



Economic
Development Strategy
2018-2021



Buds

\$5



Coffee *

babuchino †

biscuit

10am - 11am

Baw Baw Shire Council Economic Development Strategy

Introduction

Baw Baw Shire is one of Victoria's fastest growing regions, boasting A-grade attractions and natural wonders as well as easy access to Melbourne by road and rail.

Though recognised as one of the six local government entities comprising the Gippsland region, Baw Baw Shire combines this area's rich agricultural and

manufacturing history with an array of unique attractions, including fine wineries, nature-tourism offerings and picture-postcard villages that harken back to a simpler, quieter time.

The Shire's unique blend of food and wine, hiking and biking trails, mountain scenery, wonderful schools, community spirit and full

calendar of year-round events draws an ever-increasing number of visitors, businesses and residents.

Baw Baw Shire welcomes everyone from near and far to find out why this hidden gem now boasts a range of opportunities for growth and prosperity.

Shire at a glance:

Population 2016	48,479
Projected population 2031	71,000
Size	4,031 km ²
Length of roads	2,473 km of roads
Gross Domestic Product	\$2.3B 2016/17
Median weekly wage	\$1,196





Working closely with Council to achieve its Vision to foster happy, healthy people sharing prosperity and knowledge from living sustainably and in harmony with our rural identity, thriving villages, productive and inspiring landscapes, Council Plan 2017-2021 is founded on four Objectives:

Vibrant Communities	<ul style="list-style-type: none">● Quality community focused services, facilities and infrastructure to support a growing community● Managing Baw Baw's growth and development● A Vibrant, healthy and inclusive community● Thriving town centres, rural and remote communities
Thriving Economy	<ul style="list-style-type: none">● Supporting innovative, thriving and sustainable local business and industry providing local employment
Safe and Sustainable Environments	<ul style="list-style-type: none">● Protecting and sustainably managing Baw Baw's environment● Efficient roads, transport and parking● Community safety and protection● Preparing for the impacts and consequences of climate change and extreme events
Organisational Excellence	<ul style="list-style-type: none">● Innovative, community focused and future ready● Positive leadership, advocacy and decision making around shared goals● Providing community benefit by effectively managing council's resources and finances● Staff who are supported to ensure they are effective, safe and skilled in the workplace

While the Economic Development Strategy will help to enhance the overall Council Plan's four Objectives, it will figure prominently in delivering on the Thriving Economy element. In addition to the overall Economic Development Strategy, the campaign will feature a dramatically enhanced *Visit Baw Baw* tourism website that includes major upgrades to both the front and back end systems, and comprehensive, real-time analytics. The strategy also will include three Destination Action Plans, focusing on key tourism sites within the Shire: Walhalla and Mountain Rivers; Noojee and Surrounds; and Yarragon and Surrounds.

Following close consultation with industry, government, community and tourism groups, the strategy has identified a range of key projects across the Shire's leading and developing business sectors that will focus on increasing employment and economic productivity. While many of these will concentrate on short-term (12-24-month campaigns), attention also has been given to longer term projects that will run in parallel with the others.

This strategy has been developed in keeping not only with several Council-adopted documents, but with others that have been initiated in recent times.

These documents include:

- The Council Plan 2017-2021 (adopted by Council in 2017)
- The Visit Baw Baw Destination Branding Strategy (adopted by Council in 2014)
- The Economic Development Strategy 2014-2018 (adopted by Council in 2014)
- The Visit Baw Baw Peer Review and its recommendations (adopted by Council in 2017)
- TRC Consulting Tourism Marketing Plan 2018
- The Recreational Vehicle and Tourism Signage Plan 2017 (adopted by Council in February 2018); and
- The Economic Development Discussion Paper 2017.





SWOT Analysis

Competitive Strengths

Proximity to Melbourne and major markets

Low unemployment

Access to labour force

Road/rail access

Major events venues within the Shire, including Lardner Park and Mt Baw Baw Alpine Resort

High production capacity

Weaknesses

Under-developed tourism marketing campaigns

Land use pressures

Under-resourced Economic Development/Tourism officers

Lack of infrastructure in many key destinations

Lack of large retail/shopping complexes

Lack of quality accommodation

Opportunities

Export markets

Productivity gains

Improved local/regional branding

Agri and eco-tourism developments

Redevelopment of West Gippsland Arts Centre

Establish close collaborations with state and federal agencies and local events venues such as Lardner Park and Mt Baw Baw Alpine Resort

Grow existing and emerging markets including food and wine trails, cycling tours and weekend escapes.

Threats

Competing LGAs

Ageing workforce

Land use conflicts

Growth of competing regional tourism destinations

Regulatory compliance issues (particularly for farm-gate and hospitality businesses)

Economic Development Framework

Following the framework set out in the Economic Development Discussion Paper provided by Urban Enterprise in 2017, a series of meetings were undertaken with local businesses, state and federal government agencies, industry and community groups and tourism operators. These meetings have confirmed the following four guiding principles for the strategy.

Prior to outlining the initiatives contained within the Economic Development Strategy for 2018-2021, it's worth considering key economic indicators driving Baw Baw Shire.

Business Engagement

- Ensure economic development staff are visible and active in the local business community, and businesses are consulted in an effective and meaningful way

Business Attraction

- Attract investment from businesses, which diversify and add value to the local economy, and ensure that Council's message to investors is that the Shire is 'open for business'

Business Advocacy

- Advocate and represent the needs of local business both internally and externally

Tourism

- Tourism has been added as a fourth principle due to its importance to both the Shire's employment and economic productivity prospects

Local Government Economic Indicators

Local Government Indicators	Gippsland				Peri Urban	
	Baw Baw	Latrobe	South Gippsland	Wellington	Melton	Mitchell
2006 GRP (billion)	1.22b	3.5b	1.08b	2.45b	0.92b	0.92b
2016 GRP (billion)	2.026b	4.3b	1.44b	2.53b	2.77b	1.56b
% GRP Growth 2006-2016	+54%	+24%	+33%	1%	+201%	+64%
2006 Jobs	12,646	27,372	9,535	14,629	11,404	8,489
2011 Jobs	14,127	25,620	9,997	14,192	16,139	9,483
% Jobs Growth 2006-2011	+12%	-6%	+5%	-3%	+42%	+12%
% Unemployment (Mar 2017)	5.00%	7.80%	4.80%	6.60%	8.60%	6.10%
2014 Median House Price	\$338,500	\$210,000	\$260,000	\$241,000	\$400,000	\$335,000
% Growth Median House Price 2006-2016	+64%	+38%	+46%	+38%	+57%	+46%
2016 Population	48,072	74,026	28,017	42,266	138,641	40,595
2006-2016 Population Growth	+27%	+5%	+8%	+4%	+72%	+32%

Source: Remplan Economic Profile, Valuer General's Guide to Property Values. Compiled by Urban Enterprise 2016

Employment

In 2016, there were 15,807 workers – an increase from 14,223 in 2011 in Baw Baw Shire. Health care and social assistance and Agriculture, Forestry and Fishing remain as the largest employing industries. There has been the greatest increase in those two sectors as well as in the Accommodation and Food Services industry.

