



NENWACC Strategic Regional Plan 2004 - 2007

*'Leading development and diversity
in the New England North West region.'*





EXECUTIVE SUMMARY

The NENW of NSW refers to approximately 100,000 sq kms in the north of NSW that covers 14 Local Government Areas. The NENW borders Queensland and lies mainly to the west of the Great Dividing Range. The region is geographically varied incorporating three ecologically diverse regions - the Northern Tablelands, the Northern Slopes and the Central Northern Plains.

The New England North West Area Consultative Committee (NENWACC) is contracted by the Australian Government to be the primary link between the Australian Government, business and the community in the NENW region. The NENWACC aims to improve the physical, social and economic conditions of communities across the region. The NENWACC is a key facilitator of change and development in the region and facilitates whole-of-government responses to opportunities in our communities.

The NENWACC has three core responsibilities from which all activity is derived. These responsibilities are set out by DOTARS in the ACC charter and will comprise the framework on which this of the Annual Business Plan develops. To achieve these responsibilities the NENWACC works with communities and organizations in partnership to develop projects and initiatives.

Core 1: To foster and be a key facilitator of change and development throughout the NENW.

Core 2: To provide a vital link between the Australian Government, business and the community.

Core 3: To facilitate Whole-of-Government responses to opportunities throughout the region.

The Strategic Regional Plan identifies nine Key Regional Priorities. The appendices include a situation analysis of each priority and associated barriers to change.

- *Coordination & Planning*
- *Our Communities*
- *Indigenous Development*
- *Investment in Regional Development & Business*
- *Infrastructure*
- *Healthy Environment*
- *Support for the Namoi Valley*
- *Education & Training*
- *Employment*



REGIONAL DEVELOPMENT IN THE NEW ENGLAND NORTH WEST REGION

The NENW of NSW refers to approximately 100,000 sq kms in the north of NSW that covers 14 Local Government Areas. The NENW borders Queensland and lies mainly to the west of the Great Dividing Range. The region is geographically varied incorporating three ecologically diverse regions - the Northern Tablelands, the Northern Slopes and the Central Northern Plains.

More recently there have been significant increases in developing bottom-up partnership approaches to sustainable development. This trend has included community participation and self-help processes, industry and government partnerships and locally based solutions, with an emphasis on networks, education, training, social capital and leadership.

The New England North West (NENW) of NSW has a strong potential for future growth based on;

- Nationally significant agricultural status
- A strong educational base including the University of New England and the Sheep, Beef, Cotton and Poultry Co-operative Research Centres
- A diverse natural environment providing a range of environmental experiences
- Significant Indigenous and cultural history in the region

NEW ENGLAND NORTH WEST AREA CONSULTATIVE COMMITTEE

The New England North West Area Consultative Committee (NENWACC) is contracted by the Australian Government to be the primary link between the Australian Government, business and the community in the NENW region. The NENWACC aims to improve the physical, social and economic conditions of communities across the region. The NENWACC is a key facilitator of change and development in the region and facilitates whole-of-government responses to opportunities in our communities.

To achieve the priorities set out in the National Charter for Area Consultative Committees, the NENWACC;

- Regularly liaises and works in partnership with community groups, business and all levels of Government
- Helps individuals, businesses, community groups and Government bodies to link with other organisations with similar goals
- Works with businesses and community groups to develop quality funding applications for projects that will advance the region
- Sets a vision and priorities for development in the region through the Strategic Regional Plan and annual Business Plans

Board Membership

Members appointed to the NENWACC Board represent regional and community stakeholders and are, honest, open and transparent. The Board is responsive to the community and the Government providing frank, honest, comprehensive, accurate and timely advice.

Board members are chosen because of their ability to represent the region both geographically and across their areas of expertise. The range of expertise on the Board provides the NENWACC staff with strong leadership, opportunities for network development, and maximises the use of the NENWACC's resources.



EVALUATION AND REVIEW

The NENWACC evaluates its activities and projects in order to continually improve the services provided to the region.

