.40% | 2.41%     |

Source: Economy.id, NIEIR

## 2.3 Employed persons

### Steady employment growth in the MidCoast

From 2003 to 2023, the MidCoast experienced consistent employment growth, increasing from 27,794 to 35,546 employed persons (Table 4). This growth demonstrates a positive trend for the region, although it is slower compared to the benchmark regions.

**Table 4 Employed persons by benchmarked region, selected years**

| Year | MidCoast | Mid North Coast | Regional NSW | NSW       | Australia  |
|------|----------|-----------------|--------------|-----------|------------|
| 2003 | 27,794   | 94,654          | 974,933      | 3,076,511 | 9,307,987  |
| 2013 | 31,198   | 113,341         | 1,122,891    | 3,554,820 | 11,419,543 |
| 2023 | 35,546   | 140,975         | 1,389,834    | 4,293,359 | 13,857,095 |

Source: Economy.id, NIEIR

## Employment CAGR

The MidCoast's CAGR for employment from FY 2003 to FY 2023 was 1.24%. While this indicates steady growth over the period, it is lower compared to the Mid North Coast (2.01%), Regional NSW (1.79%), NSW (1.68%), and Australia (2.01%). The period from FY 2013 to FY 2023 shows a reduced growth rate of 1.06% for the MidCoast, suggesting a need for renewed focus on strategies to boost employment growth in the coming years.

**Table 5 CAGR, employed persons, selected years**

| Measurement period | MidCoast | Mid North Coast | Regional NSW | NSW   | Australia |
|--------------------|----------|-----------------|--------------|-------|-----------|
| FY 2003 to FY 2023 | 1.24%    | 2.01%           | 1.79%        | 1.68% | 2.01%     |
| FY 2003 to FY 2012 | 1.23%    | 1.91%           | 1.49%        | 1.43% | 2.16%     |
| FY 2013 to FY 2023 | 1.06%    | 1.93%           | 1.85%        | 1.78% | 1.83%     |

Source: Economy.id, NIEIR

## 2.4 GRP productivity

Over the two decades from 2003 to 2023, the MidCoast saw a steady decline in GRP productivity, falling from \$143,520 in 2003 to \$134,783 in 2023 (Table 6). This decline contrasts with the overall trend in NSW and Australia, where GRP productivity increased during the same period.

When comparing to the Mid North Coast, the MidCoast consistently showed higher GRP productivity across all selected years. Even though both regions experienced a decline in GRP productivity, MidCoast's productivity levels were still higher, indicating a stronger economic output per employed person in the area.

Despite having higher productivity than the Mid North Coast, the MidCoast lagged behind Regional NSW, NSW, and Australia in terms of GRP productivity growth. By 2023, the gap widened significantly, with MidCoast recording \$134,783 compared to NSW's \$170,871 and Australia's \$173,581, suggesting greater economic efficiency in the latter regions.

**Table 6 GRP Productivity per employed persons, by benchmarked region, selected years**

| Year | MidCoast  | Mid North Coast | Regional NSW | NSW       | Australia |
|------|-----------|-----------------|--------------|-----------|-----------|
| 2003 | \$143,520 | \$137,302       | \$157,723    | \$157,137 | \$150,819 |
| 2013 | \$138,567 | \$130,735       | \$157,521    | \$162,730 | \$166,044 |
| 2023 | \$134,783 | \$129,381       | \$153,953    | \$170,871 | \$173,581 |

Source: Economy.id, NIEIR

## 2.5 Unemployment

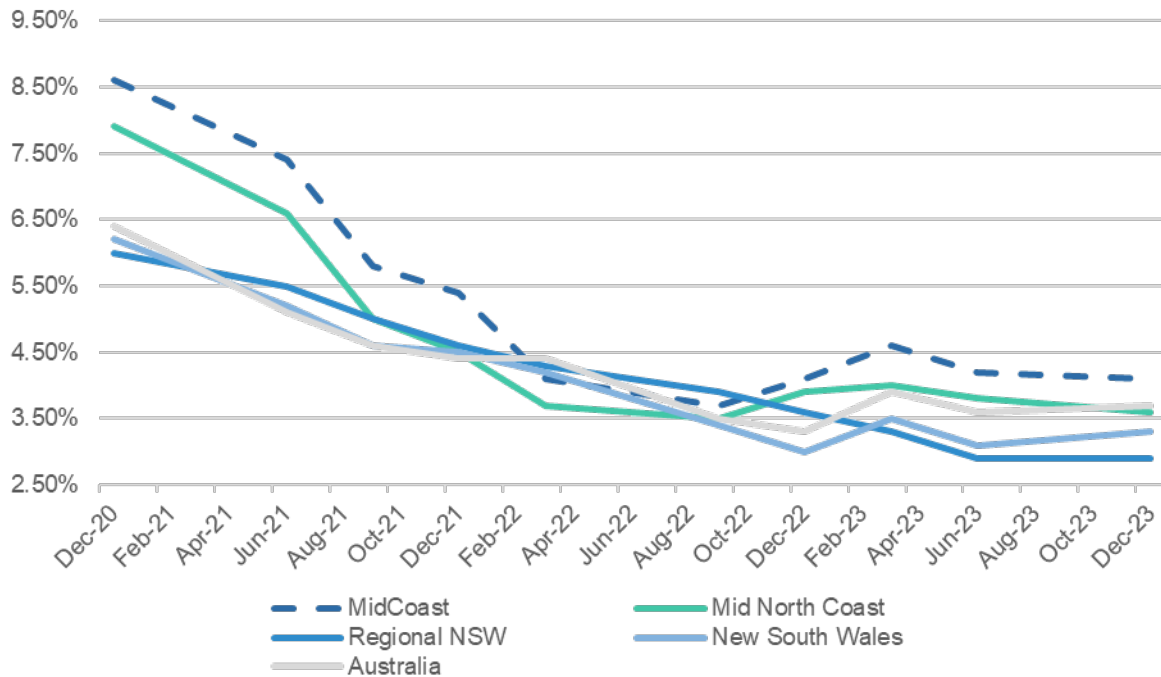
Starting with a relatively high unemployment rate of 8.6% in December 2020, the MidCoast experienced a notable reduction, dropping to 3.7% by June 2022. Although there were slight increases at certain points, the unemployment rate stabilised at 4.1% by December 2023, showing substantial overall improvement.

Throughout the period, the MidCoast's unemployment rates were generally higher than those of the Mid North Coast and Regional NSW, especially in the earlier months. However, by the end of 2023, the differences narrowed, with the Mid North Coast at 3.6% and Regional NSW at 2.9%, indicating a convergence in regional employment health.

By December 2023, the MidCoast's rate of 4.1% was slightly above the NSW rate of 3.3% and the Australian rate of 3.7%, reflecting significant alignment with broader economic conditions.

A potential driver of this alignment is the ongoing impact of COVID-19. During the peak of the pandemic, many regions in NSW experienced strict lockdowns, while MidCoast and the Mid North Coast had relatively relaxed restrictions.<sup>2</sup> This likely led to a migration of workers to these areas. The sustained lower unemployment rates may reflect stronger and more resilient economic conditions in MidCoast and the Mid North Coast.

**Figure 2 Change in unemployed, by benchmarked region since December 2020**



Source: Remplan

<sup>2</sup> MidCoast Council (2021), *MidCoast Urban Release Areas Report*, p.13  
 <[https://hdp-au-prod-app-midcst-haveyoursay-files.s3.ap-southeast-2.amazonaws.com/3916/2925/9739/Urban\\_Release\\_Areas\\_Report\\_July\\_2021.pdf](https://hdp-au-prod-app-midcst-haveyoursay-files.s3.ap-southeast-2.amazonaws.com/3916/2925/9739/Urban_Release_Areas_Report_July_2021.pdf)>

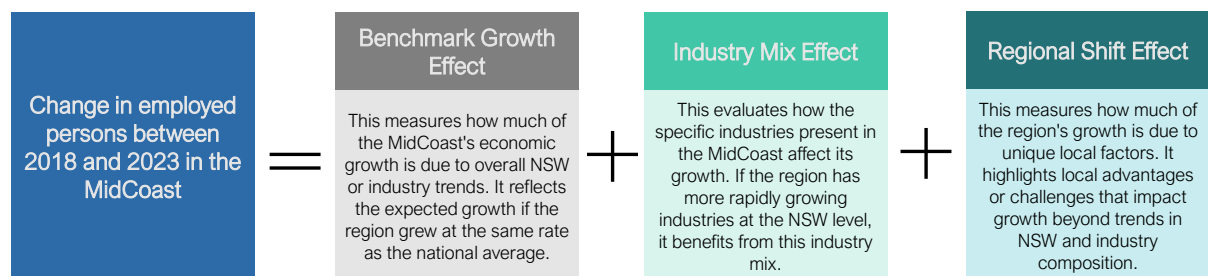
### 3. Shift share analysis

This chapter details the shift share analysis for the MidCoast. Conducting a shift-share analysis for the MidCoast's industries provides one perspective on the factors driving the region's economic growth or decline.

By breaking down the growth into benchmark growth effect, industry mix, and regional shift, we can get an idea of how much of the MidCoast's performance is due to broader NSW trends, the specific industries present in the region, and unique local factors.

This analysis can help identify which industries are thriving due to local strengths and which might benefit from additional support or intervention.

**Figure 3 Shift share approach**



#### Key insights

- Many industries in the MidCoast have room to improve their competitiveness compared to NSW, presenting significant opportunities for local growth and development.
- The construction industry stands out as a particular strength in the MidCoast, significantly exceeding broader industry and NSW trends, showcasing the region's demand.
- The Health Care and Social Assistance sector, despite experiencing substantial employment growth, has further potential for expansion by addressing local factors.
- Industries such as Accommodation and Food Services, Electricity, Gas, Water and Waste Services, Manufacturing, and Retail Trade have opportunities for improvement, which could lead to enhanced competitiveness and economic growth.

Table 7 shows the shift share analysis for the MidCoast's industries with a positive change in employment between 2018 and 2023.

**Table 7 Shift share analysis: Industries with positive change in employment between 2018 and 2023, MidCoast and NSW**

| Industry  | Change in employment | Benchmark growth effect | Industry Mix effect | Regional Shift effect |
|---|----------------------|-------------------------|---------------------|-----------------------|
| Construction                                    | 1798.0               | 267.4                   | 32.2                | 1,498.4               |
| Health Care and Social Assistance               | 908.0                | 612.5                   | 899.1               | -603.6                |
| Public Administration and Safety                | 255.0                | 124.9                   | 128.4               | 1.7                   |
| Education and Training                          | 100.0                | 264.1                   | -35.6               | -128.5                |
| Professional, Scientific and Technical Services | 63.0                 | 137.0                   | 81.6                | -155.6                |
| Information, Media and Telecommunications       | 57.0                 | 31.6                    | -57.2               | 82.6                  |

Source: Hadron Group analysis of economy.id data

Table 7 shows the Construction and Information, Media and Telecommunications industries, which increased employed persons by 1,798 and 57 respectively, had positive regional shift effects of 1,498.4 and 82.6. This indicates that specific local factors in the MidCoast contributed to employment growth, such as local construction projects and the region's attractiveness for information-based workers.

For the remaining industries in Table 7, growth was influenced more by trends outside of NSW. Notably, the Health Care and Social Assistance industry saw an increase of 908 employed persons, with a benchmark growth effect of 612.5 and an industry mix effect of 899.1, while the regional shift effect was -603.6. This suggests that despite significant employment growth, the MidCoast is not fully capitalising on broader trends occurring outside the region.

**Table 8 Shift share analysis: Industries with minimal change in employment between 2018 and 2023, MidCoast and NSW**

| Industry                            | Change in employment | Benchmark growth effect | Industry Mix effect | Regional Shift effect |
|-------------------------------------|----------------------|-------------------------|---------------------|-----------------------|
| Accommodation and Food Services     | 26.0                 | 315.8                   | -106.7              | -183.2                |
| Agriculture, Forestry and Fishing   | 20.0                 | 177.5                   | -191.2              | 33.7                  |
| Administrative and Support Services | 16.0                 | 118.4                   | -41.9               | -60.5                 |
| Wholesale Trade                     | 15.0                 | 47.0                    | -62.6               | 30.6                  |
| Financial and Insurance Services    | 12.0                 | 42.1                    | 48.6                | -78.7                 |
| Mining                              | -2.0                 | 29.9                    | -30.7               | -1.2                  |



Source: Hadron Group analysis of economy.id data

Table 8 shows the shift share analysis for industries in the MidCoast that showed minimal change in employment between 2018 and 2023. Both Accommodation and Food Services and Agriculture, Forestry and Fishing are experiencing economic challenges at a broader level, as indicated by a high benchmark growth effect and negative industry mix effect. Despite these challenges, Agriculture, Forestry and Fishing in the MidCoast show modest relative strength, with a regional shift effect of 33.7 leading to a small increase of 20 employed persons. Conversely, Accommodation and Food Services display relative weakness, with a regional shift effect of -183.2 resulting in a slight increase of 26 employed persons.

**Table 9 Shift share analysis: Industries with decrease in employment between 2018 and 2023, MidCoast and NSW**

| Industry                                   | Change in employment | Benchmark growth effect | Industry Mix effect | Regional Shift effect |
|--|----------------------|-------------------------|---------------------|-----------------------|
| Rental, Hiring and Real Estate Services    | -23.0                | 57.4                    | -36.1               | -44.3                 |
| Arts and Recreation Services               | -24.0                | 61.8                    | -77.6               | -8.1                  |
| Other Services                             | -118.0               | 140.1                   | -85.7               | -172.4                |
| Transport, Postal and Warehousing          | -119.0               | 124.9                   | -26.7               | -217.2                |
| Electricity, Gas, Water and Waste Services | -146.0               | 52.9                    | 59.9                | -258.8                |
| Manufacturing                              | -380.0               | 203.7                   | -362.2              | -221.6                |
| Retail Trade                               | -559.0               | 453.8                   | -158.8              | -854.1                |

Source: Hadron Group analysis of economy.id data

Table 9 shows the shift share analysis for the MidCoast's industries with a decrease in employment between 2018 and 2023. All industries in Table 9 had a negative regional shift effect, indicating that the MidCoast is at a competitive disadvantage. Specifically, Electricity, Gas, Water and Waste Services, Manufacturing and Retail Trade experienced decreases in employment of 146, 380, and 559 employed persons respectively, with regional shift effects of -258.8, 221.6, and -854.1.

## 4. Qualitative Review

The purpose of the qualitative review chapter is to provide insight to the Macro, Meso and Micro level economic impacts influencing the economy of the MidCoast. This approach explains the specific quantitative and qualitative economic drivers at each economic level and how this reflects potential levers that the MidCoast may need to apply to position to these trends.

### Key insights

- Macro-Level (Australia, Global): National and global trends suggest a positive medium-term economic outlook, particularly benefiting the export-driven sectors of the MidCoast, such as agriculture and manufacturing. With its strong agricultural base and affordable industrial land, the MidCoast has significant potential to attract new industrial developments and enhance value-adding processes in agriculture.
- Meso-Level (Region): The MidCoast is strategically positioned to capitalise on regional investment growth. By leveraging its strengths as an export and agricultural hub, the area offers a more competitive pricing structure for new investments, making it an attractive destination within the broader region.
- Micro-Level (affecting the MidCoast LGA Only – local impacts): While the growth in new businesses and employment is modest, local challenges like limited direct budget funding and the need to build on external growth opportunities are impacting the economy. Addressing these issues is crucial for sustaining and enhancing local economic development.

### 4.1 Macro Perspective

The macro perspective considers global and national trends which are shaping industry and the economy and are likely to filter down to the MidCoast in the medium to longer term. These impacts include:

- National and global trends that have implications for the MidCoast, such as shifts in trade patterns, technological advancements, and climate change impacts.
- Influence of national policies, economic conditions, and international relations on the region's growth and resilience.