Industry	2011	2016	Change
Health Care and Social Assistance	1,726	2,060	334
Agriculture, Forestry and Fishing	1,705	1,994	289
Education and Training	1,498	1,767	269
Retail Trade	1,616	1,540	-76
Construction	1,178	1,307	129
Accommodation and Food Services	1,016	1,298	282
Manufacturing	1,254	1,045	-209

Source: ABS Census, 2016

Economic Output

This refers to the gross revenue generated by businesses/organisations in each industry sector. Here are the top seven:

Industry Sector	Percentage	Change
Manufacturing	\$724.80 mil	18%
Construction	\$556.52 mil	14%
Rental, hiring & real estate services	\$450.63 mil	11%
Agriculture, forestry and fishing	\$433.62 mil	11%
Wholesale trade	\$205.96 mil	5%
Health care & social assistance	\$196.01 mil	5%
Retail trade	\$180.45 mil	5%

Source: ABS Census 2016

Employment opportunities are expected to remain strong in health, agriculture, construction and retail.

Unemployment

The unemployment rate for Baw Baw Shire in March 2017 was 5 per cent - significantly lower than for the Gippsland region overall rate of 6.7 per cent.

Baw Baw Shire has a relatively higher worker containment with 83 per cent of workers living in the area with 17 per cent working here but living elsewhere. Sixty-one per cent of Baw Baw residents also work in the Shire. Thirty nine per cent live here but work elsewhere.

Worker Qualifications

Baw Baw Shire's workforce has a similar level of qualifications to the Gippsland average. Compared with Victoria, there is a lower proportion of workers with Bachelor or Postgraduate Degrees, but a higher proportion with Certificate level qualifications reflecting the type of jobs available.

	Baw Baw	Victoria
Postgraduate Degree Level	4%	9%
Graduate Diploma and Graduate Certificate Level	4%	4%
Bachelor Degree Level	17%	27%
Advanced Diploma and Diploma Level	15%	15%
Certificate Level	42%	28%
Level of education inadequately described	1%	1%
Level of education not stated	18%	15%

ABS census 2016



THEME 1

Business Engagement

Business Networking:

Based on the information revealed in the data provided earlier, Baw Baw Shire's Economic Development team has initiated a series of programs ranging from workshops and training sessions for local business involvement with local business groups and taking part in Gippsland-based incubators and networks designed to increase employment opportunities and provide more productivity across the Shire.

While it is not always possible to provide direct value to business networking, studies from here and overseas have shown that these sessions can lead to referrals, identify possible new job candidates and raise each company's profile among other local providers, all ultimately leading to increased revenue streams.

Moreover, helping existing businesses to grow in Baw

Baw Shire will increase local employment and productivity while also enhancing skills and delivering more value-adding opportunities. By understanding and supporting local businesses, Council has the ability to provide the tools to assist them in achieving their business goals.

Project descriptions including key objectives, expected goals and measurable outcomes are outlined below.

Business Networking Sessions:

Baw Baw Shire will take a lead role in organising a suite of business networking functions and seminars both in conjunction with Small Business Victoria (SBV) and other regional/state agencies, as well as on its own.

6 February	SBV - Effective business networking: Tips to connect with ease 6pm-8.30pm
20 February	SPV - Taking your business online: What you need to know 6pm-8.30pm
14 April	Grow Your Business Together Breakfast and Pop Up Information Centre (Warragul)
10 April	ATO - Tax Essentials for small business 10am to 12 noon
1 May	Grow Your Business Together Breakfast and Pop Up Information Centre (Trafalgar)
2 May	Mobile Small Business Bus (Warragul)
8 May	Grow Your Business Together Breakfast and Pop Up Information Centre (Drouin)
8 May	SBV - Already online? How to drive your digital marketing further 5.30pm-9pm
15 May	SBV - Creating effective digital content: What works and why 6pm-8pm
22 May	SBV – Growing Together with a focus on social media performance: 7.30am-9am
24 May	SBV - Growing Together with a focus on social media performance: 7.30am-9am
24 May	ATO – Record Keeping workshop for small business 9.30am-12.30pm
29 May	SBV – Facebook for your business: Everything you need to get started – 6pm-8pm



Business Networking Sessions (continued):

19 June	SBV - Pricing for maximum profit: How to set just-right prices 6pm-8pm
14 June	ICN/GROW Business Industry Briefings @ Drouin Country Club (4pm-6pm)
24 July	SBV - Marketing your business: How to get it right first time (tbc)
9 August	Gippsland Small Business Festival Lunch (Warragul Country Club)
21 August	SBV - Business Planning Essentials: How to build a road map to success (tbc)
24 August	Victorian Chamber - Capture global business opportunities 9am-11.30am
11 September	SBV - Business planning intensive: Strategies to accelerate growth (tbc) - Session 1
18 September	SBV - Business planning intensive: Strategies to accelerate growth (tbc) - Session 2
11 September	SBV – Finance Fundamentals: How to keep cash flowing (tbc)
23 October	SBV - Start up: How to turn an idea into a business (tbc)
30 October	SBV - Advanced marketing: How to make your strategy work smarter (tbc)
TBC	End of Year Business Networking Function (date/location tbc)

The Baw Baw Shire Economic Development team also will take part and/or help coordinate meetings with business groups/networks as required across the region. These meetings include sessions with groups from across the three wards as required; the Independent Business Council (IBC); Warragul Business Group (WBG); Drouin District Business Group (DBG), Trafalgar Chamber of Commerce, Yarragon Business Association and Neerim District Progress Association as well as host quarterly meetings of the Council's Business Advisory Board (BAB).

Business Briefings

Working in parallel with the networking sessions, the unit will initiate one-on-one business briefings with key players across the Shire's leading industry sectors, including agribusiness, construction and manufacturing, education and training and retail and tourism. The foundation to understanding and supporting local business is building strong and lasting relationships between Council, Shire officers, businesses, industry representatives and government agencies. This will be important for nurturing business, cultivating and diversifying the economy and promoting greater levels of industry collaboration and innovation.



Startup Gippsland

Baw Baw Shire will take part in an innovative and exciting business incubator program including three other Gippsland-based shires that will be launched in late August 2018.

'Startup Gippsland' will give 5-10 startups per participating council the ability to obtain 12-week educational and mentoring services for leading local providers.

Program participants also will meet weekly at regional hubs in each shire to network and learn from each other's experiences.

There are many reasons for why this program is important to Gippsland, which can best be explained through looking at some recent Australian Bureau of Statistics figures. Regional Victoria

has 25 per cent of the state's population but only 3 per cent of startups.

Why are promoting startups important to the regional economy? Startups have been shown both here and overseas to create more jobs. Indeed, companies less than two years old in Australia created nearly all of the 1.6 million jobs in the country between 2003-2016, according to a report from the *Australian Financial Review*. Moreover, companies with advanced levels of digital engagement as opposed to those with basic levels are 50 per cent more likely to make more profit; eight times more likely to be creating jobs; seven times more likely to be exporting and generate 60 per cent more revenue earned

per employee, according to a Deloitte 2017 study.

Other benefits of this program will be opportunities for participating companies to gain introductions to investors from Melbourne and interstate as well as to bring startup industry leaders to Gippsland for the final showcase event.