Method of evaluation

What?	Who?	When?
Interviews and surveys Social impact analysis	Community Local Government	Annual review
Revision of committees, partners and steering groups	NENW Partners NENWACC	Annual review
Benchmarking against other regions	NENW Partners	Annual review Review at time of SRP development
Cost-benefit analysis and review of grant investments	NENWACC	Annual review
ACC review against key performance indicators	NENWACC	Annual review

THE NENWACC'S ROLE IN REGIONAL PARTNERSHIPS

The NENWACC makes formal recommendations on Regional Partnerships applications as part of the Departmental assessment process and provides support for other projects where appropriate.

Projects provided to the NENWACC Board for recommendation will be prioritised against this Strategic Regional Plan. Specifically, applications to the Regional Partnerships programme will be given a ranking from 1 to 4 according to the following criteria which correspond directly to the assessment criteria laid out in the Regional Partnerships guidelines. (Refer to www.nenwacc.com.au 'project recommendations' for assessment.)



STRATEGIC REGIONAL PRIORITIES

COORDINATION AND PLANNING

The NENWACC will support projects developed in partnership, delivering efficient and effective services, and strengthening community and governance structures. The NENWACC encourages agencies to work strategically, focussing energies and investments on core strategies including inter-regional and sub-regional opportunities.

The NENWACC will work in partnership and endeavour to improve the coordination of activities between tiers of government and the community to increase opportunities for development.

The NENWACC will continue to disseminate information on government priorities and programmes that is consistent, accurate, regular and creditable for the benefit of business and the community. The NENWACC will continue to provide high quality information and advice back to the Australian Government.

To fulfil its aims, the NENWACC works in partnership with a number of key agencies including the CMAs around the region. Partnerships are essential for the development of our communities and our region.

OUR COMMUNITIES

The NENWACC will foster leadership by supporting and promoting local and regional programmes and networks that aim to develop leadership and leadership potential in communities.

The NENWACC will support projects to develop comprehensive plans for the provision of services based on community needs and demographic data. The provision of health and allied health services are important to the region.

The NENWACC will encourage capacity to adapt, for self-help, the promotion of underlying strengths good governance and development of sustainability. The NENWACC will support projects that develop the capacity of volunteers and volunteering in communities. Volunteering can be critical to the success of communities, creates positive feelings, encourages creativity, building social capital and assisting communities to share their successes and experiences widely. The NENWACC will support projects that nurture agricultural diversification, value adding opportunities and high water conversion efficiency.

The NENWACC will support community projects that build safer and healthier communities encouraging sport and recreation, arts and crafts and tourism in the region. The NENWACC will support initiatives that assist in strengthening family units, encourage youth development and productive relationships.

INDIGENOUS DEVELOPMENT

The NENWACC will support strategies to address development of Indigenous communities that are preventative and long-term rather than reactive. Projects should be creative and collaborative with all levels of Government and the private sector. Projects should be initiated by Indigenous people, be based on respect and be culturally significant.

The NENWACC will support projects that target the development of children and their environment, prevention of violence, crime and self-harm.



The NENWACC will support enterprises that develop school to work pathways, workplace learning programmes, skills, employment and economic stability for Indigenous youth and communities.

The NENWACC will support initiatives that increase the school attendance rate of Indigenous students through support for participation, parental and community engagement and support. Support will be provided for mentoring projects for students, using the skills and leadership of Indigenous Elders and community leaders.

The NENWACC will support effective structures and arrangements for the participation of Indigenous people in decisions regarding planning, good governance, delivery and evaluation of services. The NENWACC will support projects that assist communities to develop leadership within their own organisations, enterprises and communities. The NENWACC will support projects that evoke pride and self-sustainability in Indigenous communities.

INVESTMENT IN REGIONAL DEVELOPMENT AND BUSINESS

The NENWACC will support projects that promote sustained regional investment and prosperity. The NENWACC will support initiatives that increase the capacity of business, industry and communities to deal effectively with drought and natural resource efficiencies. The NENWACC will support initiatives that aim to identify and promote the competitive advantages of the NENW, identify existing product strengths, key products, support regional alliances and integrated marketing, and promote investment and lifestyle opportunities.

The NENWACC will support initiatives that assist businesses in developing export markets, promote export clusters and alliances, and provide information and advice on export opportunities and networks. Projects and strategies should link industry, Government and communities to foster a holistic approach to development. The NENWACC will support the diversification of agricultural production and speciality crops and the development of whole of supply chain strategies.