### Summary of Economic Conditions

The economic conditions in Australia as well as globally have in the past 1-2 years been characterised by slow growth and challenging conditions. This is forecast to continue in the near future with a projected improvement from 2025 onwards. For Australia this is underlined by positive market indicators improving through to the end of the decade. Monitoring agencies including the International Monetary Fund (IMF), Reserve Bank of Australia (RBA) and Asian Development Bank (ADB) expect a correlation of positive conditions, however the projections are both cautious and modest.

- GDP is expected to pick up in the range of 2.5-2.7% by the end of the decade after bottoming out in 2024.<sup>3</sup>
- Headline inflation is expected to ease to the RBA's target range of 2-3% by around 2026 and stabilise towards 2% by the late 2020s.<sup>4</sup>

<sup>3</sup> Reserve Bank of Australia (2024) Economic Outlook May 2024  
<<https://www.rba.gov.au/publications/smp/2024/may/outlook.html>>

<sup>4</sup> Ibid

- Exports are forecast to grow by around 3.2% year on year by 2027 onwards after again bottoming out in 2024 at growth under 1%.<sup>5</sup>
- Exports values are expected to facilitate Australia reverting to a current account surplus in the next 2-4 years.<sup>6</sup>
- The Labour Force tightness is expected to continue with a slight reprieve, driven largely by continued immigration and an aging population.<sup>7</sup>
- Government debt is expected to reduce from 57% of GDP in 2020 to around 43% in 2029, still one of the lowest in the OECD and globally.<sup>8</sup>
- Rental inflation is expected to continue to remain high due to the mismatch of demand and supply as well as other factors.
- Household debt is a major risk to Australia, currently at 120% of GDP and trending upwards, driven primarily by hyper-inflated property values relative to income and business earnings.

## Challenges and trends

In addition to macro-economic conditions, there are several global trends which will have significant impact on the MidCoast economy. Market commentators including PwC and Economist Intelligence Unit identified Megatrends impacting global markets.<sup>9</sup>

- **Climate Change:** Climate change is having a significant impact across all layers and activities in society. Relevant to the MidCoast, it is especially impactful to certain sectors including agriculture, energy, construction and services related to insurance, finance, lending and investment.
- **Technological Disruption:** The impact of areas such as artificial intelligence (AI) and Internet of Things (IoT) have huge impacts on areas that will directly impact the MidCoast including industrial production, learning and education, day-to-day activities, knowledge sharing, ways of working and cyber-security.
- **Demographic Shifts:** Australia, like much of the world is ageing and this has impacts on the length of people staying in the workforce, combined with requiring more services from a shrinking working aged population.
- **Global Security:** There is significant conflict currently and instability which could especially impact export markets. This threat and future risk means that a diversified export market and resilient economy are important to de-risk future threats.
- **Social Instability:** The rising global inequality and within Australia is exhibiting extensive social impacts, increases in crime as well as impacts such as lack of housing availability, social security demand, including NDIS and health impacts.

On top of the mega-trends, there are several direct economic changes occurring that will impact the economy at a macro level.

- **Economic growth of Australia's main export partners** including China, Japan and the USA are expected to slow. This facilitates a need to diversify the export value to emerging economies, especially E7 countries including India, Indonesia as well as ASEAN countries.<sup>10</sup>

<sup>5</sup> Economist Intelligence Unit (2024), *Australia profile*  
<<https://country.eiu.com/australia>>

<sup>6</sup> Reserve Bank of Australia (2024), *Economic Outlook May 2024*  
<<https://www.rba.gov.au/publications/smp/2024/may/outlook.html>>

<sup>7</sup> Ibid

<sup>8</sup> International Monetary Fund (2024), *World Economic Outlook April 2024*  
<[https://www.imf.org/external/datamapper/NGDP\\_RPCH@WEO/AUS?zoom=AUS&highlight=AUS](https://www.imf.org/external/datamapper/NGDP_RPCH@WEO/AUS?zoom=AUS&highlight=AUS)>

<sup>9</sup> PwC (2024) *Megatrends: Five global shifts reshaping the world we live in*  
<<https://www.pwc.com/gx/en/issues/megatrends.html>>

<sup>10</sup> Ibid

- **The world's top 10 economies by GDP** by purchasing power parity (PPP) are subject to change. This impacts both imports as well as export and value including tourism.

**Table 10 Projected Largest Economies in the World 2050**

| Rank | Country (2016) | Country (2050) |
|------|----------------|----------------|
| 1    | China          | China          |
| 2    | USA            | India          |
| 3    | India          | USA            |
| 4    | Japan          | Indonesia      |
| 5    | Germany        | Brazil         |
| 6    | Russia         | Russia         |
| 7    | Brazil         | Mexico         |
| 8    | Indonesia      | Japan          |
| 9    | UK             | Germany        |
| 10   | France         | UK             |

Source: PWC Economy in the World 2050

The global and national trends reflect other macroeconomic indicators including government investment. There are several nationally significant funding programs, some of which were announced in the 2024/25 Australian Budget.<sup>11</sup>

- Transport including High Speed Rail (HSR) Feasibility Sydney to Newcastle and \$16.5 billion in the Federal Budget. The HSR has a major goal for locally produced track, rolling stock and signals (HSR Authority 2024)
- The Future Made in Australia Act has provision in the 2024-25 budget with The Future Made in Australia Innovation Fund which will support these sectors with \$1.7 billion for innovation and early-stage development (Austrade) (PM&C 2024).
- \$6.7 billion Hydrogen Production Tax Incentive and \$1.3 billion to expand the Hydrogen Headstart program.
- Housing Australia Future Fund (HAFF): This \$10 billion fund is designed to support the construction of 30,000 new social and affordable rental homes within its first five years. (Department of Social Services) (Housing Australia).
- National Housing Accord: This initiative aims to deliver 10,000 affordable homes over five years starting from 2024, with matched contributions from states and territories.

## Impact for the MidCoast

The macro-economic conditions, megatrends and government investment directly impact local economic performance, and this is expected to produce challenges and future opportunities for the MidCoast.

- The macro-economic trends point to an overall positive medium-term economy, which would especially favour the export driven components of the MidCoast market including agriculture and manufacturing. These industries would benefit from support and nurturing to increase output and encourage like-minded industries.
- There are risks in the macro level of private debt that are relevant to the MidCoast. The MidCoast overall is well positioned, with affordable housing relative to many regional and especially coastal markets. This means that market shocks to housing would be somewhat

<sup>11</sup> Australian Government: The Treasury (2024), *Budget Statement Number 1: Budget Strategy and Outlook*

buffered. Nevertheless, housing affordability remains a considerable risk to the MidCoast, especially in the attraction and retention of key workers.

- The megatrends again point to a need to focus on export markets, while also ensuring skills and training reflect demands of the future economy. They also emphasise the need to ensure that sale markets are diversified where possible to avoid over-dependency on single markets.

## 4.2 Meso Perspective

The Meso perspective considers regional trends for the Hunter and the Mid North Coast that influence the MidCoast and the formation of future economic growth. Considerations include:

- Inter-regional property considerations, economic integration with neighbouring regions and shared environmental challenges.
- Regional infrastructure investment, transportation networks, and economic corridors relevant to Council's development prospects.
- Role of regional collaboration and partnerships in addressing common challenges and leveraging opportunities.

### Summary

The Meso-Region loosely includes both the Mid North Coast and Hunter regions with the MidCoast located in both depending on planning designation and cultural consideration. In general, the region is experiencing considerable growth in residential population, business growth and infrastructure investment.

There are however ongoing challenges in the availability of affordable housing, managing competing demand for fertile and productive land and facilitating economies that are not overly reliant on tourism.

Key market factors include:

- **Economic strength north and south:** In 2023, the Hunter was the largest regional economy in Australia with a GRP of over \$60 billion, which includes the MidCoast (larger than the ACT and Tasmania), while the Mid North Coast region accommodates almost 130,000 jobs with a GRP of \$22.5B in 2023. The economy is diversified around several key anchors such as Newcastle Port, and the University of Newcastle.
- **Industrial land competitiveness** This is reflected by competitive rents ~\$110-130/sqm per annum in the Hunter and ~\$100/sqm per annum in the MidCoast as well as healthy yields (4.5-6%) and low incentive levels (5-10%). These market conditions are competitive against the NSW Coastal regional market and especially competitive against capital markets including Sydney and Brisbane.
- **Tight housing market:** Regional Australia has shown stronger capital price growth than capital cities in the past 12 months. In three months to April 2024, with values up 2.1% and 1.7% respectively. In the respective local markets, capital prices are up, between 46% to 57% over the five years to December 2023 with rental change comparable between 35-38%.

**Table 11 Property Change to December 2023 – Mid North Coast & Hunter**

| Market               | Buying       |               |               | Renting         |               |               |
|----------------------|--------------|---------------|---------------|-----------------|---------------|---------------|
|                      | Median value | Annual change | 5-year change | Median value pw | Annual change | 5-year change |
| Forster - Tuncurry   | \$750,377    | 3.50%         | 57.30%        | \$569           | 3.60%         | 38.70%        |
| Taree                | \$463,752    | 1.30%         | 46.50%        | \$474           | 4.40%         | 36.50%        |
| Newcastle - Maitland | \$820,007    | 6.30%         | 56.80%        | \$628           | 5.40%         | 35.10%        |
| Port Macquarie       | \$824,795    | 0.20%         | 52.30%        | \$606           | 2.30%         | 38.20%        |

Source: Corelogic (2024) Regional Housing Price Index

## Challenges and trends

There are several prevalent challenges and trends in the Meso region which complement and impact the economic and property conditions. These conditions have a significant influence on the state of the economy in the MidCoast.

- Skills shortage across Regional NSW:** Regional NSW is experiencing severe and chronic skill shortages, caused by region specific and broader issues. Broader issues include the international competition for migrant workers and post-pandemic disruptions however, structural issues at the local level include declining community sizes in Regional NSW, coupled with ageing population – set to be 4.5 years older than that of greater Sydney by 2042. The Mckell Institute’s Regional Skills Report reports that the Mid North Coast’s job vacancies gap will worsen by 18.1% by 2027.<sup>12</sup>
- Regional shift:** Between 2019 and 2021 31,370 people moved from Sydney to Regional NSW and this trend, whilst elevated during COVID has been consistent since 2016.
- Regional investment:** There is substantial regional investment that is boosting trade in the Hunter and Mid North Coast. Newcastle Port is currently operating at only 50% of capacity and combined with the Hexham Bypass and future High-Speed Rail, these involve substantial capital investment in infrastructure at different stages of the project lifecycles. Advocacy for the staged development of the HSR is crucial, especially considering the rise in IT and remote workers in the MidCoast, many of whom come from Sydney. The consideration of the MidCoast in the development of the HSR corridor could further enhance the region's connectivity and appeal, making it an even more attractive destination for remote workers and businesses seeking proximity to Sydney.
- Agricultural growth:** The Hunter Planning Region had a gross value of agricultural production of \$663.4m in 2022, producing 47 different commodities. The MidCoast has been leading this region with over a third of total value at \$242 million, larger than other LGAs. The region has seen significant growth in cash crops in the past 10 years including Eggs, Olives, Macadamia Nuts, Poultry and Wine Production.
- Industrial decentralisation:** Raine and Horne Commercial outline that ‘The North Coast of NSW market remains solid, with good interest from owner occupiers and investors, and the industrial leasing market is performing well’, while Cushman and Wakefield outline that ‘Partly a reflection of cost, occupiers that can service Sydney from interstate or regional locations are actively looking to do so due to the lack of availability and uncertainty in delivery timeframes

<sup>12</sup> The Mckell Institute (2023), *The Up-Skill battle, NSW’s growing regional skill shortage*  
<https://mckellinstitute.org.au/wp-content/uploads/2023/07/Mckell-%E2%80%94-Regional-Skills.pdf>

for new builds. Colliers reflect this sentiment outlining that ‘The past two years have provided the opportunity for businesses to reassess their supply chain and business operations, and as a result, decentralisation gained increasing relevance. This is especially relevant to the MidCoast which has a strong industrial land market.

- **Strain and demand on services:** The Mid North Coast is facing strained services, which is expected to impact the regional economy. A key challenge is the significant shortage of childcare options, particularly for children aged 0-2 years. This shortage forces parents who are ready to return to work to remain at home due to the lack of available childcare. The community is under considerable pressure, with 86% of survey respondents in the Mid North Coast Unmet Childcare Demand Study reporting that they are missing out on work opportunities due to the limited availability of childcare.

## Impact for the MidCoast

The MidCoast is well positioned to maximise its economic offer through leveraging off the investment growth in the broader region, while positioning as an export and agricultural hub that is comparatively better priced for new and/or investment. The MidCoast has better proximity than the broader Mid North Coast to both the Hunter and Sydney markets. Further, it is the agricultural power of the entire regional area and with competitively priced industrial land, has significant scope to entice new industrial development and increase agricultural value in the region.

### 4.3 Micro Perspective

The Micro-economic impacts consider specific challenges and trends that impact the MidCoast LGA only. This includes local impacts from property, business growth and investment. Considerations include:

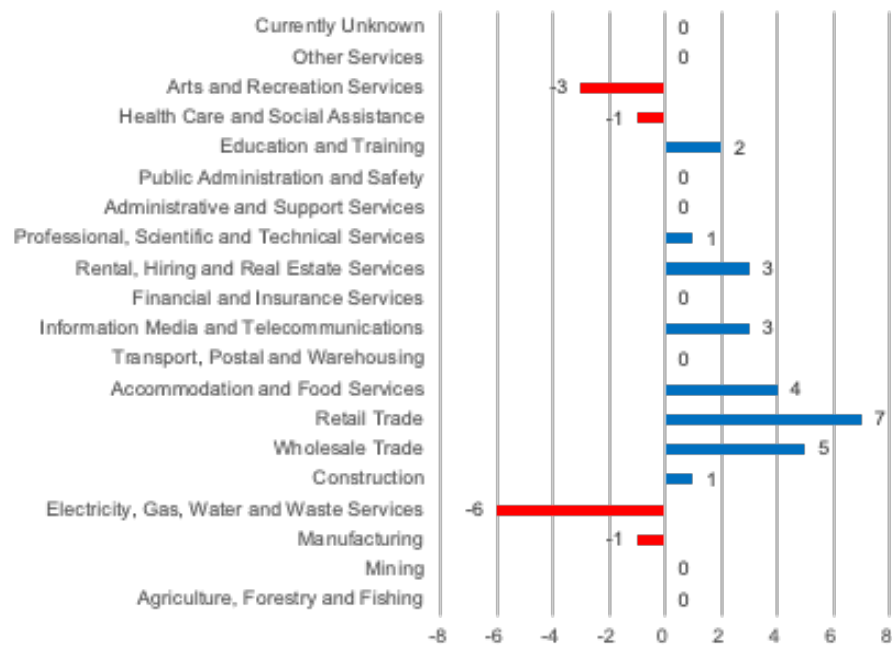
- Economic shifts, demographic changes, environmental concerns, and infrastructure developments.
- Effects of local policies, community initiatives, and council projects on the region's growth and sustainability.
- Impacts of local events, tourism trends, and cultural shifts on the community and economy.

## Summary

From a micro perspective, there have been several business, property and investment impacts shaping the local economy.