This program is fully funded by the State Government (LaunchVic) during its first 12 months



Gippsland Business Connect Network

This is an online business directory covering all six Gippsland shires. The program is a low cost, fully-hosted and supported system enabling local government to build dynamic local business networks that facilitate real business networking and connections in their economy.

The program is predicated on several factors including the fact that 97 per cent of the 2.1 million businesses in Australia are small businesses (20 or fewer employees). More than 40 per cent of all jobs are created by small business.

Due to constraints and demands on local businesses, billions of dollars' worth in business-to-

business spending leaves local economies due to lack of visibility of local suppliers. This program will give small businesses across Gippsland much greater visibility, understanding and contact with other small operators in the region while also supporting whole of government procurement policies and practices.

Localised, the independent contractor taking charge of the program, established a similar online business registry in the Greater Geelong region last year.

More than 1,400 businesses are now listed on that registry – a growth of more than 30 per cent in the six months since launching. In 2017, Localised connected local businesses to large and small purchasing opportunities worth \$50 million. Seven networking events also were set up reaching more than 880 local businesses in that region.

This online business registry network is fully funded through the Latrobe Valley Authority (LVA) for the first year.



Gippsland Business Connect

Baw Baw Shire Think Tank

Keeping focused on short to medium term deliverables is always important for local government officers. Time should be made, however, to occasionally step back and think about different, innovative ways of operating that lead to better outcomes for the community.

To this end, the Economic Development Unit has initiated a 'think tank' to get together on a quarterly basis and see if there might be a new program, process or service that could be introduced efficiently and effectively.

The term "think tank" emerged in the 1940s and 1950s in the United States as slang for a room full of people assessing various approaches to battle. Think tanks are now more prevalent in the private and non-profit sector where groups of like-minded individuals gather to study every conceivable topic.

Baw Baw Shire's Think Tank will be chaired by CEO Alison Leighton and bring together a small but dynamic group of leaders from different business and community backgrounds. The

group's initial agenda will be kept broad to ensure that any/all ideas raised by group members may be considered.

The first meeting is set for late June 2018. It is recommended that the group meet on a quarterly basis.

Medium to Long-term Projects

Agribusiness Alliance

Agriculture is the major rural land use in the Shire and underpins the local economy directly through on farm employment and through associated manufacturing, food processing farm-gate tourism and agricultural service industries.

Baw Baw's competitive strengths in primary production come from extensive farmland, versatile soils, above average rainfall, enabling production of high-value products including milk, meat and vegetables. These high value products underpin a significant food and timber processing sector which leverages Baw Baw's accessibility to services and skilled labour, proximity to Melbourne's markets and ports, and strategic export opportunities.

In addition to meeting with individual companies to determine ways in which we can support them, there is an opportunity to develop far larger business efficiencies and export possibilities through holding regular sessions with a larger group of the Shire's leading agribusinesses.

Such alliances of competing companies is a tried and trusted business networking approach in many parts of the world. For these collaborations to succeed, each partner must contribute something distinctive whether it be product development expertise, manufacturing capacity, access to distribution or marketing nous. The challenge is to share enough skills to create advantage over

companies outside the alliance while preventing a wholesale transfer of core skills to the partner.

To date, discussions have taken place with three companies and the Agriculture Victoria facility operating at Ellinbank. One on one meetings with other leading Baw Baw Shire agribusinesses will continue through August with a goal to establish the first formal alliance meeting in second quarter of 2018/19.

This alliance will meet quarterly to assess what types of collaborative ventures could be identified, developed and carried out over the next two to three years.





THEME 2

Business Attraction

Introduction

New business is an important source of investment. New business creates new employment opportunities, diversifies the economy and increases productivity of the economy. New investment also has the potential to strengthen business confidence within an area.

Attracting new business investment will be about marketing these competitive features and letting potential investors know that Baw Baw is a place where investment

Short term

Priority Planning Team

For the majority of businesses, the most engagement they will have with Council will be through the planning system. Businesses can often have trouble in understanding the complex nature of the Local Planning Scheme. This can lead to delays that often frustrate potential investors and can potentially result in a business looking elsewhere.

happens and where Council is committed to the longer-term growth and economic prosperity of the Shire.

Baw Baw Shire is well positioned to cater for growth into the future and offers attractive reasons to invest. As businesses continue to experience the squeeze, they are starting to look to the outer suburbs and beyond, including Baw Baw shire, which is increasingly becoming more accessible.

In order for Council to attract businesses to the operate in the shire, it is essential for the planning process to be as streamlined as possible. To do this, Council has established a Priority Planning Team. This team consists of Senior Planners, Engineers and will call on subject experts when required.

Why Baw Baw?

- Availability of industrial and commercial land
- Affordable industrial and commercial land
- Easy access by rail and road to the suburbs of Melbourne
- Rapidly growing population
- Large local labour force which is fast becoming more qualified and skilled
- One of the leading agriculture providers in the state
- Strong levels of support from all levels of Government

A proactive and facilitative approach to planning systems and effective co-ordination between Council and potential investors will ease the facilitation of major developments that generate economic benefit. The process will ease unnecessary red tape and give the clear message that Baw Baw is open for business.

Business Prospectus

To showcase Baw Baw as an exciting and beneficial place for a business to establish, the Economic Development team have prepared a short form glossy business prospectus.

The prospectus takes the approach of highlighting Baw Baw's proximity to the Melbourne CBD and eastern suburbs under the tagline 'Closer

than you think'. Further into the document, key strengths of the shire are highlighted drawing attention to all the benefits a business can expect to receive from operating in Baw Baw.

Through market research around tourism in Baw Baw, it became apparent that many people were unaware of the exact

geographical location of the shire. It is reasonable to assume that this is also the case among many businesses. By producing and distributing the business prospectus, it is expected that we will provide clarity around our location and that the benefits a business can expect in Baw Baw will entice newcomers to the region.



Things we can offer New Businesses

Baw Baw Shire's Economic Development team have implemented or gained access to several 'add on' services designed to attract new businesses to Baw Baw. These services will make setting up a new business easier and provide ongoing benefits for organisations operating in the shire.

Latrobe Valley Authority - Business Support Service

The Latrobe Valley Authority (LVA) has recently established a team specifically tasked to help new businesses set up, the Business Support Service, which is available for any new operation commencing in Baw Baw.

When setting up a new business, there are many entry points available and quite often these are confusing or hard to navigate. The LVA Business Support Service can act as a single point of entry

to answer questions and aid this process.

The Service will help direct business enquiries to the relevant area, be they planning or regulatory, as well as identifying any funding or assistance that may be available.

In addition, a Business Hub offering physical space and facilities in a co-working location is available for use to help a new business establish itself.

Latrobe Valley Authority – stamp duty

Businesses in Baw Baw Shire are eligible for financial assistance from the LVA. Reimbursements are available for government fees and charges incurred in establishing or expanding a business. Fees and charges that will be reimbursed include planning application fees, licensing application fees,

permit charges and environmental approval fees.

Council officers will guide any prospective new expanding business through this process, offering assistance and providing referrals and introductions to contacts at the LVA.

The savings made through the waiving of establishment fees combined with help navigating the process aim to create a better business environment for the Baw Baw, making it easier, faster and less costly to do business.