The NENWACC will support and facilitate strategies that support small businesses (including home-based businesses) with assistance to grow and develop their businesses.

The NENWACC will encourage the flow of investment funds into the NENW region, to improve access to finance for businesses in the NENW. Access to finance includes; access to capital, subsidised loans or guarantees and direct public lending.

The NENWACC will support strategic and integrated local and regional tourism initiatives including regional and inter-regional clusters, Indigenous, sports, arts, heritage, culture, food and wine, nature based and educational tourism.

INFRASTRUCTURE

The NENWACC will encourage prioritisation of infrastructure projects of significance based on connectivity between regions and national/global markets. The NENWACC will support partnership approaches to provide infrastructure that enhances regional competitiveness and access to opportunities.

The NENWACC will encourage support for strategic transport infrastructure projects that underpin community development and are based on local and regional information. The NENWACC will also support transport strategies and infrastructure that encourages movement in and out of the region.

The NENWACC will provide support for activities that facilitate innovation and development of new technologies on a sustainable basis. The NENWACC will support projects that aim to sustain



telecommunications infrastructure, existing and new providers, availability and access, competition and value for money.

HEALTHY ENVIRONMENT

The NENWACC will support projects that contribute to the sustainability of natural resource management and related industries such as agriculture and forestry in the NENW.

The NENWACC will support projects that showcase and encourage care for our spectacular natural heritage and encourage sustainable eco-tourism.

The NENWACC will support projects that aim to increase participation in community natural resource management education.

SUPPORT FOR THE NAMOI VALLEY

The NENWACC will support projects that maintain the competitiveness of existing businesses and their dependent local service industries by facilitating the adjustment of business and their plans for future development.

The NENWACC will support projects that nurture agricultural diversification, value adding opportunities and high water conversion efficiency.

The NENWACC will support projects that build capacity of the Namoi region by supporting leading businesses to access and apply knowledge based services in their businesses.

The NENWACC in partnership with Catchment Management Authorities, the NSW Government and other relevant services will assist irrigators to understand the effects of the introduction of the WSP and provide a referral network for assistance from Australian and NSW Government programmes and private investment.

The NENWACC will prioritise projects that demonstrate viability, and contribute to value-adding and market development opportunities.

EDUCATION AND TRAINING

Education and learning needs to be promoted to develop a culture of learning in communities and in the workforce. Projects that encourage attendance and success at educational institutions should be developed and valued.

The NENWACC will support projects that enable individuals to develop the skills to remain competitive in the labour market, and maintain a supply of skilled workers to meet the demands of growing industries. There is a need for regional and local marketing campaigns to assist with the perception and promotion of trades, education and training and their value to our community. The NENWACC will support the development of links between business, trainers and potential apprentices/traineeships to determine local shortages and strategies to address these shortages.

The NENWACC will support the provision of training courses that assist operators to understand business risk, structural change, management options and assist with access and training in skills and specialist advice on business planning and long-term opportunities.



The NENWACC supports investment in education such that institutions and services in the region are maintained at a consistent standard, accessible and flexible to the needs of individuals, communities and industry across all sectors.

EMPLOYMENT

The NENWACC will support projects that increase the capacity of business and industry to employ more people, and promote local and regional employment.

The NENWACC will support projects that aim to attract, recruit, retain skilled professionals and tradespeople in the region and that develop a strong skills base in response to identified employment gaps in the region, marketing opportunities, facilitating inward migration to the region and making more effective use of existing business migration initiatives.



ANNEXURE 1 - SITUATION ANALYSIS

COORDINATION AND PLANNING

There is a clear need for coordination between Government jurisdictions and agencies throughout the region. Community members want a central point of contact with which to connect with Government agencies. The coordination of services must have local cooperation, reduce competition and be effective in addressing regional development and regional issues.

Co-ordinated service delivery should also address demonstrated community needs in order to be effective in making changes that are valued by our communities.

Agencies need to recognise and avoid ineffectiveness as a result of conflicting objectives.

One size definitely doesn't fit all. The NENWACC understands and recognises the unique needs of all of our communities.

OUR COMMUNITIES

The regional development policies of the 1980s focused on the revitalisation of under-performing regions through industry clustering, the provision of infrastructure, business incubators and advisory services, and location development. The unit of focus was the individual business, reflected in the strategies to encourage investment in the growth of new and existing businesses.