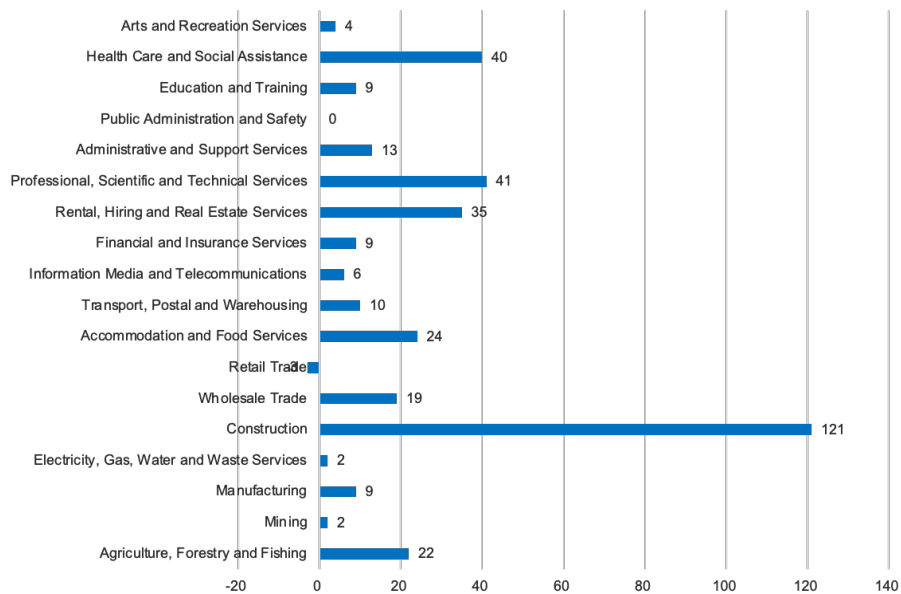
- **Business growth:** There were 545 total new businesses in MidCoast from June 2021 to June 2023. This included 376 new businesses with a turnover of \$200k+. There were also 42 new businesses with a turnover of more than \$5m. From the perspective of employment, there were 36 new (additions less withdrawals) businesses employing more than 200 people. Despite this there were some declines in key value-added sectors (see Figure 4 below).
- **Residential capital value and rental value change:** Foster Tuncurry had a 57.3% five-year change in residential property values, while only a 37.8% five-year change in rental values to April 2024 for a 3.9% rental yield. Taree had a 46.5% five-year change in residential property values, while only a 36.5 % five-year change in rental values to April 2024. Taree had 5.02% rental yield at the higher end, indicating a strong value proposition for an investor with a favourable price point and consistent rent. Conversely, this places strain on the rental market.

**Figure 4 Net change in businesses employing >200 and 19-200 people in the MidCoast June 2021-June 2023**



Source: ABS Counts of Australian Businesses, including Entries and Exits (2023)

**Figure 5 Net change in businesses employing with a turnover >\$200k in the MidCoast LGA June 2021 June 2023**



Source: ABS Counts of Australian Businesses, including Entries and Exits (2023)

## Challenges and trends

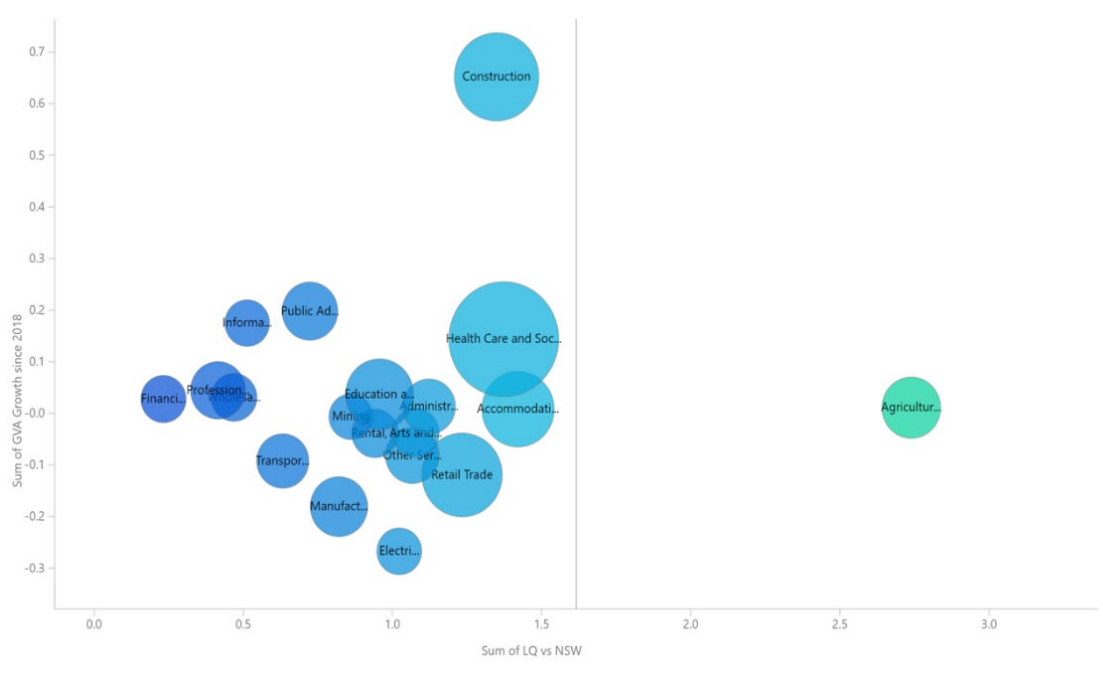
There are several trends and challenges at a local level which are impacting the economy and will likely influence the composition of the economy.

- Lack of direct budget funding:** The NSW 2023-2024 and 2024-2025 budgets, as well as the Australian Government Budget 2024-2025 did not have major direct funding allocations for the MidCoast region. Despite this, there are opportunities to further promote funding measures in the upcoming budget as well as leverage off regional investment (see point below).



- **Need to leverage off external growth:** There is an opportunity to leverage off investment in programs including the National and regional road network, and the SW Energy Security Corporation, which aims to deliver projects that provide affordable, accessible, and reliable energy. This is especially important as there has been a significant sector decline in Electricity, Gas, Water and Waste Services.
- **Strong residential and industrial land positioning:** The ongoing competitiveness of residential and industrial land zoned for development is a major strength of the MidCoast offer. At a time of inflated underlying land values, it is a genuine point of difference to lower business and residential investment costs. MidCoast Council's 2021 Urban Release Areas Report identifies land in the MidCoast that can be used for residential or employment zones to meet the demand for additional housing and business or industrial growth.
- In FY 2023, the MidCoast processed over 1300 development and modification applications worth over \$440m. While development and building construction activity is slowing up slightly compared to previous years, builders and developers are still showing great confidence in the MidCoast region.
- **Favourable infrastructure contributions:** The infrastructure contributions in the MidCoast are very favourable to land developers when compared against competing Councils. The risk of favourable contributions implies that the infrastructure cost burden can fall unevenly on Council which can slow down the delivery.
- **Export and diversified economy:** The economy is diverse and not constrained by dependency on one or two major industries. The ability to further increase the value-add of the region's diversified industry base is critical. This can be done through leveraging existing export related industries, accessing additional funds to infrastructure upgrades and focusing on investment attraction initiatives. (see Figure 6 below).
- Key sectors with strong performance include Agriculture, Forestry and Fishing with an IVA growth of 16% and a location quotient (LQ) of 2.74 compared to NSW, indicating a strong regional specialisation. Construction also shows robust growth at 18% with an LQ of 1.35, demonstrating the sector's importance to the local economy. Additionally, Professional, Scientific and Technical Services exhibit a 25% growth rate, though with a relatively lower LQ of 0.42, suggesting further potential for expansion.

**Figure 6 Industry GVA Growth 2018-2023 by sector in the MidCoast and relative to NSW**



Source: ABS Australian National Accounts: Input-Output Tables (2024)

### Location Quotient

Location Quotient (LQ) is a simple measure used to compare the concentration of an industry in a specific region to its concentration in a larger reference area (NSW in this case):

If LQ is greater than 1, it means the industry is more concentrated in the region than in the larger area, suggesting that the region may have a competitive advantage or specialisation in that industry.

If LQ is less than 1, it indicates that the industry is less concentrated in the region compared to the larger area, implying that the region might rely on external sources for that industry's products or services.

## Impact for the MidCoast

The growth in number of new businesses and growth in employment overall is modest. This is despite the trends and challenges at a local level which are impacting the economy, including for instance lack of Direct Budget funding and the need to leverage off external growth.

Nonetheless, there are stable opportunities for the MidCoast to leverage to attract investment and boost economic growth within the region. A tighter housing market and gradually increasing rent prices are a risk, however that may delay or negatively impact economic growth.

## 5. Industry segmentation and metrics

### Key insights

- There are four industry segments – **economic pillars, dynamic growth sectors, high-potential industries and industries facing challenges**. The focus of this analysis is on the economic pillars, dynamic growth sectors and high-potential industries – as these represent the areas where Council action can make the most difference.
- Economic pillars are the largest contributors to the MidCoast economy in both IVA and employment and are expected to continue to play a significant role in the future. These are the **Health and Social Assistance, Construction, and Agriculture, Forestry, and Fishing** industries.
  - The **Construction** industry ranks second in the MidCoast with an IVA of \$362.1m. Employment in this sector has grown by 65.2%, reaching 4,556 employed persons. Its IVA growth since 2018 has been noteworthy at 17.9%, far surpassing benchmark regions. Leveraging the MidCoast’s substantial workforce to focus on undeveloped industrial and commercial zoned land presents a key opportunity.
  - The **Health and Social Assistance** industry is the largest in the MidCoast, with an IVA of \$564.7m and 7,224 employed persons. Growth in this sector has also been strong, with increases of 20.3% in IVA and 14.4% in employment. However, compared to benchmark regions, growth was slower, highlighting the need to continue advocating for the Manning Base Hospital Stage 2 redevelopment and explore opportunities for seniors housing development in the region.
  - The **Agriculture, Forestry, and Fishing** industry ranks fourth in terms of IVA (\$288.4m) and sixth in employment (1,850) in the MidCoast. It leads in exports, contributing \$351.2m, indicating high demand for MidCoast produce both domestically and internationally. There is potential to improve IVA productivity per worker, currently at \$155,899, by exploring the reasons behind the productivity gap, which could involve enhancing productive techniques and capital investments compared to broader benchmarks.
- Dynamic growth sectors have demonstrated strong growth or potential for further expansion. These include:
  - The **Information, Media, and Telecommunications** industry, which saw the largest IVA growth across all industries in the MidCoast, increasing by 88.8% and 17.5% in employment (reaching 383 employed persons). Much of this growth could be attributed by an increasing number of telecommunications businesses setting up in the region.
  - The **Manufacturing** industry ranks sixth in IVA and is the third most productive sector, with an IVA per employed person of \$128,913. It also ranks second in exports in the MidCoast. There is potential to further enhance IVA productivity and IVA through the adoption of advanced manufacturing techniques. Additionally, Council could leverage successful manufacturing businesses' insights to create collaborative knowledge-sharing ecosystems.
  - The **Professional, Scientific, and Technical Services** and **Administrative and Support Services** industries both saw significant increases in the number of businesses between 2021 and 2023, growing from 62 to 577 and 61 to 298 businesses, respectively. This trend may be linked to the MidCoast's rising profile as a destination for remote workers. To capitalise on this momentum, Council should further promote the MidCoast as an attractive location for remote workers, emphasising the region's affordable residential land and growing community of remote professionals.

This chapter provides insights into the performance of specific industries within the MidCoast, aiming to identify key drivers of its economic performance. In addition to industry value added and employment, the analysis includes indicators on exports and IVA productivity and business size to provide further explanation and depth to the results.

This chapter aims to provide the evidence base for industry segmentation in the MidCoast. The four industry groups were determined using a bespoke method that combines analysis of ABS census data, stakeholder engagement, and desktop research. Figure 7 shows the general approach to assigning each industry to a group. Since this exercise incorporates both quantitative and qualitative assessments, the points in Figure 7 represent the general characteristics of each grouping. Note that not every industry shares all the characteristics listed under each grouping.

Tourism has been excluded from this analysis as it is already addressed in detail by the MidCoast Destination Management Plan, which includes a comprehensive two-year implementation plan.

**Figure 7 Description of industry segmentation**

| Economic pillars  | Dynamic growth sectors   | High-potential industries  | Industries facing challenges   |
|---|--|--|--|
| <p>These industries represent a significant share of the MidCoast’s total economy, having experienced strong historic growth and expected to continue growing in the future. They are crucial for maintaining and enhancing the MidCoast’s economic prosperity. While they face certain challenges, there are opportunities to secure their competitiveness moving forward.</p> | <p>These industries are nascent or moderately sized but exhibit strong potential for growth, driven by a combination of local and broader factors. Leveraging these industries is vital for boosting the MidCoast’s potential for innovation and dynamism.</p> | <p>These industries are generally moderately sized and make significant contributions to the MidCoast’s economy. However, they have been affected by economic headwinds that are challenging to manage at the local level. They are reliable economic contributors that do not necessarily need to be on Council’s immediate priority list for intervention.</p> | <p>These industries have experienced notable economic decline and have faced project shutdowns in the MidCoast or have been adversely impacted by broader economic headwinds. Preserving these industries is more challenging, requiring careful consideration and strategic planning.</p> |

Source: Hadron Group analysis

Figure 8 provides a summary of industries within each grouping, with the forthcoming analysis providing more detail.

**Figure 8 Industry segmentation in the MidCoast**

| Economic pillars                  | Dynamic growth sectors                          | High-potential industries               | Industries facing challenges               |
|-----------------------------------|---|---|--|
| Construction                      | Information, Media and Telecommunications       | Education and Training                  | Mining                                     |
| Health Care & Social Assistance   | Manufacturing                                   | Transport, Postal and Warehousing       | Electricity, Gas, Water and Waste Services |
| Agriculture, Forestry and Fishing | Professional, Scientific and Technical Services | Accommodation and Food Services         | Arts and Recreation Services               |
|                                   | Administrative and Support Services             | Rental, Hiring and Real Estate Services | Wholesale trade                            |
|                                   |   | Retail Trade                            |  |
|                                   |   | Financial and Insurance Services        |  |

Source: Hadron Group analysis

## 5.1 Summary of key metrics

This section presents the top 10 industries in the MidCoast by four key metrics, these are:

- Top ten industries in the MidCoast by IVA, 2023 (\$m)
- Top ten industries in the MidCoast by change in IVA between 2023 and 2018 (\$m)
- Top ten industries in the MidCoast by employed persons, 2023
- Top ten industries in the MidCoast by change in employed persons between 2023 and 2018

**Table 12 Legend for figures 9 AND 12**

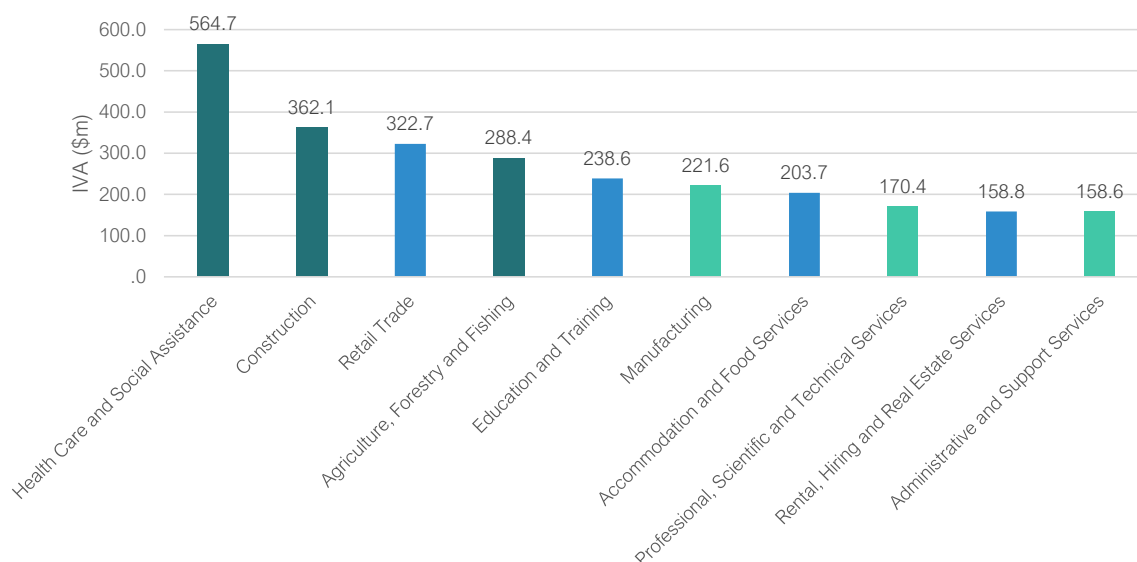
| Segment                      | Colour  |
|------------------------------|---|
| Economic pillars             |  |
| Dynamic growth sectors       |  |
| High-potential industries    |  |
| Industries facing challenges |  |

### Industries with strong social and economic impacts are leading the way for the MidCoast

Figure 9 highlights that the MidCoast's largest industries are key sectors that play a crucial role in both the economy and social well-being. These include Health Care and Social Assistance, Construction, and Retail Trade, with IVAs of \$564.7m (16.1% of total), \$362.1m (10.3% of total), and \$322.7m (9.2% of total), respectively. Agriculture, Forestry, and Fishing also contributes significantly, with an IVA of \$288.4m (8.2% of total).