Cheap commercial land

There is currently a wide range of vacant commercial land in the shire. The average cost per square metre of commercial land is considerably less than both the state average and other similarly placed regional centres. (as outlined below)

Type	Baw Baw	Victoria
Low Rise Office Building	\$1,237.11	\$6,173.23
Shop & Dwelling	\$419.16	\$2,259.62
Factory	\$ 86.93	\$387.67
Industrial Development Site	\$137.22	\$267.43
Warehouse	\$ 73.86	\$440.03

A new business setting up in Baw Baw would experience significant cost savings compared to establishing in other areas of the state. The availability and cost-effective nature of commercial land in the shire is promoted heavily in

a business prospectus which has been prepared as a selling point to attract new business.

The Economic Development team will keep up to date with the availability of suitable commercial

and industrial land for business expansion and attraction in Baw Baw. It is important that there is a diversity of lot sizes available for prospective businesses, and a diversity of land owners.



Economic modelling

Baw Baw's Economic Development team are skilled and trained in using both REMPLAN economic modelling and Australian Bureau of Statistics (ABS) data. On request, tailored economic modelling, forecasts and reports will be provided in such areas as financial projections, population scenarios, industry trends and comparison analysis.

Having access to this information will be invaluable to a new business or one thinking about expanding, allowing the confidence to proceed with the backing of robust information.

Assistance with grant opportunities

The Economic Development team ensure they are informed and up-to-date with the various State and Federal Government grant funding programs that are available. The team has strong links to Government departments offering funding and will be proactive in providing regular information around any potential funding opportunities on to the business community.

Often business owners do not fully understand the requirements and application process, or have the time to investigate these opportunities. The Economic Development team can provide assistance to businesses in completing a grant application, enabling the best possible chance of a successful funding submission.

Grant Guru

Businesses in Baw Baw have access to a locally tailored grant search website, Grant Guru. The site displays all open funding opportunities that are available for a business in Baw Baw, eliminating the need to search through often irrelevant information.

By understanding that a business's time and easy access to information is important, providing this tool is expected to streamline fund seeking.

Grant seeking

Baw Baw Shire has a strong record in attracting Government grant funding, which compliments annual budgets. These additional funds allow the construction and delivery of important infrastructure projects which aid businesses in our Shire. Recent projects to have received funding include:

Funder	Project	Total Project	Funding received
Department of Infrastructure and Regional Development	West Gippsland Arts Centre	13,400,000	4,000,000
Agriculture Victoria	Labertouche North Road	1,160,000	582,000
Sport and Recreation Victoria	Ellinbank Rec Reserve lighting	180,000	80,000
DELWP	Drouin Library upgrade	202,000	275,000
DELWP	Tarwin Street Basin	1,500,000	266,000
Department of Infrastructure	Allambe Estate Road Bridges	1,040,000	520,000
Sport and Recreation Victoria	Spotlight on Netball	203,500	80,000
Department of Education	Co-location of a new early centre in Warragul	2,408,000	650,000
Latrobe Valley Authority	Yarragon Skate Park	295,000	221,250
Sport and Recreation Victoria	Bellbird Park Lighting Upgrade	223,000	80,000
Department of Infrastructure	Early Learning Centre at Warragul Primary School	2,408,000	1,900,000
SRV	Drouin Netball Courts Upgrade	600,000	600,000
DELWP	Match day pavilion for netball and tennis	901,250	710,000
DEDJTR	Old Sale Road Upgrade	tbc	945,223
Total			9,809,473

In the upcoming years, Council expects to continue to bid for and receive grant funding with the intention of enabling high quality infrastructure and routes to market within the shire. Anticipated projects include:

- Priority road projects
- Regional Sport and Recreation Centre
- Major national/international events



Attracting new large-scale retail businesses

The presence of large-scale retailers is important for Baw Baw Shire for both the economic and social well-being of our residents. Aside from the major supermarkets in Warragul and Drouin, there are no other full size major retailers in the shire, with the closest options being in Moe to the east, and Pakenham to the west.

Consequently, consumers are being forced to shop outside of the Shire. The ability to attract large

scale retailers to the shire would provide our residents with the option of retail choice with a local convenience. Most importantly, such a development would see valuable spending dollars staying in the shire, leading to significant flow on economic benefits and the creation of new jobs.

Kmart Proposal

Ongoing retail investment is characterised by large scale development planned for the east

of Warragul, with negotiations taking place to bring the following full-size stores to the site:

- Bunnings Warehouse
- Kmart
- Kmart Tyre and Auto
- Large retailer (tbc)
- Food outlet (tbc)
- The proposal would generate an estimated 390 direct jobs as outlined below.

Use	Floorspace (sqm)	Direct Jobs
Bunnings Warehouse	14,198	190
Kmart	6,387	115
Kmart Tyre & Auto	319	6
Large retailer (tbc)	3,894	65
Food outlet	212	14
Total	30,591	390

The ongoing retail employment opportunities would be particularly important for young people, who often must travel outside Warragul to get jobs.

The indirect employment effect, accounting for employment associated with supplying the new businesses and expenditure of wages would potentially create another 320 jobs across the local economy.

In addition to these ongoing jobs, employment would also be created during the construction period.

Bulky Goods Precinct

There have been sites in Warragul earmarked for development as 'Bulky Goods' sites. A Bulky Goods site is best defined as a medium to large retailer requiring a large floor area and direct vehicular access. Typically, these sites are located outside of a CBD and could sell a variety of goods ranging from furniture and whitegoods, to motor and sporting equipment.

Over the past year, Council Officers have advised in the planning and construction process of a new Bulky Goods precinct on the corner of Burke and Howitt streets in Warragul. The precinct is home to six premises, of which, four have been tenanted.

Tenant	Size
Supercheap Auto	804.02m ²
Vacant	750.34m ²
Intersport	750.34m ²
Vacant	702.97m ²
Boating Camping Fishing	1050.50m ²
Vacant	402.12m ²

Council has also identified further potential development sites in both Warragul and Drouin which are zoned for Bulky Goods and ideal for development, and have the potential to generate further economic and employment growth.



West Gippsland Arts Centre is undergoing a \$13.4 million redevelopment.

Project: West Gippsland Arts Centre Redevelopment
Contracting: \$13.4 million
Completion: 2019/2020
For more information visit www.westgippsland.vic.gov.au



West Gippsland Arts Centre is a multi-arts organisation that provides a range of arts and cultural activities to the community. The Centre is a key cultural and social hub for the region and is a significant asset to the community. The redevelopment project will provide a new home for the Centre and will create a world-class arts and cultural precinct for the region.

FOR HIRE

Current Projects

West Gippsland Arts Centre

Construction works are underway on the \$13.4 million upgrade of the West Gippsland Arts Centre with the project expected to be completed later in 2018. The upgrade will see the theatre capacity increase from 480 to 750 patrons, facilitating the attraction of large-scale acts that will be a significant boost for the region.

The upgrade will also include an improved function space, a visitor information service and a new outward oriented café taking in the magnificent views of Civic Park.

During the construction phase of the project, around 160 direct and indirect jobs will be created, with 21 permanent roles on completion providing ongoing economic benefits for the region.

Economic projections show benefits of enhanced visitor spending at \$21.4 million, net economic return of \$10.9 million over the project lifecycle, Benefit Cost Ratio of 2 to 1 and an investment repayment period of approximately 16 years.