The late 1980s saw the emergence of sustainable development principles which emphasised the 'triple bottom line' integration of economic, social and environmental values in national, regional and local decision making.

The communities of the NENW recognise that change must occur to ensure a prosperous future for Australia's regions, and each sees different opportunities ahead.

Governments are striving to ensure that development projects are supported by those who will be affected by the change and see the need to use local knowledge to develop projects that match regional needs. Enabling communities to have a hand in designing their own future assists in developing a sense of ownership and empowerment in the community. Community identities are changing and being forced to change with Local Government amalgamations.

Communities often need to look outside of their immediate region to the experiences of others in order to begin this process of change - research shows that communities with an outward focus, good networks, innovation and inquisitiveness about others' successes and failures, succeed in adapting to change over time.

Our communities include individuals who have talent and knowledge - the key drivers of regional competitiveness. As people are our innovators, attracting and retaining talented individuals to regions is important. Therefore, the quality of life of a community that attracts these people is important. Quality of life, open learning and sharing of opportunities offered by a region is paramount to success.^A

There needs to be recognition of the contribution that sport and recreation, tourism, and the hospitality and arts sector makes to our quality of life and regional economy.

^A DOTARS (2002) Regional Business Development Literature Review



Strong leadership is an important factor in the development of communities. Good leaders have clear and communicable ideas of what they are trying to achieve and can bring people together to work towards the future.

INDIGENOUS DEVELOPMENT

The NENW region is the traditional land of the Kamilaroi Nation and is settled with people from the Gomilori, Anaiwan, Bigambul, Ngarabal, Gunn-e-dar, Wiradjari, Marbul, Thungutti, Kwiambal and Banbil and Bunjalung tribes. The Indigenous population of the region is 12,176 - 7.04% of the total population of the region - with the highest Indigenous population in the Moree Plains Shire at 17.84%.

Indigenous disadvantage is well documented and shown most fundamentally in the 20 year gap in life expectancy between Indigenous and other Australians^B. On average, Indigenous communities suffer from education disadvantage, youth disengaged from society, lower income levels, substance abuse, lower standard of living and significant unemployment.

There are already significant projects in the region that target children from 0 - 3 years. This reflects research that early intervention can affect whole of life and whole of community change and facilitate a positive transition from childhood to adulthood.

Indigenous people are best placed to deliver services within their own communities. Service agencies should be providing assistance that helps Indigenous people develop their own leadership potential, education and training opportunities and capacity within their communities.

INVESTMENT IN REGIONAL DEVELOPMENT AND BUSINESS

The high altitude and cool year-round climate of the Northern Tablelands is traditionally a stronghold of graziers, and is also host to niche and emerging industries such as cut flowers, viticulture and aquaculture. In contrast, the lower altitudes and warmer climate of the Northern Slopes and Plains are famous for their dry land and irrigated crops and the potential of mining. Viticulture and aquaculture are also emerging on the plains and new crops such as lentils and sunflowers.

The agriculture sector represents the largest industry in the NENW with 7.86% of the total population employed in this area. Retail (5.97%), Health and Community Services (4.01%) and Education (3.59%) are the other major industries. Manufacturing is also a significant industry for the region, particularly in the Northern Slopes employing 2,684 people.

Business in the NENW is based around the profitability of the agricultural sector. Market demand for value-adding to rural products means that we can no longer focus solely on production of raw commodities and need to develop opportunities to service the final customer.

There is strong recognition of the role of business and small business development in generating economic and employment growth in the NENW. Small Business is a large contributor to the NENW region, to employment and productivity with two-thirds of small business being home based.

Employment in small business can provide employees with significant experience in all aspects of business. Regional small business is in a disadvantaged position to employ new people, with regional small business profitability showing a decline of 1.34% between 1995 and 2000 compared to an increase in profitability of 23% in the metropolitan small business sector^C.

^B DIMIA, (2003), Overcoming Indigenous Disadvantage: Key Indicators 2003

^C DOTARS, (2003) Regional Business Development Analysis



Tourism is an opportunity for growth in the region and can be a significant economic driver for the NENW.