The next largest industries include a diverse economic mix, with IVAs ranging between \$150.0m and \$250.0m. Notable sectors in this range include Education and Training at \$238.6m (6.8% of total) and Manufacturing at \$221.6m (6.3% of total).

**Figure 9 Top ten industries in the MidCoast by IVA, 2023 (\$m)**



Source: Economy.id, NIEIR

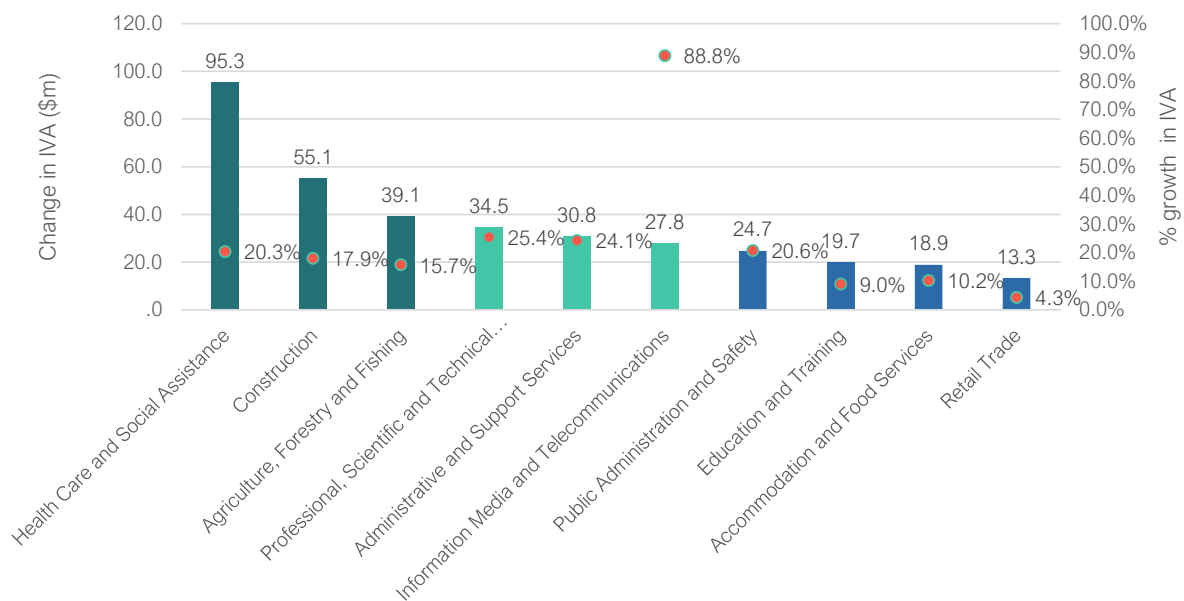
**The MidCoast's economy is evolving, showing robust growth in professional and innovation-driven sectors.**

Figure 10 shows that the industries with the most significant IVA growth are Health Care and Social Assistance, Agriculture, Forestry and Fishing, and Construction, with increases of \$95.3m (20.3% growth since 2018), \$55.1m (17.9% growth since 2018), and \$39.1m (15.7% growth since 2018), respectively. In contrast, Retail Trade experienced a modest increase of \$13.3m (4.3% growth since 2018).

In terms of percentage growth, the Information Media and Telecommunications industry expanded by 88.8% since 2018, outpacing the next fastest-growing sector, Professional, Scientific, and Technical Services, which grew by 25.4%. This rapid growth may reflect the MidCoast's increasing appeal to remote workers and an increased focus on telecommunications infrastructure.

**Figure 10 Top ten industries in the MidCoast by change in IVA between 2023 and 2018 (\$m)**

Red dots represent % growth in IVA since 2018 (RHS)

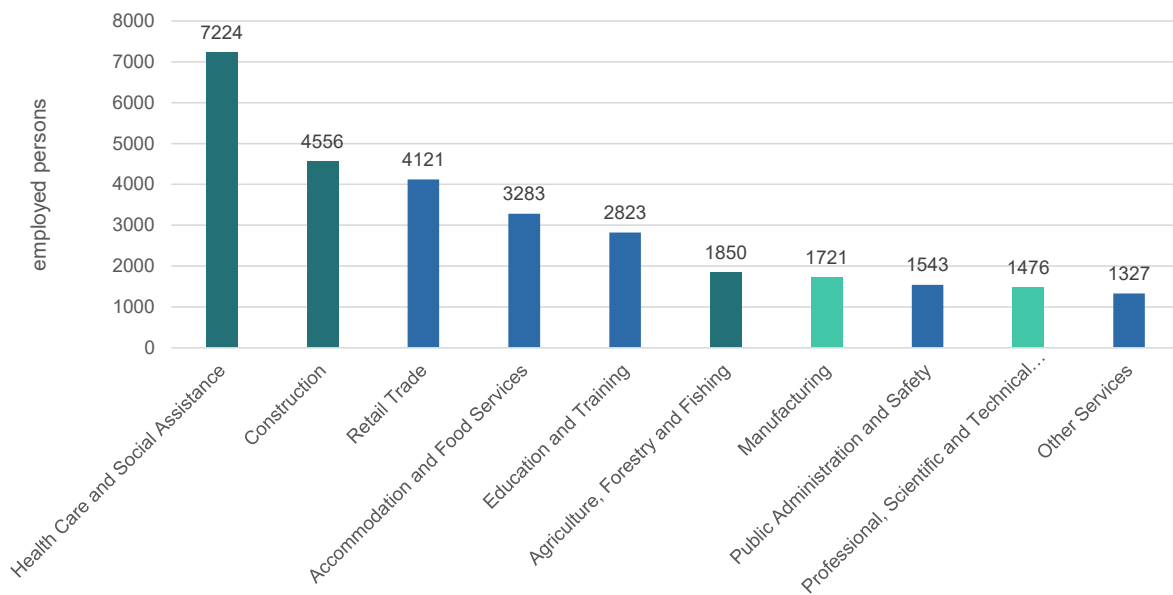


Source: Economy.id, NIEIR

### **Core, population-serving industries are underpinning the MidCoast's employment base**

Similar to IVA, Figure 11 highlights that the MidCoast's largest industries in terms of employment are Health Care and Social Assistance, with 7,224 employed persons, and Construction, with 4,121 employed persons. Additionally, customer-facing and labour-intensive industries like Retail Trade and Accommodation and Food Services respectively employ 4,121 and 3,283 persons.

**Figure 11 Top ten industries in the MidCoast by employed persons, 2023**



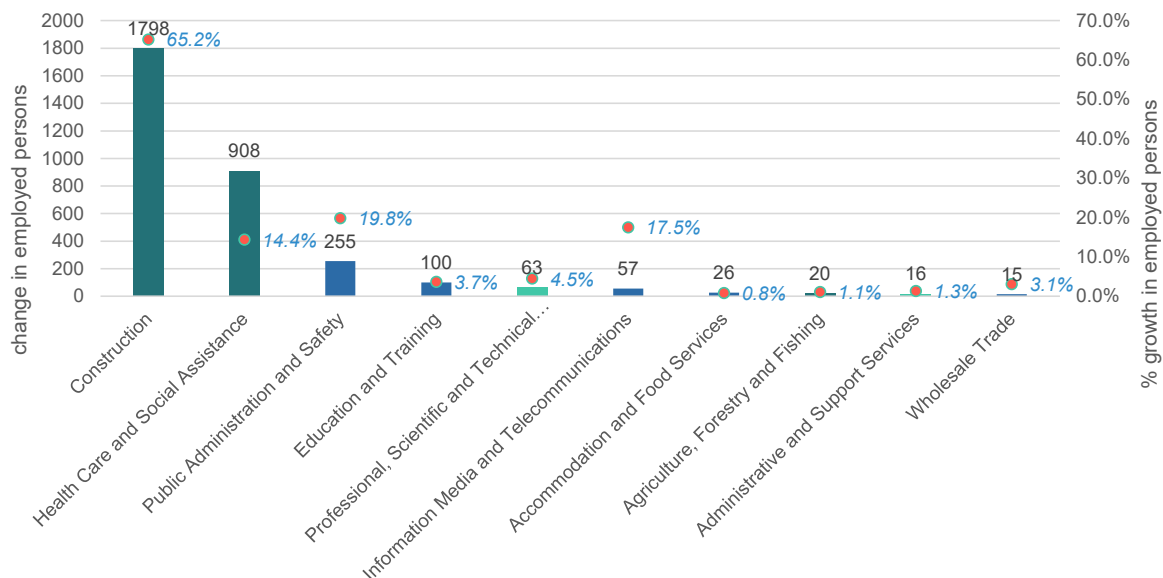
Source: Economy.id, NIEIR

**Continued growth in employment across essential, population-serving industries**

The MidCoast’s construction industry stands out with significant growth in employment persons (1,798 since 2018) with 65.2% growth (Figure 12). The construction industry experienced strong growth – 908 employed persons and 14.4% growth. Increase in total employed industries were relatively modest in other industries. Notably, Public Administration and Safety grew by 19.8% and the Information, Media and Telecommunications Industry grew by 17.5%, reflecting its strong growth in IVA demonstrated in Figure 10.

**Figure 12 Top ten industries in the MidCoast by change in employed persons between 2023 and 2018**

Red dots represent % growth in employed persons since 2018 (RHS)



Source: Economy.id, NIEIR



## 5.2 MidCoast's economic pillars

The segmentation analysis considers a detailed review of economic factors for the **economic pillars** and **dynamic growth sectors**. This is to enable Council to consider key sectors to support. Analysis of some selected **high-potential industries** is also outlined.

### Construction

The MidCoast's construction industry is its second largest in terms of IVA, amounting to \$362.1 million in 2023, an increase of \$55.1 million from 2018. Employment in this sector also grew significantly, rising from 2,758 to 4,556 employed persons between 2018 and 2023.

Its IVA and employment growth rates were 17.9% and 65.2% respectively, exceeding benchmark regions. (Table 13). For instance, the Mid North Coast experienced a 7% decrease in IVA, indicating an unusually strong level of construction activity in the MidCoast.

**Table 13 Construction industry: IVA and employed persons, growth rate (2018 to 2023), benchmark regions**

| Item                                   | Mid Coast | Mid North Coast | Regional NSW | NSW   | Australia |
|--|-----------|-----------------|--------------|-------|-----------|
| IVA growth (2018 to 2023)              | 17.9%     | -7.0%           | 11.6%        | 0.6%  | 0.5%      |
| Employed persons growth (2018 to 2023) | 65.2%     | 41.8%           | 50.5%        | 10.9% | 12.7%     |

Source: Economy.id, NIEIR

Supporting this growth, the number of construction businesses in the MidCoast increased from 1,367 to 1,569 between 2021 and 2023, with most of the growth occurring in non-employing businesses (98 new businesses) and 1-4 person businesses (80 new businesses).

A closer look at the sub-industries within the broader construction sector reveals that construction services make up the largest share, accounting for 67.1% of total construction employment in the MidCoast and growing by 1,275 employed persons since 2018 (Table 14). Unlike building construction, which primarily focuses on residential and non-residential dwellings, construction services encompass a wide range of activities such as earthmoving, excavation, concreting and bricklaying, plumbing and electrical work, and landscaping.

**Table 14 Employed persons in the MidCoast's construction sub-industries, 2018 and 2023**

| Construction sub-industries  | 2023         | 2018         | Difference   |
|--|--------------|--------------|--------------|
| Building Construction (e.g. residential and non-residential buildings) | 1,260        | 775          | 485          |
| Heavy and Civil Engineering Construction (e.g. roads and bridges)      | 238          | 200          | 39           |
| Construction Services  | 3,058        | 1,783        | 1,275        |
| <b>Total construction</b>  | <b>4,556</b> | <b>2,758</b> | <b>1,799</b> |

Source: Economy.id, NIEIR

Employment in Heavy and Civil Engineering Construction is relatively low, accounting for just 2.2% of the total construction workforce. Stakeholders interviewed have indicated that the MidCoast would benefit from improved road infrastructure for roads connecting to the Pacific Motorway Road infrastructure.

**Table 15 Opportunities for Council - Construction**

| Focus area  | Description  |
|---|--|
| Investment attraction                                   | <p>This analysis has revealed multiple insights that can be communicated to prospective developers, both residential and non-residential:</p> <ul style="list-style-type: none"> <li>• The MidCoast’s construction industry is buoyant, supported by significant IVA and employment growth, surpassing comparative regions in the Mid North Coast, Regional NSW, and NSW and Australia more broadly.</li> <li>• There is significant business growth in the MidCoast’s construction industry as well, indicating that skills and talent are present and growing.</li> <li>• From a supply perspective, there is undeveloped industrial and commercial zoned land, presenting a surplus of opportunities for development.</li> </ul>                                |
| Local infrastructure pipeline and workforce development | <ul style="list-style-type: none"> <li>• Stakeholders have expressed that: <ul style="list-style-type: none"> <li>○ the MidCoast’s roads need repair and is adversely impacting the region’s development.</li> <li>○ There is a lack of higher-grade commercial office space as well as business accommodation, especially in Taree which makes some investment in business services challenging.</li> </ul> </li> <li>• NSW Treasury is forecasting a softening in consumer price index (CPI), from 7.1% to between 4.5% and 2.5% between 2023 and 2028.<sup>13</sup> If these projections hold, and translate to the construction industry, this could improve the cost-effectiveness of construction projects, reducing financial burden to Council.</li> </ul> |

### Health Care and Social Assistance

Similar to Construction, the MidCoast’s Health Care and Social Assistance industry is an economic cornerstone. It is the largest industry in the MidCoast, with an IVA of \$564.7m and employing 7,224 people in 2023. The industry’s IVA and employed persons grew significantly between 2018 and 2023, by 20.3% and 14.4% respectively.

The MidCoast’s Health Care and Social Assistance sector is diverse, comprising hospital workers at Manning Base (21.9%), medical and other health care services (23.9%), residential care (24.9%), and social assistance workers (29.6%).

However, compared to benchmark regions, the MidCoast’s growth in this sector is relatively weaker. Benchmark regions experienced average IVA growth of 30-40% and employment growth of 26-29%, compared to the MidCoast’s 20.3% and 14.1% respectively (Table 16). This suggests that key drivers of health and social assistance employment, such as hospitals, aged care, and residential care facilities, are more prevalent in regions outside the MidCoast.

**Table 16 Health and Social Assistance industry: IVA and employed persons, growth rate (2018 to 2023), benchmark regions**

|                           | MidCoast | Mid North Coast | Regional NSW | NSW   | Australia |
|---------------------------|----------|-----------------|--------------|-------|-----------|
| IVA growth (2018 to 2023) | 20.3%    | 33.1%           | 37.6%        | 30.3% | 31.4%     |

<sup>13</sup> NSW Treasury (2024), *Economic performance*  
<https://www.treasury.nsw.gov.au/nsw-economy/about-nsw-economy/economic-outlook>

|  | MidCoast | Mid North Coast | Regional NSW | NSW   | Australia |
|--|----------|-----------------|--------------|-------|-----------|
| Employed persons growth (2018 to 2023) | 14.4%    | 25.6%           | 28.5%        | 23.9% | 26.6%     |

Source: Economy.id, NIEIR

The proposed \$100 million Manning Base Hospital Stage 2 redevelopment, currently in planning stage, will contribute further to boosting IVA and jobs in the MidCoast when operational.