Warragul Town Centre Transformation

The Warragul Town Centre Transformation Project is currently underway. The nine-stage project will develop a compact town centre that supports a thriving mix of business and residential activity while respecting its rural origins and notable heritage assets.

The Town Centre Project will showcase a series of high amenity pedestrian areas and regenerate its traditional link with an enhanced station precinct. By creating a town centre that is easy to access and move around, consumer activity is expected to increase and remain

high resulting in an increase in economic benefit for local businesses and the creation and retainment of jobs.



Warragul Town Centre Streetscape Project map and stages.

Manufacturing

The manufacturing sector within Baw Baw Shire is robust and growing with products manufactured for domestic and export use. Businesses within the region have helped to shape what are now recognised as every day household products. The region's products are now exported to many countries.

Industry Sector	\$M
Food Product Manufacturing	314,005
Metal & Metal Product Manufacturing	76,840
Technical Equipment & Appliance Manufacturing	49,968
Transport Equipment & Parts Manufacturing	49,351
Saw Mill, Wood & Paper Product Manufacturing	46,617
Non-Metallic Mineral Product Manufacturing	27,779
Apparel Manufacturing	20,084
Beverage Product Manufacturing	15,335
Basic Chemical, Cleaning & Polymer Manufacturing	10,656



Agribusiness

Baw Baw Shire's Agribusiness sector is a nationally significant area for dairy, beef, potatoes and fruits as well as being the home to many leading horticulture companies. Products grown under protected horticulture include tomatoes, capsicums, eggplants, cucumbers, edible flowers and herbs. The region has led the way nationally and internationally in a number of these areas.

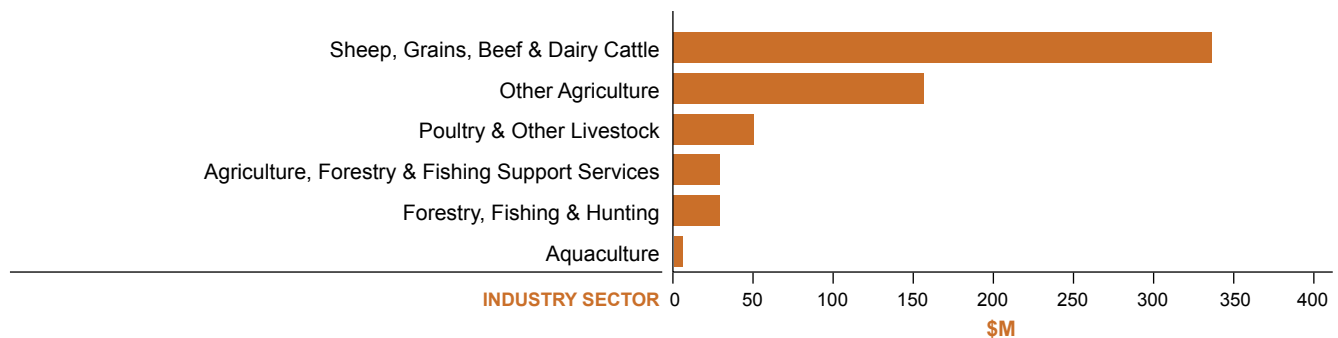
Opportunities exist in these areas to diversify into other crops. The

availability of land, streamlined planning processes and the strong road network allows ease of establishment and transport to the region. There are also prospects for standalone businesses aimed at the export market or the option to join a cluster of businesses under the one marketing arm.

In recent times, Council has been involved in discussions which would see the relocation of the Baw Baw Livestock exchange from Warragul, to a greenfield

site in Longwarry. The proposed new site would enable easy access for both producers and buyers and the modern larger site would see a smooth running of operations. Additionally, construction of the new sale yards will be in the region of \$20 million providing a substantial boost to the local economy and numerous employment opportunities.

OUTPUT (\$M) - BAW BAW (S) (JUNE 2018)



Professional Services

The Professional Services sector is expanding with many businesses taking the opportunity to locate in the region. Warragul is regarded as a service centre for the West Gippsland region and many businesses here have many clients located in Melbourne due to the ease of travel and telecommunication.

Opportunities exist for businesses to expand and locate their head offices in the Baw Baw region with excellent access to public transport and lifestyle choice for their workforce.

Toyota Insurance case study

In 2016 Toyota Insurance established a regional operations centre in Warragul. They are a licensed general insurer that underwrites retail insurance principally for Toyota vehicles.

With the assistance of Council and the State Government, office space in the CBD of Warragul was identified and Toyota Insurance began operations with newly hired local staff, and a small number of people on secondment from its St Kilda Road head office.

Toyota Insurance CEO, Anthony Durakovic, explained “Establishing a regional base had been an ambition of ours for

some time and after a detailed analysis we identified Baw Baw Shire as being the perfect place.

“Compared to suburban Melbourne, there are a number of advantages of locating within a Regional location including the affordability of commercial office space. We eventually settled on Warragul as it ticked a large number of the criteria we had established for our search which included easy road and rail connections to the city and its lively town centre.”

Another factor that contributed to the decision was the changing demographic within the area. “Through our research we

identified that Baw Baw is growing fast. There are a lot of new families moving to the area, and the work force is expanding. This is attractive to us, as we believe people in regional areas can provide us with higher retention levels and value working locally,” said Mr Durakovic.

Business is travelling along nicely for Toyota Insurance in Warragul and its 75 employees – an increase from the 30 originals in 2016. “Baw Baw has been great for our business and I could not recommend the area highly enough as a place for a regional office,” said Mr Durakovic.



Attracting new business

Following on from the success of Toyota Insurance establishing a regional base in Warragul, the Economic Development team is committed to working towards attracting more organisations, public or private, to set up in the shire. A new operation like this would not only create jobs but stimulate economic development in the shire.

New Jobs	Indirect jobs	Total Jobs	Direct Impact	Indirect Impact	Total Impact
30	25	55	\$7.47M	\$6.38M	\$12.85M
50	40	90	\$12.45M	\$10.63M	\$23.08M
100	81	181	\$24.90M	\$21.26M	\$46.16M

Through preliminary discussions with prospective businesses, the main requirements that are needed to consider a relocation seem to be:

- Easy access to rail and road connections.
- Proximity to a town with eating and service facilities.
- A large floor print capable of holding up to 50-100 people with car parking space.

The most suitable locations for a new development would be where there is space for a new build in the Shire. The team will work with the State Government, property developers and real estate agents to identify these locations.

There is the belief that if a new office development, a small high-rise style building with an anchor tenant, that the building would quickly be fully occupied. The knowledge and security of the initial business occupying the office will provide further businesses the incentive to also set up a regional base in the space.





THEME 3

Business Advocacy

The common meaning of advocacy is to provide support for a particular cause. For Baw Baw Shire Council, advocacy is about stepping up to speak out on issues that matter to the local community, which include providing the best possible economic benefits for our businesses.

Baw Baw's Economic Development Team has strong links to those who hold Governmental (bureaucratic and elected), political or economic power to implement public policies and projects to the benefit of our residents and businesses. We

Short term

Meetings with politicians and ministers' offices

Gaining access to politicians, be they the local member or a minister, or to their departmental office can be hard for a business. Even with the knowledge of which area to contact, it can quite often be difficult navigating the maze of government departments and agencies.

are able to use these connections using a variety of techniques to advocate on behalf of a business, and to address issues of importance to an organisation.