The over 55 market accounts for 21% of the population but represents 25% of all disposable income, own 39% of the nation's assets and 54% of the financial assets. Over the next decade the coming decade will see further rapid growth in the importance of this market to manufacturers and retailers.

INFRASTRUCTURE

Total domestic freight transport grows at an average rate of 2.8% per year and is estimated to double in the next 20 years^D. There is a lack of long-term infrastructure planning throughout communities and the region.

The NENW supports the Australian Government direction to develop strategies aimed at developing transport corridors of strategic national importance including road and rail links between cities and to improve connections to production and distribution centres, major ports and airports, strategic investment development of sustainable road, rail and air transport can provide regional economic growth, development and connectivity. The NENW supports coordinated infrastructure planning across regions and state borders.

HEALTHY ENVIRONMENT

The NENW of NSW plays host to some unique examples of flora and fauna communities, with magnificent vistas along the edge of some of the most spectacular gorge country in Australia. The Oxley Wild Rivers National Park and the New England National Park make up a large proportion of the World Heritage area known as the Central Eastern Rainforest Reserves of Australia (CERRA). From the 1524m peak of Mt Kaputar National Park near Narrabri, 10% of NSW is visible on a clear day. And the geological formations of the area are as diverse as Sawn Rocks in the west – a superlative example of organ piping formations – to Bald Rock in the north – Australia's largest granite rock measuring 750m x 500m and 200m high.

Visitation to the NENW's natural features is not high (some of the regions National Parks have the lowest visitation in the state) despite its environmental and cultural value providing many opportunities for education and tourism. One of the reasons for the low levels of visitation is that the primary visitors to the region are "touring by car" and from the highways one does not get a good sense of the topography or the opportunities for eco-tourism experiences.

The region's diverse natural resource base also forms the basis of some of the major production and employment industries in the NENW including agriculture, tourism and forestry. Supporting natural management in the NENW that aims to optimise economic, environmental and social benefits for the region is an important goal of the NENWACC.

Landcare related projects have had strong support from councils and farming families in the region with more than \$250,000 spent on Landcare projects across the NENW just over the past six months.

SUPPORT FOR THE NAMOI VALLEY

Irrigation crops have been threatened in the last few years with cuts in water allocations due to wide-spread water reform. One of the challenges for the NENW over the next few decades is to diversify these traditional agricultural pursuits to achieve long-term sustainability.

^D DOTARS, (2002), Auslink Green Paper: Toward the National Land Transport Plan



The Water Sharing Plan (WSP) for the Namoi Valley was gazetted in December 2002 and is to commence on 1 July 2004. The WSP has been developed in response to two main factors: the need to manage use of groundwater within the recharge limit to ensure sustainability of supply and uses based on that supply, and the modification of the priorities assigned to the competing uses. Water to maintain the health of water source and dependent ecosystems has first priority, followed by basic landholder rights (stock and domestic requirements and native title rights).

The WSP will impact most significantly on four LGAs - Quirindi, Gunnedah, Narrabri and Walgett where ground water is used for irrigation and includes a flow on to Peel Regional LGA.

Socio economic analysis indicates changes will affect industry in the Namoi Valley via a reduction in the capacity to produce of all irrigated crops and some specialty crops, an expansion of dry land crops, mainly wheat and sorghum, and a small expansion in feedlot cattle and small decline in grazing cattle enterprises. A major consideration is the flow-on effect through employment and household spending locally and across the region. The loss of employment is likely to result in the people affected leaving the area.

The major impacts of the WSP will be in the first three years of implementation and will be concentrated in the zones along the Mooki River in Gunnedah Shire, Boggabri and Walgett. Narrabri may be affected by flow-ons to business and farm servicing activities in Wee Waa. Investment in value adding opportunities and agricultural diversification will assist in their structural adjustment.

EDUCATION AND TRAINING

Year 12 completion rates are at 21% across the NENW, 8% lower than the national average completion rates ranging from 19.3% in the Central Northern Plains to 38.9% in the Northern Slopes, which reflects Tamworth's place as the major professional hub of the region. As a stand alone case in the Northern Tablelands, Armidale as the home of the University of New England also has a 37.5% Year 12 completion rate. Across the region 22% of people hold post-school qualifications including certificates to post-graduate qualifications. The proportion of the total population holding post-school qualifications ranged from 23.15% on the Central Northern Plains to 53.57% in the Northern Slopes.