**Table 17 Opportunities for Council - Health and Social Assistance**

| Focus area            | Description   |
|-----------------------|---|
| Investment attraction | <p><b>Explore potential for expansion of aged care facilities:</b> There is an opportunity to explore development opportunities for further aged care and seniors housing facilities, aligned to the ageing population in the region.</p> <p>Approximately 17.9% of the MidCoast’s population is aged between 60 to 69 comparable to 16.4% for the Mid North Coast, 13.1% for Regional NSW and 10.8% for NSW.<sup>14</sup> Also, the median age in the MidCoast is 54 compared to 39 for NSW and 38 for Australia.</p> <p>Developing seniors housing in the area will support health services related jobs and provide support to senior MidCoast residents who wish to continue living in their local area.</p>  |
| Advocacy              | <p><b>Advocate for the delivery of the Manning Base Hospital Stage 2 Redevelopment:</b> Stage 2 of the Manning Base Hospital redevelopment has remained in the planning stage since 2022.<sup>15</sup> In June 2024, senior NSW Government ministers noted that a petition containing signatures from over 12,000 residents was lodged, advocating for the delivery of Stage 2. Delivery of Stage 2 will have the following benefits for the MidCoast’s economy:</p> <ul style="list-style-type: none"> <li>• Create upfront jobs during the construction/redevelopment stage of the project.</li> <li>• Attract new staff and create new jobs across the additional facilities delivered as part of Stage 2. Council’s role is to support the communication process for employment opportunities to prospective health workers within the MidCoast and beyond.</li> <li>• Reduce stress on existing staff and increase the capacity of current facilities where bed shortages are reported. Community action groups highlighted that existing healthcare professionals and the community are under stress due to under-resourcing.<sup>16</sup> The redevelopment will ease this stress, improve patient services, and ultimately lead to better economic and social prosperity for the MidCoast.</li> </ul> |

## Agriculture, Forestry and Fishing

<sup>14</sup> Profile.id (2024), *MidCoast Council Area*

<<https://profile.id.com.au/midcoast/service-age-groups?BMID=40>>

<sup>15</sup> Health Infrastructure NSW (2024), *Lower Mid North Coast Health Service Project*

<<https://www.hinfra.health.nsw.gov.au/projects/project-search/lower-mid-north-coast-health-service-project>>

<sup>16</sup> NBN News (2024), *‘Enough is enough’: Manning Great Lakes residents petition for hospital upgrades*

<<https://www.nbnnews.com.au/2024/05/09/enough-is-enough-manning-great-lakes-residents-petition-for-hospital-upgrades/>>

The MidCoast’s Agriculture, Forestry and Fishing industry ranked 4th in terms of IVA and 6th in terms of total employment. It recorded an IVA of \$288.4m in 2023, increasing by \$39.1m from 2018. Its employment growth was more modest, increasing by 20 persons to 1,850 between 2018 and 2023 (1.1%). This translated to a 14% increase in IVA productivity over the measurement period, rising from \$136,262 to \$155,899 per worker.

This broader trend is reflected in the benchmark regions which saw IVA productivity increases between 15% to 27%. Australia saw an increase in IVA productivity from \$164,771 to \$209,043. Potential explanations for this trend include farmers utilising more innovative methods, improving total output but reducing the need for additional workers.

Notably, the MidCoast’s Agriculture, Forestry and Fishing industry ranked 1st in exports, recording \$351.2m in 2023. This indicates strong demand for the MidCoast’s agriculture and agriculture-related products both domestically and internationally. Furthermore, as this industry’s exports exceed its IVA (\$288.4m), it shows that it is not solely reliant on the local economy for growth, making it a pillar of economic resilience for the MidCoast.

**Table 18 Opportunities for Council - Agriculture, Forestry and Fishing**

| Focus area                                    | Description   |
|---|---|
| Investigation/study                           | <p>Investigating further the capital, tools, and techniques used by the MidCoast’s farmers and identifying ways for them to improve their productivity. Specifically, this might include examining the “efficiency gap” between the MidCoast and benchmark regions, so the MidCoast’s producers may adopt these methods or technologies.</p> <p>Agriculture itself comprises 72% of the MidCoast’s Agriculture, Forestry and Fishing economy, meaning that any efficiency gains are likely to come from this area.</p> <p>Maintaining strong productivity is important as it allows for continued growth and competition in export markets against both domestic and international producers.</p> |
| Investment attraction and Investigation/study | <p>The protected cropping industry, including glasshouse and greenhouse operations and the processing of raw produce, presents a major opportunity for the MidCoast. Given the area's substantial agriculture industry, ample supply of industrial land, and strong infrastructure connections, the Council should actively promote and support the development of this sector to boost economic growth and sustainability.</p>   |

## 5.3 Dynamic growth sectors

### Information, Media and Telecommunications

The Information, Media and Telecommunications industry in the MidCoast is a nascent but rapidly growing sector. Despite ranking 18th in the MidCoast with an IVA of \$59.1 million, this industry has seen the highest growth since 2018, increasing by 88.8%. Its employment also grew by 17.5%, from 326 to 383 in 2023.

The industry’s rapid IVA growth, coupled with strong IVA productivity growth, makes it the 6<sup>th</sup> most productive, with IVA productivity of \$154,177 in 2023 compared to \$96,090 in 2018. New businesses have also expanded into the area between 2021 and 2023, with the addition of 3 new businesses sized between 5-19 and 3 new businesses sized between 20-199 employees.

**Table 19 Sub-industries within the Information, Media and Telecommunications industry (employed persons)**

| Sub-industry   | 2018       | 2023       | Change    |
|--|------------|------------|-----------|
| Publishing (except Internet and Music Publishing)                                  | 43         | 24         | -19       |
| Motion Picture and Sound Recording Activities                                      | 51         | 29         | -22       |
| Broadcasting (except Internet)   | 43         | 33         | -10       |
| Internet Publishing and Broadcasting   | 0          | 0          | 0         |
| Telecommunications Services  | 85         | 120        | 35        |
| Internet Service Providers (incl. Web Search Portals and Data Processing Services) | 14         | 89         | 75        |
| Library and Other Information Services   | 91         | 88         | -3        |
| <b>Total</b>   | <b>327</b> | <b>383</b> | <b>56</b> |

Source: Economy.id, NIEIR

Table 19 indicates that the growth of the broader Information, Media, and Telecommunications Industry was primarily driven by two key sub-industries: Telecommunication Services and Internet Service Providers. Employment in Telecommunication Services increased from 85 to 120 persons, while employment in Internet Service Providers grew from 14 to 89 persons. The telecommunication services sub-industry employs workers to operate, maintain, and provide technologies for voice, data, text, sound, and video transmission for both wired and wireless networks. Workers in the Internet Service Providers sub-industry provide internet access, electronic data processing, and hosting services to customers. The increase in workers in these sub-industries suggests:

- A rise in new or existing businesses hiring services to set up internet and telecommunications infrastructure in the MidCoast.
- An increase in remote workers within these sub-industries, particularly in Internet Service Providers in the MidCoast.

Attracting further remote workers to the MidCoast presents an opportunity to grow the short-term skilled labour pool attracted to the lifestyle, while diversifying the local skills base in the medium to longer term. Remote workers contribute to the local economy by spending on goods and services, which supports local businesses and creates jobs. Additionally, they bring diverse skills and innovation, enriching the local talent pool and driving economic dynamism. The full impact of this trend on the local economy in regions across Australia is not well understood.

Stakeholders consulted also observed a consistent growth in the number of digital workers. They expected this to continue as the MidCoast is relatively more affordable to the Mid North Coast and is more proximate to the Hunter and Sydney.

**Table 20 Opportunities for Council - Information, Media and Telecommunications**

| Focus area | Description  |
|------------|--|
| Delivery   | Continuing to support the growth of telecommunications workers in the MidCoast. Businesses in the MidCoast have faced challenges setting up telecommunications and power infrastructure and have often incurred costs of providing their own transformers. |

| Focus area              | Description  |
|-------------------------|--|
| Ecosystem establishment | Creating a conducive environment for collaborative innovation by combining the migration of professional workers with the in-depth knowledge of long-established businesses can position the MidCoast as a centre of innovation, smart development, and commercialisation. |

## Manufacturing

The MidCoast's manufacturing industry ranks 6th in IVA (\$221.6m) and 7th in employment (1,721 employed persons). While there was minimal growth in IVA since 2018 (0.3%), employment decreased by 18.1%, losing 380 workers, with 168 of these from the wood product manufacturing sub-industry. Manufacturing is the 8th most productive industry with an IVA per employed person of \$128,813 in 2023, a 22.5% increase since 2018. It also ranks 2nd in exports (\$308.7m) in 2023, increasing by 7.4% since 2018.

Since 2021, the MidCoast's manufacturing industry has seen no significant changes in the number or types of businesses. This suggests that the decrease in employment may be partly due to productivity improvements, as the IVA has remained stable. Most benchmark regions have also experienced negative or minimal growth in IVA or employment within the manufacturing sector.

A further deep dive (Table 21) into the MidCoast's manufacturing industry reveals that its workforce primarily comprises sub-industries less likely to use advanced manufacturing processes compared to NSW. Specifically, 57% of the MidCoast's manufacturing workers are employed in sub-industries such as food product and wood product manufacturing, compared to 45% for NSW. Meanwhile, only 20% of the MidCoast's manufacturing workers are in sub-industries more likely to use highly advanced manufacturing processes, such as transport equipment and machinery and equipment manufacturing, compared to 38% in NSW.

**Table 21 Assessment of advanced manufacturing propensity (2023)**

| Likely to use advanced manufacturing  | MidCoast | NSW |
|---|----------|-----|
| More likely to include traditional manufacturing techniques with minimal advanced processes or automation involved. | 57%      | 45% |
| More likely to incorporate some advanced technologies and automation, but not highly complex processes.             | 22%      | 17% |
| More likely to utilise highly advanced manufacturing processes, significant automation, and precision techniques.   | 20%      | 38% |

Source: Hadron Group analysis of Economy.id and NIEIR data

**Table 22 Opportunities for Council - Manufacturing**

| Focus area              | Description  |
|-------------------------|--|
| Ecosystem establishment | Encourage successful manufacturing businesses to share key lessons. These include strong export-orientated businesses in the MidCoast. Council may use these businesses as a sounding board to consider strategies to improve the manufacturing industry's economic viability. |
| Investment attraction   | Highlight the availability of industrial lands to prospective industrial tenants. Stakeholders expressed that servicing industrial lands is generally cheaper than neighbouring industrial areas in the Hunter and Mid North Coast.  |

| Focus area | Description  |
|------------|--|
| Advocacy   | Advocate for more efficient supply chains leading in and out of the MidCoast—including rail, road, and air—to increase efficiency and reduce materials transportation costs. <sup>17</sup> |

### Professional, Scientific and Technical Services

The MidCoast’s Professional, Scientific and Technical Services industry is ranked 8<sup>th</sup> in IVA (\$170.4m) and 9<sup>th</sup> in terms of employment (1,476 employment persons). IVA growth was 25.4% from 2018 and employment growth was 4.5% from 2018. Its IVA productivity ranked 10<sup>th</sup> in the whole MidCoast, with an IVA of \$115,441 per worker.

Notably, the number of Professional, Scientific and Technical Services businesses operating in the MidCoast increased sharply between 2021 and 2023. There was an increase in non-employing businesses from 59 to 321 in 2023. Overall, the total number of businesses grew from 62 to 577, highlighting that the majority of this growth was among smaller businesses.. Anecdotal evidence indicates that the MidCoast is growing as a destination for professional remote workers, including those who are self-employed, taking advantage of its coastal location and relatively more affordable housing compared to locations around metropolitan NSW.

More broadly, advances in technology have made it easier for professionals to work remotely and manage their own businesses. High-speed internet, collaborative tools, and cloud computing have enabled professionals to operate independently without needing a physical office or a large support staff.

Council can take the same action as that recommended for the Information Media and Telecommunications industry to foster a collaborative, vibrant and affordable location for remote workers.

### Administrative and Support Services

The MidCoast’s Administrative and Support Services industry shares a similar economic profile and drivers as the Professional, Scientific and Technical Services industry. It is ranked 10<sup>th</sup> in terms of IVA (\$158.6m), 11<sup>th</sup> in terms of employment (1,237 employed persons), and 9<sup>th</sup> in terms of IVA productivity (\$128,241 per employed person) in 2023. It also saw a notable rise in non-employing businesses, increasing by 60 to 176 between 2021 and 2023.

Council can take the same action as that recommended for the Information Media and Telecommunications industry to foster a collaborative, vibrant and affordable location for remote workers.

## 5.4 High-potential industries

There are several other high-potential industries that should be / are currently supported by Council but given their somewhat consistent economic performance have not been analysed in detail for future potential growth scenarios.

- Accommodation and Food Services
- Rental, Hiring and Real Estate Services
- Retail trade
- Financial and Insurance Services.

### Education and Training

MidCoast’s Education and Training industry ranked 5<sup>th</sup> in terms of IVA (\$238.6m) and employment (2,823 employed persons). Its IVA grew by 9.0% and employment by 3.7% between 2018 and 2023. However, this growth was lower compared to benchmark regions, which saw IVA increases of 10-14%

<sup>17</sup> MidCoast Council (2023), MidCoast Economic Development Strategy 2023 – 2028, p.10  
<<https://www.midcoast.nsw.gov.au/Your-Council/About-MidCoast-Council/Plans-strategies-and-policies/Other-strategic-plans/Economic-Development-Strategy>>

and employment growth of 8-14%. This suggests that the MidCoast may not be fully capitalising on the economic growth drivers present in other areas.

Delving into the worker composition within the Education and Training industry, 2,330 individuals are employed in preschool and school education, 164 in tertiary education, and 330 in adult, community, and other education sectors. Compared to NSW, the MidCoast has a higher proportion of preschool and school education teachers and fewer in tertiary education (Table 23).

**Table 23 Sub-industries within the Education and Training industries (% employed persons), MidCoast and NSW**

| Education and training sub-industries | MidCoast      | NSW           |
|---------------------------------------|---------------|---------------|
| Preschool and School Education        | 82.5%         | 61.4%         |
| Tertiary Education                    | 5.8%          | 19.3%         |
| Adult, Community and Other Education  | 11.7%         | 19.3%         |
| <b>Total Education and Training</b>   | <b>100.0%</b> | <b>100.0%</b> |

Source: Economy.id, NIEIR

The MidCoast Economic Development Strategy indicates that access to secondary education choices is limited in some areas of the MidCoast. This indicates that while there is a higher proportion of high school level teachers in the MidCoast, there may be a potential mismatch between high school subjects offered and student needs and/or the location of schools relative to where they live.

Boosting the MidCoast's tertiary education sector can have broader economic, and innovation impacts due to its direct connection to industry. The MidCoast can build off the existing presence of Taree Universities Campus and TAFE NSW, as well as the University of New England and University of Newcastle campuses.

**Table 24 Opportunities for Council – Education and Training**

| Focus area | Description  |
|------------|--|
| Advocacy   | <ul style="list-style-type: none"> <li>Attracting more tertiary education employees, aligned to student needs and the MidCoast and NSW's industrial aspirations.</li> <li>Supporting expansion of sub-campus and increased physical presence for key universities and vocational education sectors beyond connection hubs. Many students living in the MidCoast need to travel to Port Macquarie or Newcastle for training.</li> </ul> |

## Transport, Postal and Warehousing

The Transport, Postal, and Warehousing industry is a relatively small contributor to the MidCoast economy, ranking 13th in IVA (\$122.9m) and 12th in employment (1,169 employed persons). Between 2018 and 2023, the industry experienced in both IVA (-7.5%) and employment (-9.2%). The Transport, Postal, and Warehousing industry did not record a notable decrease in declines in the number of businesses in the area. This could suggest that businesses may still see the potential for further opportunities in the area.