These techniques include making effective submissions, direct lobbying, leading deputations, inviting decision makers to visit, hosting consultations, establishing hearings, media strategies, advertising and conducting public campaigns.

We do this to seek positive outcomes from decision-makers

on important issues, such as new infrastructure, funding for programs and businesses, or for identifying possible changes to policy or legislation.

Funding and support from Government also allows Council to progress key local projects and continue to deliver high-quality services to the community.

Growing jobs and driving economic development in Baw Baw through broad-based business advocacy in all our sectors is Council's overall objective.

well as to many relevant Federal members.

Whenever one of these meetings takes place, the Economic Development team prepare a fact sheet outlining the reason for the meeting.



Name	Surname	Title	Date	Topic
Local				
Russell	Broadbent	Member for McMillan		
Gary	Blackwood	Member for Narracan		
Harriet	Shing	Member Eastern Region		
Daniel	Mulino	Member for Eastern Victoria		
Melina	Bath	Member for Eastern Victoria		
Edward	O'Donohue	Member for Eastern Victoria		
Jeff	Bourmann	Member for Eastern Victoria		
State Ministers				
Daniel	Andrews	Premier		
Natalie	Hutchins	Women, Prevention of Family Violence, Industrial Relations		
Richard	Wynne	Planning		
Lisa	Neville	Water		
Martin	Foley	Creative Industries, Equality, Mental Health & Housing		
Ben	Carroll	Industry and Employment		
Jacinta	Allan	Public Transport and Major Projects		
Luke	Donnellan	Roads and Roads Safety, Ports		
James	Merlino	Education and Training		
John	Eren	Sport, Major Events and Veterans Affairs		
Tim	Pallas	Treasurer		
Jenny	Mikakos	Early Childhood Education		
Jaala	Pulford	Regional Development, Minister for Agriculture		
Gavin	Jennings	Special Minister of State		
Jill	Hennessy	Minister for Health		
Marlene	Kairouz	Minister for Local Government		
Lily	D'Ambrosio	Minister for Energy, Environment and Climate Change		
Philip	Dalidakis	Minister for Small Business, Innovation & Digital Economy, Trade & Investment		

Fact Sheets

As touched on in the above section, when a meeting is arranged with a political office, the Economic Development team produce a two-page fact sheet to take along to the meeting.

As a general rule, the fact sheets contain background information in text, chart, graphics and images clearly outlining the current situation on the front page. Then on the back, clearly articulated is what is needed both from the meeting and long term.

The reason for the fact sheet is to provide meeting attendees with informative visual collateral, which is likely to remain in their minds.





Meetings with Government Agencies

Similar to scenarios encountered when trying to contact political members, often businesses find it difficult to get in touch with Government agencies. It is important for businesses to have either a relationship with these agencies, or knowledge of information, programs and funding opportunities that are available.

The Economic Development Team will meet with these bodies to advocate on behalf of businesses and act as a conduit for the transfer of information between the parties. The agencies most relevant to businesses include:

- Regional Development Victoria
- Latrobe Valley Authority
- Department of Environment, Land, Water and Planning (DELWP)
- AusIndustry
- Visit Victoria
- Invest Victoria

In addition to advocating to agencies on behalf of businesses, the team will provide introductions and referrals when suitable programs or funding opportunities arise.

Meetings with other councils

For businesses in Baw Baw, operations do not simply cease at the borders of the shire. Council is committed to supporting business throughout the region, including further into Gippsland and beyond into metropolitan Melbourne.

To facilitate an easy transfer of information, and ultimately trade within Gippsland, the six Local Government Authorities have come together to form a collaborative working group. The group has meetings scheduled quarterly, however, there are often meetings arranged outside these sessions..

In addition to the Gippsland Economic Development group, meetings will be initiated with nearby Councils in Casey and Cardinia, metropolitan Melbourne and similarly placed regional shires.

Assists – Helping Other Organisations

To provide an assist is a sporting term that occurs when one team member helps another to score. In this scenario, everyone is a winner. The Economic Development team is committed to the belief that by providing an assist to a business or the community, the entire region will benefit.

Examples of assists currently in play are:

Organisation	Assist	Intended result	Potential Funding Amount
Mt Baw Baw Alpine Resort	Council has been working closely with Mt Baw Baw management to identify alternative energy supplies.	Installation of new gas turbines and an alternate energy system	\$200,000
Trafalgar Golf Club	Members of the golf club approached Council seeking assistance with a project to repair the club house roof and irrigate fairways.	Council has facilitated meetings with the LVA and will assist with the funding submission.	\$125,000
Warragul Police	Working with Warragul Police officers to produce a report highlighting resource shortages and high rate of family violence occurrences.	An additional two resources allocated to Baw Baw to work in the family violence unit.	\$200,000
Lardner Park	Working together to attract large events.	Increase in events at the venue leading to more people in the shire.	\$200,000



Co-ordinating advocacy for the community

In addition to advocating for businesses in our shire, the Economic Development team assists in advocating for important community campaigns that directly and indirectly assist the economic climate in the shire.

For businesses to operate successfully, it is imperative our shire has quality essential services and facilities like hospital, roads, rail and education facilities. Failure to provide these will result in the likely departure of businesses from the shire.

New Hospital for West Gippsland

Located in Warragul, the West Gippsland Hospital services the people of West Gippsland. Baw Baw is one of the fastest growing municipalities in Victoria and the existing infrastructure of the West Gippsland Hospital is struggling to keep up with the demand and growth of our region.

Council is a strong advocate for the need for a new hospital in West Gippsland and is in full support of the West Gippsland Healthcare Group's (WGHG) proposal to develop a new hospital.

Roads

Baw Baw is a highly productive agricultural area with rich dairy, forestry and mining activities. To improve efficiency, access and use of high productivity freight vehicles, outdated roads and bridges need to be upgraded.

It is important that we have safe and efficient roads for our heavy vehicles transporting goods in and out of region, as well as local commuters and tourists visiting the region. Further investment in our agricultural roads will see increased productivity across the region and greater state of Victoria.

Kindergartens/Early Learning Centres

At present, Baw Baw Shire is experiencing unprecedented growth. There is an influx of young families moving to the Shire and as birth rates continue to rise, so does the need for early years services. At this point, enrolment data and population trends suggest that we will need to build a new kindergarten facility in the Shire every two years.

A joint approach between State and Federal Governments is necessary to assist growth areas like the Baw Baw Shire Council address these urgent community needs.

Longer term Advocacy Projects

Sealing of South Face Road

Mt Baw Baw Alpine Resort is an iconic Victorian tourist destination being the closest major snowfield to Melbourne, located a two-and-a-half-hour car journey away. The Mt Baw Baw Alpine Resort offers a year-round, family friendly, environmentally-sensitive, alpine experience.

Nearby Walhalla is picturesque former mining town that has been preserved in its flourishing 19th century state. The town is one of the biggest tourist drawcards in the shire attracting over 100,000 visitors a year.

