

## Quarterly Progress Report to Council Members December Quarter 2018

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### 1. Regional Economic Development Plan

As part of the 2017 Launceston City Deal, NTDC was given the responsibility to develop a Regional Economic Development Strategy to ensure the Launceston City Deal is leveraged to benefit the whole region. The City Deal requires the strategy to set out an economic vision for Northern Tasmania and identify where future economic growth and employment is likely to come from.

The Regional Economic Development Plan (REDP) aims to encourage collaboration amongst all stakeholders to achieve positive outcomes for the region. It is not just NTDC's plan, but it belongs to the whole Region. The Tasmanian Government contributed \$140,000 toward funding the plan.

The Regional Economic Development Plan (REDP) is now in its final draft form with various input from stakeholders and will be presented to all three levels of government over January and February 2019 to agree to public release for consultation.

NTDC has also received very good testimonial from the VC of UTAS, Prof Rufus Black regarding the Key Direction's Report (undertaken by National Institute of Economic and Industry Research, NIEIR) that underpins our REDP strategies. His quote is as follows:

*"I think the analytic work describing the current situation has a rigour and clarity that makes this a seminal document. It an outstanding piece of regional economic analysis whose insights offer the basis for the sort really sound evidence-based policy that can help transform the region" Prof Rufus Black.*

The key themes that have evolved in the REDP are as follows:

- 1) **Strengthening Regional collaboration** – acknowledging that we need more sharing of information, trends and collaboration to become more globally competitive. The LGA's working together has improved significantly over the past 18 months, this needs to extend with more commitment from the State Government to work regionally, and into the private sector via clusters or consortia where appropriate to maximise and leverage our economic potential.
- 2) **Growing our exports** -to Increase international and interregional exports by 45% from current levels in order to significantly reduce the \$1.4B/year gap between our region's exports and imports. An industry focus to achieve this growth is recommended around 'Food Systems' (everything from agricultural production through to food science, processing, biosecurity, high tech applications, etc). According to NIEIR this is the largest export growth opportunity by 2031 for the region.
- 3) **Increasing our population** - We need to increase the working age population (18-64) by approximately 10,000 to provide the skills and fill the jobs required for our growing economy. Additional resources will be required to achieve the work plan set by the Population Taskforce (details attached) and Chaired by Michael Stretton. This is a major focus that will require funding support from three levels of government.
- 4) **Encouraging a culture of innovation** - Innovation underpins investment, skills development and economic growth in adaptable and successful regions. To be globally competitive we will need to nurture an innovative and creative culture in all areas starting from our school children. We will also need to ensure we update our digital infrastructure and technical capabilities to support and increase innovation. Some LGA's in the region are active participants in the Smart Cities Program which is a mechanism to support greater innovation.

- 5) **Attracting investment** - We need to increase the public and private investment by approximately an additional 40% by 2031 - this equates to an additional \$500M per annum with two thirds of this investment required from and through the private sector. An Investment Taskforce has been appointed to help address funding options for SME's.
- 6) **Boosting productivity** - We need to improve our productivity to improve our global competitiveness. Productivity directly links to our education attainment, health outcomes, investment in technology, digital capacity and our ability to foster an innovative culture. Our increasing productivity will be reflected in higher paid (and higher skilled) jobs in current and future industries.
- 7) **Investing in place making infrastructure** – Councils are already active in this space. The plan acknowledges the important work required to ensure the region has the amenities, community assets and lifestyle factors that will attract (and retain) a growing and diverse population that underpins our regional prosperity.

The plan also builds on strategies already in place and is the next step in the region's economic journey. It is supported by a three-year delivery program that prioritises actions and a measurement framework to report on progress.

The proposed next steps for the REDP are proposed as follows:

- Jan/Feb - Present REDP to all 7 Member Councils
- 8 Feb - Present to City Deal Exec Board
- Mid Feb – Release of Draft REDP for Public distribution (including media communications)
- Feb/March – Council members, City Deal Board (incl. Commonwealth), and Tasmanian Government provide feedback to NTDC
- April – NTDC provides the Final REDP with a report back to council members on any proposed changes from all stakeholders and how it is recommended they be addressed (and why).
- April - Council members recommended to endorse the REDP
- May - Final REDP is released (as part of a Communications Plan)
- May – NTDC will provide an Annual Plan of work aligned with the REDP Three Year Program and a budget to Council Members for NTDC's operations for three years 19/20 to 21/22 and funding request for the Population Program (two-year program).