The same trends were reflected in internet use which was more common in the Northern Slopes (44.88%) the Northern Tablelands (23.68%) or the Central Northern Plains (20.15%).

The economic, social and cultural skills of a community and the development of these within the region are reliant on education and training. In some communities across the region, educational opportunities have not been embraced.

The NENW's statistics for unemployment and the number of students leaving in year 10 are above the state average, while the participation rate is below the state average. These statistics suggest the NENW does not have a culture of learning and students cannot see the advantages of higher education within the region. Statistics for Indigenous students are not specifically available, but from anecdotal evidence would also show non-engagement in and early completion of school education.

There has been a decline of 16% in the uptake of traditional trades and apprenticeships between 1974 and 2001. A July 2003 report shows an increase in food and vehicle training apprenticeships, and a significant decline in metal (20.4% to 8.2%), electrical/electronic (13.8% to 9.3%), construction (12.8% to 10.4%), and printing apprenticeships (13.4% to 9%)^E.

^E Apprentice Training Rates: Australia 1974-2001 Page 7 Declining Apprentice Training Rates: Causes, Consequences and Solutions (July 2003) Dr Phillip Toner



There is a partnership between the University of New England (UNE) and TAFE to offer access to educational services across the NENW region. Internal statistics from the UNE show that up to 75% of students educated in the region are likely to work in the region.

EMPLOYMENT

Unemployment is a problem in the NENW with an unemployment rate of 8.8% across the whole of the region - 1.4% higher than the national average. 50,800 working age people or approximately 30% of the total population are not involved in the labour force for one reason or another. On top of this, our young people under the age of 15, the next wave of job seekers, comprise 22.5% of the population. There is a shortage of skilled and unskilled labour in the region across all sectors.

The number of Australians aged over 65 will more than double in the next half century, by 2050 more than one quarter of the Australian population will be aged over 65.

Indigenous people are heavily underrepresented in private sector employment. Across Australia, Indigenous people are four times more likely to be unemployed than other Australians.



ANNEXURE 2 - BARRIERS TO DEVELOPMENT

COORDINATION AND PLANNING

Developing and implementing strategies is impeded without integrated structures, understood and complementary roles between local governments, agencies and regional authorities.

In 2003 there are too many Government development organisations with too little coordination and cooperation.^F The lack of coordination and cooperation between economic development plans is ranked highly in the community, followed by the lack of a recognised lead agency in regional development in the NENW and competition and conflict between agencies.

The review of Local Government boundaries by the NSW Government is creating uncertainty and concern over representation of communities, and in particular the smaller communities that identify strongly with their current Council representatives.

Planning within communities and across the region needs to be coordinated and integrated with the introduction of the Catchment Management Authorities.

The New England North West must recognise the importance of population and service planning for communities. Population planning is encouraged in cases where there is an increasing or decreasing population and be an 'All of Government' approach.

Instability of organisations, representatives and structures only creates community confusion. Duplication needs to be identified and addressed in partnership encouraging the collective use of resources, and a coordinated whole of Government approach to economic development.

OUR COMMUNITIES

Many community people are disillusioned, feel that they cannot influence outcomes, and are disappointed by the processes and regulations imposed on them. But there are examples where our communities have worked in partnership to develop projects that have evoked a positive sense of community.

The recent drought has increased unemployment, stress and pressure on communities, people are leaving and there is increased demand on support services.

The region is experiencing a reduction in the amount of people volunteering and some are reluctant to be involved. Modern life has increased the trend for people to withdraw into their private lives and cease to take responsibility for public spaces or their collective future.

Changes to public liability insurance have further put pressure on community organisations, increasing annual costs and the responsibility of office bearers. The increase in costs and risk has caused many community groups and in particular, public fairs and festivals, to close.

With only 3% of the total NSW population the NENW is disadvantaged by its need to compete with the capital cities for priorities, and lack of long-term regional and population planning.

^F Keniry et al 2003



INDIGENOUS DEVELOPMENT

There are social, economic and environmental factors contributing to the quality of life for Aboriginal people in the NENW. Loss of land and cultural identity, community violence, substance use, unemployment, lower health outcomes and life expectancy are just some of the many complex factors affecting the prosperity of Indigenous people.