This is an important factor to consider as the MidCoast Economic Development Strategy reported that:

- Lack of public transport options is a significant barrier to youth employment and higher education.
- The North Coast railway line provides passenger and rail freight services to Sydney, but its speed is too slow for many local businesses' requirements and deadlines. Airfreight, as an alternative, is only accessible via Newcastle, adding significant additional costs.



Although not directly relevant to addressing the issues above, the delivery of the Northern Gateway Transport Hub has the potential to boost transport support and warehousing jobs in the MidCoast. Expected uses include freight transport facilities, truck depots, transport depots, warehouses and distribution centres.

**Table 25 Opportunities for Council - Transport, Postal and Warehousing**

| Focus area            | Description   |
|-----------------------|---|
| Workforce development | <ul style="list-style-type: none"> <li>• Advocate for the development of the Northern Gateway Transport Hub</li> <li>• Adopt opportunities to increase air freight, aviation related business and combined haulage operations around Taree Regional Airport.</li> </ul> |

## 5.5 Challenged industries

There are several challenged industries which are either in decline or performing below the standard of other markets in either Mid North Coast or Regional NSW. These industries should still be supported by Council as required but have not been identified for detailed analysis on industry growth.

- Mining
- Electricity, Gas, Water and Waste Services
- Arts and Recreation Services
- Wholesale trade
- Other Services.

## 6. Recommendations, forecast GRP and vision

### Summary

- Within the **investment attraction** category, which focuses on highlighting the MidCoast's value proposition to private sector investors, several key points have been identified. These include emphasising the economic potential of industries as having a competitive advantage, such as in construction, health and social services. These recommendations address the presence of major projects like the Taree Airport, the social need for seniors housing and fostering clean and circular economy manufacturing and supply chain development.
- In recommendations relating to **advocacy**, the focus is on securing support from the NSW and Australian Governments through funding, infrastructure, and services. This includes targeting state and federal budget opportunities for 2025/26 and beyond, particularly in the clean economy, precinct and housing development. Continued advocacy for the Manning Base Hospital Stage 2 Redevelopment is vital, as it will serve as a key economic and social pillar, supporting jobs and alleviating chronic capacity issues. Additionally, ongoing advocacy for improvements to rail, road, and air connections is essential.
- The **delivery** category focusses on a single recommendation - supporting the enhancement of telecommunications infrastructure in the MidCoast. Businesses face challenges with telecommunications and power infrastructure, including costly self-provided transformers.
- The **investigation** category targets opportunities across key sectors—, agriculture, transport, energy, and manufacturing—with the aim of enhancing efficiency, expanding economic potential, and aligning with broader infrastructure projects. This approach includes gathering further stakeholder insights to guide strategic actions, exploring expanded uses for Taree Airport, and identifying opportunities for local manufacturing to benefit from major infrastructure projects.
- **Ecosystem establishment** focuses on positioning the MidCoast as an attractive destination for remote workers and enhancing advanced manufacturing capabilities. These recommendations are based on evidence that the MidCoast is increasingly popular among remote workers and home to thriving manufacturing businesses, whose expertise could foster a collaborative ecosystem.
- The **workforce development and support** category addresses the needs of workers impacted by recent downturns in the mining and electricity, gas, and water industries. By exploring alternative employment opportunities and implementing targeted support initiatives, Council can assist these workers in transitioning to new roles and industries, ensuring their skills continue to benefit the local economy.

The recommendations below are informed by analysis from prior chapters, including industry segmentation and the stakeholder engagement (Appendix B). These recommendations:

- Emphasise existing strengths in the MidCoast and advocate for initiatives that enhance the region's economic and social well-being. The focus is on fostering collaboration among businesses, communities, and centres of expertise to leverage existing resources for broader outcomes.
- Do not require significant capital expenditure from Council's current or future budgets, which are dedicated to essential community-building initiatives and programs.
- While the benefits for the MidCoast are expected to unfold over the medium to long term, Council can start considering and implementing these recommendations immediately, as they are not capital-intensive and align with Council's proposed allocation of resources.

The industry-specific recommendations are organised into the following categories:

**Table 26 Recommendation categories**

| Category              | Detail  | Timing  |
|-----------------------|---|---|
| Investment attraction | Focuses on highlighting the MidCoast's value proposition to private sector investors, emphasising the availability and affordability of land, and opportunities within specific industries that have either a strong skills base or meet significant economic or community needs. | Council can begin incorporating investment attraction initiatives <b>immediately</b> by integrating key points into current and future industry engagement activities.<br><br>The benefits will unfold in the <b>medium to long term</b> as businesses relocate or expand their operations in the MidCoast, creating jobs and boosting economic activity. |
| Advocacy              | Targets securing support from NSW and Australian Government, whether through funding, infrastructure, or services. These recommendations aim to address key economic or community concerns or to enhance the MidCoast's role in regional initiatives or programs.                 | Council can start advocacy efforts <b>immediately</b> by publicly supporting major transformative projects and applying for funding as programs become available.<br><br>The benefits will emerge in the <b>medium to long term</b> as funding is secured and infrastructure is developed.  |
| Delivery              | Focuses on specific actions that Council can directly implement or where Council has the authority and budget to make decisions.  | The single recommendation under the delivery category, which focuses on enhancing telecommunications infrastructure, should commence <b>immediately</b> , prioritising critical needs.<br><br>The benefits will accrue <b>immediately</b> when the infrastructure is delivered, as businesses will improve connectivity and reduce costs.                 |
| Investigation         | In cases where more information is needed before committing to action, these recommendations involve further research or consultation.  | Council can initiate investigation recommendations <b>immediately</b> , depending on its capacity to allocate internal resources. For instance, the Taree Regional Airport Strategic Plan is ready to move forward, while other initiatives may   |

| Category                          | Detail   | Timing  |
|-----------------------------------|--|---|
|                                   |  | proceed later based on Council's priorities. The benefits will unfold in the <b>long term</b> as these investigations lead to informed actions.   |
| Ecosystem establishment           | Pertains to creating a collaborative and supportive environment for residents, workers, and businesses, particularly in industries with advanced technologies or an innovation focus, such as Manufacturing, Professional, Scientific and Technical Services, and Information and Technology Services. | Council can begin establishing forums to support ecosystems <b>immediately</b> , but a fully developed ecosystem will take time as more businesses engage and collaborative networks form. Benefits will occur in the <b>short to long term</b> as businesses utilise these connections to improve practices. |
| Workforce development and support | Aims to retain talent in the region and maintain economic and social cohesion by transitioning and connecting workers in declining industries, such as mining and utilities.   | Council can <b>immediately</b> start identifying areas of decline and matching workers with job opportunities immediately. Benefits could be realised in the <b>short to long term</b> , as retaining talent in the MidCoast will have ongoing economic advantages for the region.                            |

## 6.1 General recommendations

These recommendations are broad-based and generally industry agnostic. They represent considerations that should be embedded into Council's strategic thinking about economic development.

| Enhance and broaden engagement  | Establish a robust data source  | Align economic development considerations with the planning process  |
|---|---|--|
| Council should continue and expand its engagement with agencies focused on regional economic development, such as the Department of Regional NSW and Investment NSW. This will provide valuable insights into the NSW Government's broader economic development strategy, particularly in areas relevant to the MidCoast's growing or emerging industries | This Economic Outlook Report lays the groundwork for collecting and understanding the economic and social data that underpins the MidCoast's industries. As the MidCoast's economy evolves in line with its neighbour's, broader NSW, Australia, and global trends, it is crucial to collect data regularly and establish key insights to maintain a continuous understanding of the region's economic pulse. | Both stakeholder consultation and qualitative research have indicated that while housing availability and affordability is a broader macro issue, it still poses a significant challenge for the MidCoast, though potentially less severe than in other regions.<br><br>Council lacks the necessary levers to fully address the housing crisis, as it is a national and global phenomenon. |

| Enhance and broaden engagement  | Establish a robust data source   | Align economic development considerations with the planning process  |
|---|--|--|
| <p>like advanced manufacturing and agriculture.</p> <p>Additionally, such engagement can help identify upcoming funding opportunities, allowing sufficient time for the preparation and development of a strong value proposition. On a local level, maintaining strong ties with RDA NSW is crucial for coordinating efforts and sharing information with surrounding LGAs. As previous analysis highlighted, the broader Mid North Coast has outperformed the MidCoast in some industry sectors—this presents an opportunity to learn and apply successful strategies to secure funding from NSW and Federal Government and enhance the growth of the MidCoast.</p> | <p>This data will be vital for guiding internal decision-making and strategic priorities, as well as for engaging with the NSW or Federal Government and potential investors, effectively showcasing the MidCoast’s value proposition.</p> | <p>However, there is an opportunity to further embed economic development considerations into internal planning processes. This could include adjusting local planning policies and regulations to encourage the growth and development of industrial and residential lands, while still balancing community, environmental, and heritage needs.</p> |

## 6.2 Industry-specific recommendations

| Category              | Detail  |
|-----------------------|---|
| Investment attraction | <p>Establishing a strong value proposition to businesses is crucial to Council’s investment attraction activities, key points include:</p> <ul style="list-style-type: none"> <li>• <b>Multiple:</b> Highlight the MidCoast as an affordable and well-connected location for businesses to establish manufacturing operations. The MidCoast offers competitively-priced industrial land, with larger lot sizes, compared to other areas in NSW and the Mid North Coast.</li> <li>• <b>Clean economy – multiple:</b> Target key sectors in the clean and circular economy, including the entire supply chain from components to servicing, and explore opportunities in recycling and mineral processing related to clean energy supply.</li> <li>• <b>Construction:</b> Emphasise the strength and capacity of MidCoast’s construction industry as a competitive advantage for expansion of current business, or the establishment of new businesses. The significant growth in IVA, employment, and business expansion within the construction sector indicates a strong and expanding talent pool, ensuring the availability of skilled labour.</li> <li>• <b>Healthcare and Social Assistance:</b> Focus on the need for additional aged care and seniors housing facilities in the MidCoast, driven by its ageing population. With the median age being 54 compared to 39 for NSW and 38 for Australia, the MidCoast presents a compelling opportunity for investors in the aged care sector. Developing these facilities would not only meet local demand but also support health-related job growth</li> <li>• <b>Agriculture, Forestry and Fishing:</b> Promote the MidCoast’s protected cropping industry as a significant growth opportunity. The region’s strong agricultural base, available industrial land, and robust infrastructure provide a solid foundation for Council to support and enhance this sector, driving economic growth and sustainability.</li> <li>• <b>Transport, Postal and Warehousing:</b> Promote business opportunities associated with the Taree Regional Airport site and adjacent transport hub. Although the final use of the re-imagined Taree Regional Airport is yet to be determined, this presents a long-term opportunity for the MidCoast to attract businesses, including benefiting the adjacent Taree Business Park.</li> </ul> |
| Advocacy              | <ul style="list-style-type: none"> <li>• <b>Multiple:</b> Focus on 2025/26 and beyond state and federal budget opportunities, including key funding streams such as the Renewable Energy Zones (REZ) and the Energy Security Corporation’s community battery project funding. This shift in focus is necessary given the minimal direct support for infrastructure and services in the MidCoast provided by the 2024/25 Budget and general State and Federal funding. Examples include:</li> </ul>  |

| Category                | Detail   |
|-------------------------|--|
|                         | <ul style="list-style-type: none"> <li>○ Regional Precincts and Partnerships Program (rPPP) – Stream Two: Precinct delivery.<sup>18</sup> Aimed at delivering one or more specific projects as part of a precinct or foundational infrastructure as part of a precinct.</li> <li>○ Stream 2 of the Australian Government's \$1.5 billion Housing Support Program (HSP). It will provide funding for enabling infrastructure and community amenity projects.<sup>19</sup></li> <li>● <b>Healthcare and Social Assistance:</b> Continue advocating for the Manning Base Hospital Stage 2 Redevelopment. This project will create jobs during construction, attract new healthcare staff, and increase the capacity of existing facilities to alleviate staff stress and address bed shortages. With strong community support, as evidenced by over 12,000 residents petitioning for its completion, this redevelopment is essential for boosting both the economy and healthcare services in the MidCoast.</li> <li>● <b>Multiple:</b> As a forward-looking goal, the proposed High-Speed Rail, currently in the Strategic Business Case stage, could potentially include a station in the MidCoast, offering convenient access for workers and tourists traveling to and from Sydney and Brisbane.</li> </ul> |
| Delivery                | <ul style="list-style-type: none"> <li>● <b>Information, Media and Telecommunications:</b> Support the enhancement of telecommunications infrastructure in the MidCoast. Businesses have faced significant challenges with telecommunications and power infrastructure, including the substantial costs of providing their own transformers. Addressing these issues is essential to support business operations and connectivity.</li> </ul>  |
| Investigation           | <ul style="list-style-type: none"> <li>● <b>Agriculture, Forestry, and Fishing:</b> Explore the productivity gap between the MidCoast and benchmark regions to identify mechanisms that can be implemented for sustaining growth and maintaining competitiveness in export markets.</li> <li>● <b>Transport, Postal and Warehousing:</b> Explore broader uses for Taree Regional Airport, including recreation, transport, and freight, to maximise its economic potential and enhance its role in broader connectivity between regions.</li> <li>● <b>Manufacturing:</b> Identify opportunities for local manufacturing to benefit from major infrastructure projects like High-Speed Rail and Rolling Stock Replacement. The Australian Government is focussing on harnessing Australian-made capabilities in high value manufacturing industries for major infrastructure projects.</li> </ul>  |
| Ecosystem establishment | <ul style="list-style-type: none"> <li>● <b>Multiple:</b> Foster a conducive environment for collaborative innovation by combining the migration of professional workers into the MidCoast with the in-depth knowledge of long-established businesses can position the MidCoast as</li> </ul>  |

<sup>18</sup> Australian Government (2024), *Funding for the delivery of regional community precincts with local partners*  
<https://business.gov.au/grants-and-programs/regional-precincts-and-partnerships-program-precinct-delivery>

<sup>19</sup> Australian Government, Department of Infrastructure, Transport, Regional Development, Communication and the Arts (2024), *Housing Support Program*  
<https://www.infrastructure.gov.au/territories-regions-cities/cities/housing-support-program#:~:text=The%20Australian%20Government%27s%20Housing%20Support,years%20from%201%20July%202024>

| Category                          | Detail  |
|-----------------------------------|---|
|                                   | <p>a growing centre of innovation, smart development, and commercialisation. Additionally, Council should explore ways to make the MidCoast more attractive to remote workers, including ways to make housing more affordable.</p> <ul style="list-style-type: none"> <li>• <b>Manufacturing:</b> Encourage successful manufacturing businesses to share key lessons. Further, Council may use these businesses as a sounding board to consider strategies to improve the manufacturing industry's economic viability.</li> </ul>   |
| Workforce development and support | <ul style="list-style-type: none"> <li>• <b>Mining and Electricity, Gas and Water:</b> Council should explore options to support workers affected by recent downturns in the mining and electricity, gas and water industries. By investigating alternative employment opportunities, and targeted support initiatives, Council can help these workers transition into new roles and industries, ensuring that their skills continue to contribute to the local economy. Further, there is an ongoing chronic skills shortage in Regional NSW, meaning that the construction and ongoing operations of the Renewable Energy Hub on the old Stratford mine site<sup>20</sup> will generate jobs during construction and operations.</li> </ul> |

<sup>20</sup> Stratford Coal (2024), Renewable Energy Hub  
<https://www.stratfordcoal.com.au/page/SREH/>



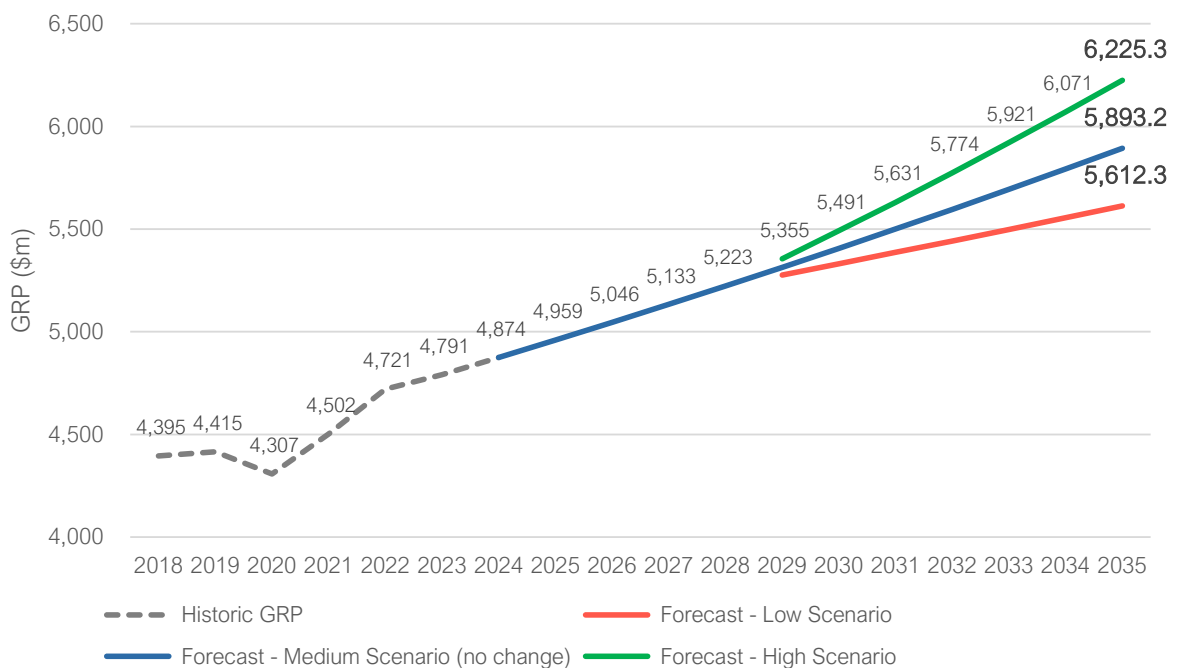
## 6.3 Forecast GRP

The Forecast GRP aims to provide a high-level snapshot of the MidCoast's potential economic growth, based on various influencing factors considered in this analysis. The methodology involves the following steps:

- Evaluate the potential growth rates for each scenario, using the MidCoast's historical rates for benchmarking to ensure the analysis is grounded.
- Develop a vision for what the high-GRP could look like, in relation to achieving the recommendations set out in this report.