The only sealed access to Mt Baw Baw is via the precarious and winding Tourist Road. It is a single lane asphalt road, with limited verges for passing oncoming traffic. It is also frequently used by

logging trucks, thereby rendering it a high-risk route for tourists and the general community.

South Face Road is an unsealed road that provides a more direct and less winding to Mt Baw Baw. The road also connects Mt Baw Baw with Walhalla. The road is uneven and not sealed and is therefore difficult for domestic and commercial vehicles to utilise and unstable for construction traffic. Buses generally will not use the road as it is not sealed.

At present, around 50 per cent of traffic to these destinations comes via South Face Road. With the road sealed, it's anticipated that the visitation figures by day-trippers and international visitors will double.

Benefits

Sealing South Face Road will improve access to Mt Baw Baw, providing a faster, safer, more comfortable direct route from Latrobe Valley and Melbourne, greatly improving the visitor experience.

The upgrade will also connect Mt Baw Baw with the other key local destination, Walhalla. This will enable the development of an easily accessible tourist loop and increase visitation numbers.

The sealed road will connect local services and facilities available in Erica, Rawson and the larger towns along the Princes Highway. The upgrade will provide a safe, high speed, all weather road from the Latrobe Valley region and for visitors from Melbourne.





Regional Sport and Recreation Centre

Baw Baw Shire is a leading destination for the cycling community. With picturesque, challenging and relatively peaceful roads, Baw Baw has become a leading attraction for cyclists for all ages and abilities.

Within the shire, the climb to the summit of Mt Baw Baw is widely regarded as one of the toughest in the country and is a drawcard for those cyclists who enjoy a challenge. Off the road, at the Warragul Cycling Club is one of the best velodromes in the state.

The influx of young families to Baw Baw Shire coupled with the general trend for people to live healthy and active lives, participation in cycling is at an all-time high. Council is committed to providing high quality recreation facilities for its residents and has identified an opportunity to establish a regional centre for cycling in the Logan Park precinct.

Shire officers investigated establishing a sport and recreation precinct similar to the one set up in neighbouring Shire of Casey more than a decade ago. Council has called for a workshop to revisit this

plan and look at a multi-functional precinct that could cater for users of all ages and skill levels.

Using the current velodrome as the eastern beginning, the new facility could take advantage of adjoining vacant Council land to construct cycling tracks, including a criterium for serious racers as well as others dedicated to BMX and other users.

These tracks would lead to the ovals and changing room facilities at the rear of Logan Park, and ultimately linking to the Warragul Leisure Centre on Burke Street.





THEME 4 Tourism

Tourism is a significant part of Baw Baw Shire's economy due to its scenic rural settings, picturesque country villages and proximity to the world's most liveable city. Tourism provides direct and indirect benefits, including job creation, economic and business development and a stimulus for improvements in services and infrastructure.

In addition, there are numerous flow-on economic benefits from tourism that extend beyond accommodation income, including demand for hospitality, retail and business benefits.

Urban Enterprise provided a high-level look at the region's tourism or 'visitor economy' situation analysis in 2017. This report looked at a range of areas including its natural attractions, shopping precincts, events, leisure sports, education and hospitality offerings. It also looked at facilities on the ground to cater for visitors' accommodation, food, galleries and other services as well as reviewed the Shire's signage, transport, parking and other public amenities.

2,626
JOBS

18%
OF BAW BAW'S
EMPLOYMENT

\$105 MILLION
IN LOCAL WAGES

\$312 MILLION
IN ECONOMIC OUTPUT

943,000
VISITORS PER ANNUM

ADDITIONAL
275,000
VISITORS OVER PAST
DECADE

DEMAND FOR ADDITIONAL
33,000sqm BY 2036
OF RETAIL FLOORSFACE IN WARRAGUL

DEMAND FOR ADDITIONAL
12,500sqm BY 2036
OF RETAIL FLOORSFACE IN DROUIN

ADDITIONAL
362 JOBS
BETWEEN 2006-2011



Key visitor economy measures

Employment

The visitor economy incorporates a range of industries and sub-sectors and therefore is difficult to measure and analyse within traditional data sources (i.e. ABS Census). For the purposes of this report, the visitor economy is represented by the ANZSIC 1 categories of:

- Retail Trade; and
- Accommodation and Food Services.

Based on this definition, the visitor economy employs 2,626 workers accounting for 18 per cent of Baw Baw's total employment. Hospitality and convenience retail are large employing sectors.

Between 2006 and 2011, employment in the Visitor Economy grew by 362 workers. Significant employment growth is anticipated to occur in line with population growth in Warragul and Drouin.

The industry accounts for \$312 million in economic output, 8 percent of Baw Baw's total.

Retail Trade, Accommodation and Food Services	Employees	%
Cafes, Restaurants and Takeaway Food Services	785	26%
Supermarket and Grocery Stores	543	18%
Pharmaceutical and Other Store-Based Retailing	252	8%
Accommodation	192	6%
Hardware, Building and Garden Supplies Retailing	148	5%
Specialised Food Retailing	157	5%
Clothing, Footwear and Personal Accessory Retailing	125	4%
Recreational Goods Retailing	76	3%
Furniture, Floor Coverings, Houseware, Textile Goods Retailing	66	2%
Motor Vehicle Retailing	125	4%
Clubs (Hospitality)	113	4%
Pubs, Taverns and Bars	150	5%
Electrical and Electronic Goods Retailing	67	2%
Retail Trade, nfd	62	2%
Fuel Retailing	59	2%
Motor Vehicle Parts and Tyre Retailing	55	2%
Total	2,975	100%

Visitor profile

Baw Baw's visitor market was analysed using Tourism Research Australia data.

Notes on analysis

- Tourism Research Australia provides the following visitor definitions:
 - Domestic day trip visitors: those who travel for a round trip distance of at least 50 kilometres, are away from home for at least four hours and who do not spend a night away from home as part of their travel. Same day travel as part of overnight travel is excluded.
 - Domestic overnight visitors: People aged 15 years and over who undertake an overnight trip of one night or more and at least 40 kilometres away from home are referred to as overnight visitors.
- National Visitor Survey (NVS) and International Visitor Survey (IVS) visitation trend data has been averaged from the period 2006-2015. All other domestic data analysis has been based on the total results from the two-year period 2014- 2015 (year-end September);
- The assessed region for Baw Baw includes the following SA2s, and has been based on Baw Baw Shire (LGA): Drouin; Mount Baw Baw Region; Trafalgar; Warragul and Yallourn North-Glengarry (a portion of this SA2 lies outside of Baw Baw Shire); and
- Data has also been benchmarked against the findings for Regional Victoria where appropriate.

Visitation

Average annual visitation to the Baw Baw Region across the 10-year period to 2015 was approximately 866,000. Baw Baw receives a significantly higher proportion of daytrip visitors (77%) to overnight (22%), due to the proximity to Melbourne.