Agencies need to recognise both current and historical events that have contributed to Indigenous disadvantage.

INVESTMENT IN REGIONAL DEVELOPMENT AND BUSINESS

The concerns of small business (5 - 20 employees) and micro businesses (less than 5 employees) in the region are lack of access to investment, and compliance with legislation and regulations placed upon them. Nationally, one-third of all small businesses commencing operations each will cease to trade in within 12 months of operating.

The scale of agricultural enterprises in the region are changing significantly; with the average age of farmers increasing, the number of individual farming enterprises decreasing, profitability of farming enterprises changing and affecting small communities linked to agricultural businesses. Impacts of drought have been felt by not only the agricultural sector and by businesses that provide services to the sector, retail trade, transport and storage and hospitality.

Small Business doesn't receive the recognition or attention it deserves in the NENW. Small Businesses are innovative and competitive, and are prepared to take risks and develop opportunities in regional communities.

Business, tourism and industry need to be assured protection and the enhancement of transport infrastructure corridors for development will continue.

The recognition of the business development benefits of tourism are not widely understood and involve hundreds of stakeholders and communities.

INFRASTRUCTURE

The cost of transport, utilities and telecommunications infrastructure is the major barrier for its development in regional Australia. The distances to be covered by this infrastructure to reach customers adds to this cost, and creates trade offs for economic viability.

Developments in communication technologies are moving at a rapid pace. There is an increasing need for the NENW to remain competitive through access to and provision of efficient and reliable technology. Technology is changing rapidly and is affecting traditional practices and consequently employment

Infrastructure planning is interlinked with infrastructure, population and service delivery.

Recent research by Housley Consulting^G shows that towns in the NENW do not have a critical mass of consumers to induce a competitive service provider to invest in new and upgraded broadband infrastructure through normal market forces. Nevertheless, there are numerous institutions and business that would benefit from availability of affordable high bandwidth services.

^G Housley Consulting (2000-2001) "The Housley Report", Prepared for Armidale Incorporated



HEALTHY ENVIRONMENT

The diversity of natural experiences in the NENW is coupled with a problem of accessibility and distance.

A shift in thinking is required for traditional farmers to diversify into new products and value-adding. Landholders find it difficult to access skills based education because of the demands of their primary production businesses.

SUPPORT FOR THE NAMOI VALLEY

The decision to apply cuts across all Aquifer Access Licences (Alas) means that all farm businesses are affected. There are 73 businesses/operators, where the reduction is more than about 40% are at considerable risk and may require farm structural adjustment. Other operators at risk are those that have a low 10 year history of use and high recent use that are not yet identified.

The size of the cuts is an important determinant of adjustment costs and economic impacts, relatively small cuts can be accommodated through adjustments to the way a business is operated and impacts on production and adjustment costs are small. Larger cuts will lead to changes in business structure and operating systems and therefore increase economic impacts and adjustment costs.

The size of those impacts depends on the flexibility available to operators to adjust the way they run their operations with less water. The effects are compounded by the way the reductions are introduced through the number of businesses affected and the adjustment costs that they incur.

There was low interest amongst those affected in investment and management changes that improved the efficiency of water use (this is already at a high level on most of the major irrigation properties). There was relatively low interest in the development of new enterprises and in entering into collaborative arrangements with other irrigators. The responses reflect the feelings of uncertainty and discontent with the development and implementation of the WSP.

EDUCATION AND TRAINING

In some communities within the NENW there is not the infrastructure to support an education service and technology is needed to provide access to educational and training services in regional areas.

The financial incentives to employ apprentices are not of significant value and the quality of applicants for apprenticeships is declining. The availability of suitably qualified employees is an important constraint to business investment.

EMPLOYMENT

As the largest employer group in Australia, small businesses often resist employing new staff because of the perceived burden of added compliance requirements and a perceived risk associated with workers compensation.

Nationally, research shows that the attitude to older workers needs to be improved. Recognition is needed of the value they can add to operations, combining wisdom, above average quality of work, loyalty, a good work ethic, lower turnover, lower absenteeism and a positive attitude to the organisation.



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