### Description of growth scenario

**Figure 13 Forecast GRP for MidCoast, Low, Medium and High Scenarios (\$ millions)**



Source: Hadron Group analysis of economy.id and NIEIR data

Figure 13 illustrates the forecast GRP for the MidCoast under high, medium, and low scenarios:

- The grey dotted line represents MidCoast's historic growth between 2018 and 2023.
- The forecast assumes that from 2024 to 2029, the economy will continue to grow at the same CAGR of 1.74% as observed from 2018 to 2023 (blue line). This approach considers that any identified interventions will take five years to materialise, with their impacts becoming evident over the subsequent five-year period (2030 to 2035).

Table 27 provides a summary of key assumptions underpinning the GRP forecasts.

**Table 27 Forecast GRP and CAGR, key assumptions**

| Forecasts       | CAGR after 2029 | GRP in 2035 (\$ millions) | Assumptions  |
|-----------------|-----------------|---------------------------|--|
| Low Scenario    | 1.03%           | 5,612.3                   | <p>This rate is based on the MidCoast’s historic CAGR of 1.03% between <b>2013 and 2023</b>. The <b>red line</b> in Figure 13.</p> <p>During this period, the MidCoast economy experienced relatively low growth rates, specifically between 2013 and 2018 where the CAGR was 0.3%.</p>                                |
| Medium Scenario | 1.74%           | 5,893.2                   | <p>This rate is taken from the MidCoast’s historic CAGR of 1.74% between <b>2018 and 2023</b>.</p> <p>The CAGR between 2018 and 2023 is higher than 2013 and 2023 as the MidCoast economy experienced a notable surge in growth in the latter years. The <b>blue line</b> in Figure 13.</p>                            |
| High Scenario   | 2.54%           | 6,225.3                   | <p>This rate matches the CAGR of the <b>Mid North Coast</b> economy between 2018 and 2023. It suggests that if the MidCoast successfully implements initiatives and benefits from positive broader economic conditions, it can achieve growth comparable to neighbouring LGAs. The <b>green line</b> in Figure 13.</p> |

Source: Hadron Group analysis

## 6.4 Vision statement

The below is the vision statement for the MidCoast's High GRP Scenario. It paints a picture of what the economy looks like and what needs to be achieved to enable this scenario.

### Macro – World-wide and global

The Australian and global economies experience robust growth. Inflation rates remain balanced and stable, neither too high to impact consumer spending adversely nor too low, as economic growth is correlated with a moderate level of inflation. This stability benefits businesses and consumers in the MidCoast economy, enabling them to plan their lifestyles and ventures with relative certainty.

Additionally, the Australian Government delivers on its ambitious policy objectives, including the Future Made in Australia Budget announcements, which focus on strengthening and building supply chains in manufacturing. The government continues to support funding, policy initiatives, and infrastructure for MidCoast's key industries, including Health and Social Assistance and Agriculture, Forestry, and Fishing. This support includes additional funding for hospital infrastructure and programs for MidCoast's ageing population, as well as export-oriented initiatives that enhance the Agriculture, Forestry, and Fishing industries' connection to domestic and international markets.

### Meso – Regional NSW and Mid North Coast

Residential dwelling prices ease, making housing more accessible for both existing residents in the MidCoast and potential newcomers. Business interest in the MidCoast's comparatively inexpensive industrial lands increases, resulting in more economic activity in the area.

Infrastructure connections, including rail, road, and air, improve both into and out of the MidCoast. This enhances supply chain connectivity between the MidCoast and key regional freight and logistics hubs, and ultimately export markets. These improvements are driven by continued investment in infrastructure across Regional NSW, including upgrades to existing ports such as the Port of Newcastle and aspirational projects like High-Speed Rail.

### Micro – The MidCoast

Key infrastructure projects are delivered on time and utilise significant local resources during both the delivery and operations stages. In the medium-to long-term horizon, these projects include the Northern Gateway Transport Hub Stage 2 Redevelopment of Manning Base Hospital and progression of the Taree Regional Airport Business Park.

The MidCoast's construction industry continues to thrive, leveraging its size and expertise on developing projects within the region. Further, beyond the necessary hospital upgrades, more seniors housing will be established, attracting health workers.

The MidCoast drives growth in its export-oriented industries, by becoming more competitive through exploring efficiency upgrades, adopting best practice systems and processes and attracting and retaining highly-skilled workers. The MidCoast's manufacturing industry develops a robust ecosystem where thriving local businesses share knowledge and expertise, creating a regionally renowned hub for collaboration and innovation. As a result, manufacturing techniques become more productive through the adoption of novel technologies and approaches.

The MidCoast becomes a hub for professional remote workers, who are attracted by affordable housing, natural amenities, beaches, and a vibrant community. These workers spread the word to friends and colleagues, further boosting the local economy.

The potential in education and training is further explored, with efforts to establish sub-campus and reduce commute times for students traveling to Port Macquarie or Newcastle for training.

## Appendix A – Data tables

Table 28 Industry Value Added by industry, the MidCoast, selected indicators

| Industry  | 2018<br>(\$m)  | 2023<br>(\$m) | Change from<br>2018 | % change from<br>2018 | Rank<br>(2023) | Proportion of total<br>(2023) |
|---|----------------|---------------|---------------------|-----------------------|----------------|-------------------------------|
| Agriculture, Forestry and Fishing               | 249.3          | 288.4         | 39.1                | 15.7%                 | 4              | 8.2%                          |
| Mining  | 219.9          | 145.1         | -74.8               | -34.0%                | 11             | 4.1%                          |
| Manufacturing                                   | 220.9          | 221.6         | .7                  | 0.3%                  | 6              | 6.3%                          |
| Electricity, Gas, Water and Waste Services      | 115.7          | 66.0          | -49.7               | -43.0%                | 17             | 1.9%                          |
| Construction                                    | 307.0          | 362.1         | 55.1                | 17.9%                 | 2              | 10.3%                         |
| Wholesale Trade                                 | 76.8           | 76.2          | -.6                 | -0.8%                 | 15             | 2.2%                          |
| Retail Trade                                    | 309.4          | 322.7         | 13.3                | 4.3%                  | 3              | 9.2%                          |
| Accommodation and Food Services                 | 184.8          | 203.7         | 18.9                | 10.2%                 | 7              | 5.8%                          |
| Transport, Postal and Warehousing               | 132.9          | 122.9         | -10.0               | -7.5%                 | 13             | 3.5%                          |
| Information Media and Telecommunications        | 31.3           | 59.1          | 27.8                | 88.8%                 | 18             | 1.7%                          |
| Financial and Insurance Services                | 98.6           | 98.1          | -.5                 | -0.5%                 | 14             | 2.8%                          |
| Rental, Hiring and Real Estate Services         | 155.8          | 158.8         | 3.0                 | 1.9%                  | 9              | 4.5%                          |
| Professional, Scientific and Technical Services | 135.9          | 170.4         | 34.5                | 25.4%                 | 8              | 4.9%                          |
| Administrative and Support Services             | 127.8          | 158.6         | 30.8                | 24.1%                 | 10             | 4.5%                          |
| Public Administration and Safety                | 119.7          | 144.4         | 24.7                | 20.6%                 | 12             | 4.1%                          |
| Education and Training                          | 218.9          | 238.6         | 19.7                | 9.0%                  | 5              | 6.8%                          |
| Health Care and Social Assistance               | 469.4          | 564.7         | 95.3                | 20.3%                 | 1              | 16.1%                         |
| Arts and Recreation Services                    | 32.4           | 29.9          | -2.5                | -7.7%                 | 19             | 0.9%                          |
| Other Services                                  | 89.7           | 69.8          | -19.9               | -22.2%                | 16             | 2.0%                          |
| <b>Total</b>                                    | <b>3,296.0</b> | <b>3501.2</b> | <b>205.2</b>        | <b>6.2%</b>           |                |                               |

Source: Economy.id, NIEIR

**Table 29 No. of employed persons by industry, the MidCoast, selected indicators**

| Industry  | 2018            | 2023            | Change from 2018 | % change from 2018 | Rank (2023) | Proportion of total (2023) |
|---|-----------------|-----------------|------------------|--------------------|-------------|----------------------------|
| Agriculture, Forestry and Fishing               | 1,830.0         | 1,850.0         | 20.0             | 1.1%               | 6           | 5.2%                       |
| Mining  | 308.0           | 306.0           | -2.0             | -0.6%              | 19          | 0.9%                       |
| Manufacturing                                   | 2,101.0         | 1,721.0         | -380.0           | -18.1%             | 7           | 4.8%                       |
| Electricity, Gas, Water and Waste Services      | 546.0           | 400.0           | -146.0           | -26.7%             | 17          | 1.1%                       |
| Construction                                    | 2,758.0         | 4,556.0         | 1,798.0          | 65.2%              | 2           | 12.8%                      |
| Wholesale Trade                                 | 485.0           | 500.0           | 15.0             | 3.1%               | 15          | 1.4%                       |
| Retail Trade                                    | 4,680.0         | 4,121.0         | -559.0           | -11.9%             | 3           | 11.6%                      |
| Accommodation and Food Services                 | 3,257.0         | 3,283.0         | 26.0             | 0.8%               | 4           | 9.2%                       |
| Transport, Postal and Warehousing               | 1,288.0         | 1,169.0         | -119.0           | -9.2%              | 12          | 3.3%                       |
| Information Media and Telecommunications        | 326.0           | 383.0           | 57.0             | 17.5%              | 18          | 1.1%                       |
| Financial and Insurance Services                | 434.0           | 446.0           | 12.0             | 2.8%               | 16          | 1.3%                       |
| Rental, Hiring and Real Estate Services         | 592.0           | 569.0           | -23.0            | -3.9%              | 14          | 1.6%                       |
| Professional, Scientific and Technical Services | 1,413.0         | 1,476.0         | 63.0             | 4.5%               | 9           | 4.2%                       |
| Administrative and Support Services             | 1,221.0         | 1,237.0         | 16.0             | 1.3%               | 11          | 3.5%                       |
| Public Administration and Safety                | 1,288.0         | 1,543.0         | 255.0            | 19.8%              | 8           | 4.3%                       |
| Education and Training                          | 2,723.0         | 2,823.0         | 100.0            | 3.7%               | 5           | 7.9%                       |
| Health Care and Social Assistance               | 6,316.0         | 7,224.0         | 908.0            | 14.4%              | 1           | 20.3%                      |
| Arts and Recreation Services                    | 637.0           | 613.0           | -24.0            | -3.8%              | 13          | 1.7%                       |
| Other Services                                  | 1,445.0         | 1,327.0         | -118.0           | -8.2%              | 10          | 3.7%                       |
| <b>Total</b>                                    | <b>33,647.0</b> | <b>35,546.0</b> | <b>1,899.0</b>   | <b>5.6%</b>        |             |                            |

Source: Economy.id, NIEIR

**Table 30 IVA by employed persons by industry (IVA productivity), the MidCoast, selected indicators**

| Industry  | 2018 (\$) | 2023 (\$) | Change from 2018 | % change from 2018 | Rank (2023) |
|---|-----------|-----------|------------------|--------------------|-------------|
| Agriculture, Forestry and Fishing               | 136,262.0 | 155,899.0 | 19,637.0         | 14.4%              | 5           |
| Mining  | 714,805.0 | 474,501.0 | -240,304.0       | -33.6%             | 1           |
| Manufacturing                                   | 105,136.0 | 128,813.0 | 23,677.0         | 22.5%              | 8           |
| Electricity, Gas, Water and Waste Services      | 212,121.0 | 164,877.0 | -47,244.0        | -22.3%             | 4           |
| Construction                                    | 111,316.0 | 79,478.0  | -31,838.0        | -28.6%             | 14          |
| Wholesale Trade                                 | 158,252.0 | 152,443.0 | -5,809.0         | -3.7%              | 7           |
| Retail Trade                                    | 66,097.0  | 78,309.0  | 12,212.0         | 18.5%              | 15          |
| Accommodation and Food Services                 | 56,742.0  | 62,051.0  | 5,309.0          | 9.4%               | 17          |
| Transport, Postal and Warehousing               | 103,209.0 | 105,156.0 | 1,947.0          | 1.9%               | 11          |
| Information Media and Telecommunications        | 96,090.0  | 154,177.0 | 58,087.0         | 60.5%              | 6           |
| Financial and Insurance Services                | 227,162.0 | 219,783.0 | -7,379.0         | -3.2%              | 3           |
| Rental, Hiring and Real Estate Services         | 263,287.0 | 279,354.0 | 16,067.0         | 6.1%               | 2           |
| Professional, Scientific and Technical Services | 96,148.0  | 115,441.0 | 19,293.0         | 20.1%              | 10          |
| Administrative and Support Services             | 104,620.0 | 128,241.0 | 23,621.0         | 22.6%              | 9           |
| Public Administration and Safety                | 92,918.0  | 93,558.0  | 640.0            | 0.7%               | 12          |
| Education and Training                          | 80,370.0  | 84,514.0  | 4,144.0          | 5.2%               | 13          |
| Health Care and Social Assistance               | 74,323.0  | 78,179.0  | 3,856.0          | 5.19%              | 16          |
| Arts and Recreation Services                    | 50,858.0  | 48,792.0  | -2,066.0         | -4.1%              | 19          |
| Other Services                                  | 62,051.0  | 52,578.0  | -9,473.0         | -15.3%             | 18          |