## 2. NTDC Annual General Meeting

The NTDC Annual General Meeting was held on 26 October 2018 to comply with ASIC requirements. The meeting endorsed the audited financial reports. A more comprehensive Member's Meeting was held on 5 December 2018, and all Council Members (Mayors) and their delegates were invited. Also, councilors from all councils were invited to attend as observers.

The December meeting included an update on the REDP, the status of the Regional Priority Projects, and a presentation from Richard Webb, CEO and Co-founder of Start Mesh, Founder of South Bondi, Chairman and Founder of Red Ocean, recognised TEDX speaker and a member on NTDC's Investment Taskforce. The primary message from Richard, was the impact of change on our society and the emergence of the 'individual to individual' economy. A copy of Richard's presentation is available for review.

### 3. Northern Prison

NTDC CEO, Maree Tetlow, has attended Council Member General Managers Meetings over the past few months. In addition to talking through the implications of the REDP, other issues of joint interest have been discussed – such as the Northern Prison project. The General Managers and NTDC have requested the Department of Justice to appoint the NTDC CEO as a regional representative on the Northern Prison site selection committee. At this stage this request has not been accepted.

### 4. Population Taskforce

To address the region's population challenge a Population Taskforce was established in 2018. The taskforce is chaired by Michael Stretton [General Manager, City of Launceston], and other participants include Office of the Coordinator General, State Growth, Launceston Chamber of Commerce, UTAS, NTDC and George Town Council.

The Taskforce have defined the priorities to attract and retain our working age population, and NTDC has submitted a budget proposal to the State Government and has also requested consideration by the Commonwealth Government (via the upcoming City Deal Board meeting).

NTDC has requested \$200,000 from both State and Commonwealth Governments over a two-year period and will also present a proposal to Council Members for \$100,000 in total over two years based on our established council funding methodology. This will be presented in more detail to Council Members in April.

### 5. Investment Taskforce

To address our investment attraction challenge NTDC established an Investment Taskforce to consider how to attract the private component (two thirds) of the \$500M additional investment required to meet our economic targets and support the private sector projects in the region.

Greg Bott, Deputy Chair of NTDC (and an ex banker) chairs the taskforce. The other members include representatives from a current banker, a person with networks into the investor community, a venture capital firm, a representative from RDA Tasmania, and from the Office of the Coordinator General (to ensure we avoid duplication).

To date some investment mapping has been undertaken (outlining the type of financial products and services available), three meetings have been held, and four smaller private projects have been considered by the taskforce for support and advice. Letters have been sent to the major accounting firms to advise them of the complimentary service the taskforce can offer their clients.

Observations by the Taskforce to date to date are that often businesses looking for funding are not successfully connecting with the right financial provider. The Taskforce is working to identify potential projects and business expansions that are having difficulty sourcing finance from traditional sources. This may be anything from recommending changes to the proponent's business-case, or to consider more innovative financing options such as Crowd Funding or Venture Capital Funding.

NTDC will distribute an Investment Taskforce flyer for councillors and staff to provide to business or project proponents that may need support.

## 6. Advocacy

NTDC has met (or has meetings set) to meet with both major political party's representatives in the upcoming Commonwealth election. NTDC is advocating for support of the following Region Projects as identified through our agreed assessment methodology. Council priority projects not on this list are supported as Tier 2 local priority projects. Councils are also active in supporting their council projects to the candidates.

NTDC Regional Priority Projects (must provide >\$50M in GRP):

1. Launceston City Deal - UTas Inveresk campus
2. Northern Prison
3. Translink Launceston Gateway
4. Launceston Co-Located Private Hospital (with LGH)
5. Fermentation and Food Precinct
6. Australian Defence Innovation & Design Precinct (DIDP)
7. Bell Bay Maritime Maintenance Hub
8. Marinus Link
9. Launceston City Deal - Tamar River Health Action Plan
10. Launceston Sewerage Improvement Project (LSIP)
11. Westbury Bioenergy Plant
12. Direct International Communications link (potential)
13. Hydrogen Energy Proposal (potential)
14. Organic Milk Processing
15. Sealed Road from St Helens to Ansons Bay
16. Northern Tas Data Centre
17. Queen Victoria Museum Investment

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