Source: Economy.id, NIEIR

**Table 31 Exports by industry, the MidCoast, selected indicators**

| Industry  | 2018 (\$m)     | 2023 (\$m)     | Change from 2018 | % change from 2018 | Rank (2023) | Proportion of total (2023) |
|---|----------------|----------------|------------------|--------------------|-------------|----------------------------|
| Agriculture, Forestry and Fishing               | 312.1          | 351.2          | 39.1             | 12.5%              | 1           | 20.2%                      |
| Mining  | 372.5          | 290.5          | -82.0            | -22.0%             | 3           | 16.7%                      |
| Manufacturing                                   | 287.4          | 308.7          | 21.3             | 7.4%               | 2           | 17.7%                      |
| Electricity, Gas, Water and Waste Services      | 88.6           | 33.6           | -55.0            | -62.1%             | 10          | 1.9%                       |
| Construction                                    | 6.9            | 7.8            | .9               | 13.0%              | 19          | 0.4%                       |
| Wholesale Trade                                 | 26.0           | 23.5           | -2.5             | -9.6%              | 12          | 1.3%                       |
| Retail Trade                                    | 133.3          | 134.6          | 1.3              | 1.0%               | 5           | 7.7%                       |
| Accommodation and Food Services                 | 130.4          | 173.2          | 42.8             | 32.8%              | 4           | 9.9%                       |
| Transport, Postal and Warehousing               | 143.7          | 113.2          | -30.5            | -21.2%             | 6           | 6.5%                       |
| Information Media and Telecommunications        | 11.0           | 15.3           | 4.3              | 39.1%              | 14          | 0.9%                       |
| Financial and Insurance Services                | 15.0           | 14.4           | -6               | -4.0%              | 16          | 0.8%                       |
| Rental, Hiring and Real Estate Services         | 15.1           | 16.9           | 1.8              | 11.9%              | 13          | 1.0%                       |
| Professional, Scientific and Technical Services | 27.1           | 30.7           | 3.6              | 13.3%              | 11          | 1.8%                       |
| Administrative and Support Services             | 48.7           | 57.5           | 8.8              | 18.1%              | 8           | 3.3%                       |
| Public Administration and Safety                | 9.3            | 12.1           | 2.8              | 30.1%              | 17          | 0.7%                       |
| Education and Training                          | 118.6          | 78.9           | -39.7            | -33.5%             | 7           | 4.5%                       |
| Health Care and Social Assistance               | 48.9           | 52.6           | 3.7              | 7.57%              | 9           | 3.0%                       |
| Arts and Recreation Services                    | 25.3           | 11.9           | -13.4            | -53.0%             | 18          | 0.7%                       |
| Other Services                                  | 45.3           | 14.5           | -30.8            | -68.0%             | 15          | 0.8%                       |
| <b>Total</b>                                    | <b>1,865.2</b> | <b>1,741.1</b> | <b>-124.1</b>    | <b>-6.7%</b>       |             |                            |

Source: Economy.id, NIEIR

**Table 32 No. of businesses in the MidCoast, 2023 (and change from 2021 in brackets)**

| Industry  | Non employing     | 1-4              | 5-19            | 20-199          | 200+          | Total             |
|---|-------------------|------------------|-----------------|-----------------|---------------|-------------------|
| Agriculture, Forestry and Fishing               | 1263 (45)         | 181 (3)          | 34 (-1)         | 3 (0)           | 0 (0)         | 1481 (47)         |
| Mining  | 13 (4)            | 6 (-1)           | 0 (-3)          | 0 (0)           | 0 (0)         | 19 (0)            |
| Manufacturing                                   | 136 (31)          | 76 (-9)          | 53 (4)          | 13 (-1)         | 0 (0)         | 278 (25)          |
| Electricity, Gas, Water and Waste Services      | 12 (-1)           | 6 (3)            | 3 (3)           | 0 (-3)          | 0 (-3)        | 21 (-1)           |
| Construction                                    | 863 (98)          | 588 (80)         | 110 (23)        | 8 (1)           | 0 (0)         | 1569 (202)        |
| Wholesale Trade                                 | 78 (4)            | 39 (-4)          | 31 (5)          | 5 (5)           | 0 (0)         | 153 (10)          |
| Retail Trade                                    | 192 (8)           | 160 (-19)        | 92 (3)          | 21 (7)          | 0 (0)         | 465 (-1)          |
| Accommodation and Food Services                 | 125 (19)          | 115 (-12)        | 120 (3)         | 32 (4)          | 3 (0)         | 395 (14)          |
| Transport, Postal and Warehousing               | 194 (-3)          | 110 (-8)         | 38 (-1)         | 6 (0)           | 0 (0)         | 348 (-12)         |
| Information Media and Telecommunications        | 24 (0)            | 14 (5)           | 3 (3)           | 3 (3)           | 0 (0)         | 44 (11)           |
| Financial and Insurance Services                | 105 (1)           | 48 (1)           | 7 (0)           | 3 (0)           | 0 (0)         | 163 (2)           |
| Rental, Hiring and Real Estate Services         | 470 (4)           | 68 (-8)          | 39 (-3)         | 3 (3)           | 0 (0)         | 580 (-4)          |
| Professional, Scientific and Technical Services | 321 (59)          | 199 (-8)         | 52 (10)         | 5 (1)           | 0 (0)         | 577 (62)          |
| Administrative and Support Services             | 176 (60)          | 91 (5)           | 25 (-4)         | 6 (0)           | 0 (0)         | 298 (61)          |
| Public Administration and Safety                | 3 (-2)            | 5 (0)            | 4 (0)           | 0 (0)           | 0 (0)         | 12 (-2)           |
| Education and Training                          | 44 (11)           | 20 (1)           | 17 (0)          | 6 (2)           | 0 (0)         | 87 (14)           |
| Health Care and Social Assistance               | 275 (69)          | 160 (19)         | 59 (-1)         | 21 (2)          | 0 (-3)        | 515 (86)          |
| Arts and Recreation Services                    | 47 (3)            | 27 (5)           | 7 (-2)          | 0 (-3)          | 0 (0)         | 81 (3)            |
| Other Services                                  | 189 (13)          | 172 (15)         | 33 (2)          | 3 (0)           | 0 (0)         | 397 (30)          |
| <b>Total</b>                                    | <b>4530 (423)</b> | <b>2085 (65)</b> | <b>727 (41)</b> | <b>138 (21)</b> | <b>3 (-6)</b> | <b>7483 (544)</b> |

Source: Remplan



**Table 33 Growth in IVA, 2018 to 2023, the MidCoast and benchmark regions**

| Industry  | Mid Coast | Mid North Coast | Regional NSW | NSW    | Australia |
|---|-----------|-----------------|--------------|--------|-----------|
| Agriculture, Forestry and Fishing               | 15.7%     | 19.4%           | 14.6%        | 15.2%  | 15.9%     |
| Mining  | -34.0%    | -30.4%          | -14.7%       | -14.5% | 4.8%      |
| Manufacturing                                   | 0.3%      | 1.1%            | 9.7%         | 0.8%   | -1.0%     |
| Electricity, Gas, Water and Waste Services      | -43.0%    | 7.4%            | 7.6%         | 0.5%   | 2.8%      |
| Construction                                    | 17.9%     | -7.0%           | 11.6%        | 0.6%   | 0.5%      |
| Wholesale Trade                                 | -0.8%     | 8.3%            | 4.6%         | 2.1%   | 7.1%      |
| Retail Trade                                    | 4.3%      | 19.9%           | 23.3%        | 10.6%  | 12.2%     |
| Accommodation and Food Services                 | 10.2%     | 20.8%           | 37.8%        | 18.2%  | 16.7%     |
| Transport, Postal and Warehousing               | -7.5%     | -4.7%           | 11.6%        | 7.0%   | 10.1%     |
| Information Media and Telecommunications        | 88.8%     | 111.8%          | 53.4%        | 47.4%  | 36.6%     |
| Financial and Insurance Services                | -0.5%     | 5.3%            | 11.6%        | 10.6%  | 12.2%     |
| Rental, Hiring and Real Estate Services         | 1.9%      | 1.7%            | 15.4%        | 3.0%   | 8.7%      |
| Professional, Scientific and Technical Services | 25.4%     | 12.1%           | 22.4%        | 22.2%  | 24.2%     |
| Administrative and Support Services             | 24.1%     | 27.4%           | 31.3%        | 17.8%  | 18.3%     |
| Public Administration and Safety                | 20.6%     | 17.0%           | 13.6%        | 17.4%  | 18.3%     |
| Education and Training                          | 9.0%      | 13.6%           | 15.2%        | 10.6%  | 10.1%     |
| Health Care and Social Assistance               | 20.3%     | 33.1%           | 37.6%        | 30.3%  | 31.4%     |
| Arts and Recreation Services                    | -7.7%     | -1.9%           | 11.6%        | -1.7%  | 12.2%     |
| Other Services                                  | -22.2%    | -11.9%          | 1.4%         | -11.5% | 6.3%      |

Source: Economy.id, NIEIR

**Table 34 Growth in employed persons, 2018 to 2023, the MidCoast and benchmark regions**

| Industry  | Mid Coast | Mid North Coast | Regional NSW | NSW   | Australia |
|---|-----------|-----------------|--------------|-------|-----------|
| Agriculture, Forestry and Fishing               | 1.1%      | 3.2%            | -3.6%        | -0.8% | -9.1%     |
| Mining  | -0.6%     | -15.5%          | -0.1%        | -0.3% | 22.7%     |
| Manufacturing                                   | -18.1%    | -10.8%          | -0.4%        | -7.5% | -2.2%     |
| Electricity, Gas, Water and Waste Services      | -26.7%    | 19.7%           | 25.5%        | 20.7% | 20.8%     |
| Construction                                    | 65.2%     | 41.8%           | 50.5%        | 10.9% | 12.7%     |
| Wholesale Trade                                 | 3.1%      | 6.0%            | 0.6%         | -3.2% | 4.1%      |
| Retail Trade                                    | -11.9%    | 2.0%            | 5.7%         | 6.3%  | 2.5%      |
| Accommodation and Food Services                 | 0.8%      | 11.4%           | 20.8%        | 6.4%  | 6.6%      |
| Transport, Postal and Warehousing               | -9.2%     | -7.6%           | 5.4%         | 7.6%  | 9.4%      |
| Information Media and Telecommunications        | 17.5%     | 12.6%           | -9.4%        | -7.9% | -6.1%     |
| Financial and Insurance Services                | 2.8%      | 12.6%           | 16.5%        | 20.9% | 24.3%     |
| Rental, Hiring and Real Estate Services         | -3.9%     | -8.5%           | 16.5%        | 3.6%  | 5.0%      |
| Professional, Scientific and Technical Services | 4.5%      | 2.8%            | 14.0%        | 15.5% | 22.5%     |
| Administrative and Support Services             | 1.3%      | 9.5%            | 16.5%        | 6.3%  | 4.8%      |
| Public Administration and Safety                | 19.8%     | 19.8%           | 18.5%        | 19.7% | 14.9%     |
| Education and Training                          | 3.7%      | 10.1%           | 13.9%        | 8.4%  | 10.2%     |
| Health Care and Social Assistance               | 14.4%     | 25.6%           | 28.5%        | 23.9% | 26.6%     |
| Arts and Recreation Services                    | -3.8%     | -6.2%           | 8.7%         | -2.5% | -0.2%     |
| Other Services                                  | -8.2%     | 2.1%            | 16.5%        | 3.8%  | 5.8%      |

Source: Economy.id, NIEIR

# Appendix B – Summary of Stakeholder Engagement

Engagement with both internal and external stakeholders was undertaken to support the broader project analysis. The engagement enabled a sense check of quantitative data as well as insight into trends and issues that may not have been picked up by a desktop analysis.

For external engagement, Hadron Group conducted five half hour informal interviews on Microsoft teams with State and Federal Government Agencies or representative peak bodies. This included the following:

## Key insights

- Internal engagement revealed insights that emphasised capitalising on the strong industries in the region, such as manufacturing, agriculture, and the availability of affordable industrial land. However, conversely, a lack of funding for infrastructure and services impacted on the ability of businesses to capitalise on these opportunities. Council can consider several actions to bolster the MidCoast industries, improve employment opportunities, and enhance housing availability.
- External engagement revealed potential opportunities for innovation, diversification, expansion, and renewal across multiple sectors and businesses in the MidCoast. The region has the potential to identify its competitive advantage within one or more of these sectors.

### Land and opportunities for development:

- The MidCoast has ample land available for growth across various sectors.
- The region is well-positioned to attract businesses needing large land parcels, which are scarce in the Mid North Coast.
- Industrial land shortages in nearby regions (Mid North Coast and Hunter) provide the MidCoast with a strategic advantage.
- Controlled cropping and other agriculture-related opportunities can benefit from large rural lands, but reliable energy supply is necessary.

### Infrastructure and accessibility:

- Taree Regional Airport presents opportunities for accelerating freight, flight training, and tourism.
- The airport and highway provide crucial access to the region, and improving the airport's appeal could enhance economic opportunities.
- Telecommunications and power infrastructure issues currently impact business growth, with power supply challenges potentially driving businesses away.

### Business and economic Sustainability:

- Retaining long-term, structural businesses is essential for sustaining the local economy.
- Supporting the financial sustainability of local businesses is crucial for long-term economic health.
- Industry branding, combined with local branding, could strengthen the MidCoast's identity and economic appeal.
- Attracting a skilled workforce, particularly for modern technology and engineering businesses, is vital for growth.
- Recruitment often requires looking

|   |   |  |
|---|---|--|
|   |   | <p>overseas due to local skill shortages.</p> <ul style="list-style-type: none"> <li>• Small-scale manufacturing, particularly niche, high-value products, offers significant growth opportunities.</li> </ul>   |
| <p><b>Housing and community:</b></p> <ul style="list-style-type: none"> <li>• Housing availability is improving, and supporting new developments in Taree and Forster is essential.</li> <li>• Adequate housing supply is critical for supporting the local workforce, with a focus on flood-resistant properties.</li> <li>• The influx of sea-change and tree-change residents is contributing to overall growth, though its full impact is not yet clear.</li> </ul> | <p><b>Agriculture and local Production:</b></p> <ul style="list-style-type: none"> <li>• Large-scale dairy farming exists, but there is a lack of local production, presenting an opportunity for Council to focus on this area.</li> <li>• Smaller farms face sustainability challenges, including the turnover of landowners and the need for additional support.</li> <li>• Strengthening relationships within the agriculture industry is necessary.</li> </ul> | <p><b>Health and Social Services:</b></p> <ul style="list-style-type: none"> <li>• The health sector requires attention and advocacy to meet the community's needs.</li> <li>• Health, jobs, transport, and schools are key pillars for attracting new residents and businesses, with healthcare quality being a significant concern.</li> </ul> |
| <p><b>Strategic focus and attraction:</b></p> <ul style="list-style-type: none"> <li>• Council should develop and implement an effective attraction strategy to draw businesses and talent to the region.</li> <li>• Emphasising the quality of life, affordable housing, and fewer infrastructure obstacles can attract new businesses and workers.</li> <li>• For foreign investors, the ease and certainty of investment,</li> </ul>                                 | <p><b>Emerging sectors and challenges:</b></p> <ul style="list-style-type: none"> <li>• Key target sectors include the clean economy and the entire supply chain from components to servicing, as well as recycling and processing minerals related to clean energy supply.</li> <li>• Aboriginal and Torres Strait Islander tourism is a key sector, but growth in this area doesn't significantly reach the MidCoast.</li> </ul>                                  |  |

planning, and land acquisition processes are critical.

## Suggested Actions for Council

Below are suggestions for Council to consider, based on the stakeholder engagement process:

- Advocate for investment in enhancing essential services, including health, telecommunications, and power infrastructure.
- Tackle housing constraints to support population growth and workforce stability.
- Proactively promote the MidCoast's competitive advantages to councils, governments and businesses across various sectors.
- Continue to engage with major and smaller local businesses to understand and address their needs, ensuring their continued success in the region.
- Identify, with agriculture businesses and farms to determine the support required for their growth and sustainability.
- Work with relevant government agencies and industry bodies to identify skill gaps and workforce needs in the region, then focus on attracting and developing the necessary talent.

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