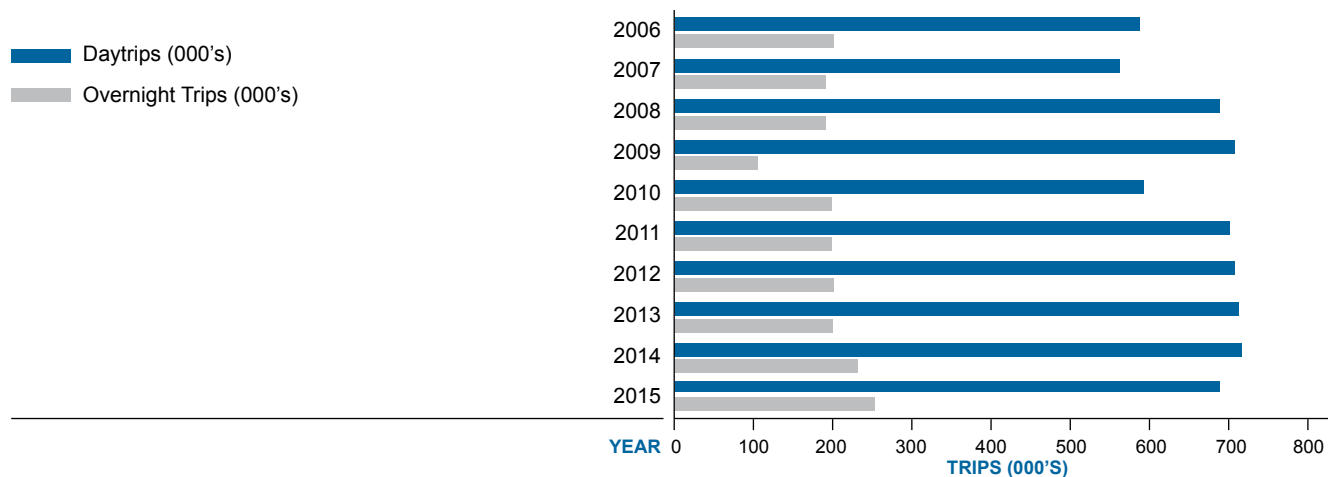
Visitor Type	Baw Baw Visitation	Baw Baw % Visitors	Regional Victoria % Visitors
Daytrip	666,886	77%	67%
Overnight	194,171	22.5%	32%
International	4,655	0.5%	1%
Total	865,712	100%	100%

Tourism Research Australia NVS, 2006-2015 (year ending September).

Domestic daytrip and overnight visitation trend 2006-2015

The chart below shows visitation trends for domestic visitation in Baw Baw for the past decade.

LENGTH OF VISIT TO BAW BAW SHIRE



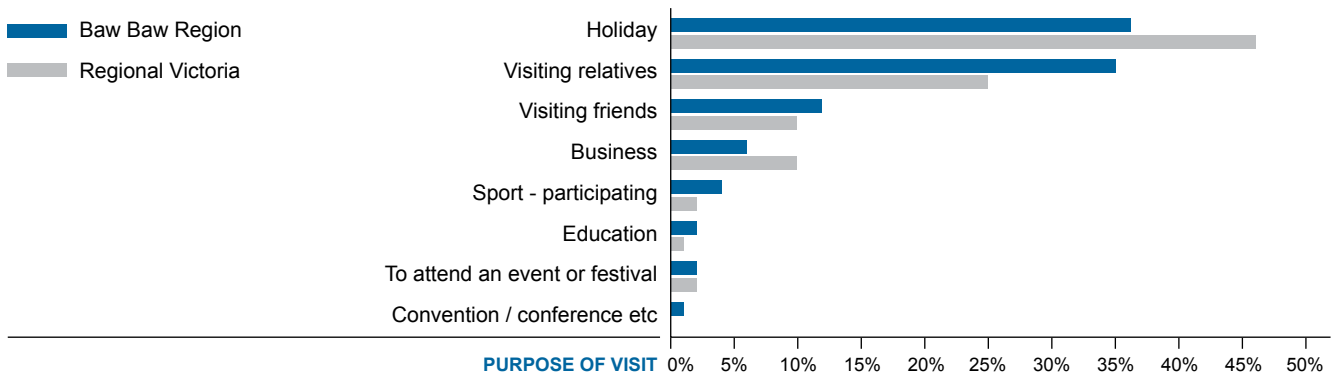
Tourism Research Australia NVS, 2006-2015 (year ending September).

Purpose of visit

The chart below shows the primary purpose for overnight visitors. Baw Baw receives a small traditional holiday market with a larger proportion of the Visiting Friends and Relatives (VFR) market.

As the population of the region grows, the VFR market would be expected to grow and the tourism sector will need to consider opportunities to leverage greater local expenditure from this market.

PURPOSE OF VISIT TO BAW BAW SHIRE



Tourism Research Australia NVS, 2014-2015 (year ending September)

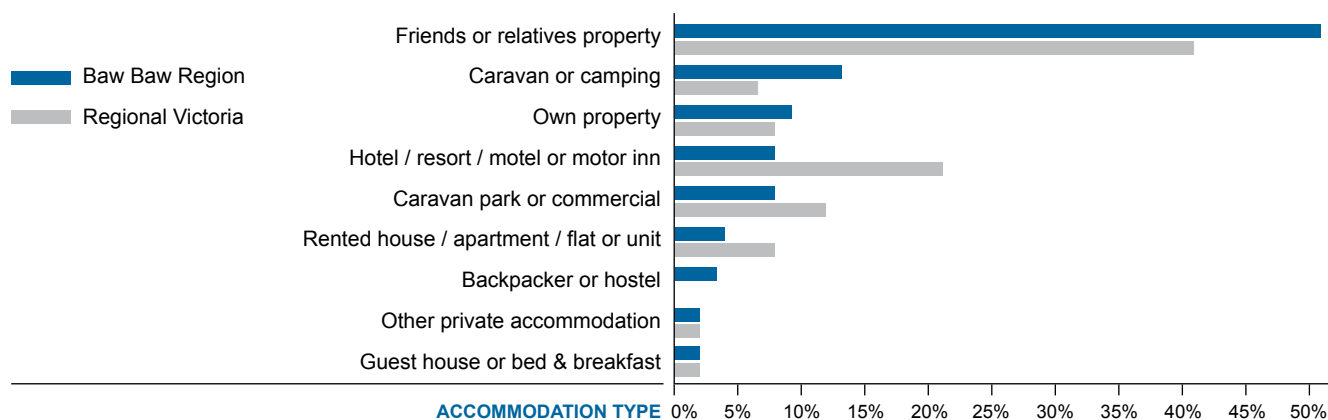
Accommodation

Staying with friends or relatives is the highest accommodation type of overnight visitors to the region (51 per cent). Baw Baw has a significantly lower proportion of visitors staying in hotels or motels (8 per cent).

The recent development and expansion of the Warragul Mercure may fill this gap in the market. Free camping is also a strength of the region given its access to state and national parks.

There is further potential to improve camping facilities and other nature-based tourism assets to grow this market. Drawing expenditure from this market into local towns is the objective of the Baw Baw RV and Tourism Signage Plan (which was adopted by Council in February 2018).

DOMESTIC OVERNIGHT ACCOMMODATION



Tourism Research Australia NVS, 2014-2015 (year ending September)

Visitor activities

The top three activities that domestic overnight visitors to the Baw Baw Region participated in were visiting friends and relatives (57 per cent), eating out at restaurants/cafes (41.3 per cent), and going on bush/rainforest walks (23.4 per cent).

Some of the activities which are underrepresented in Baw Baw, and may provide opportunity for development include:

- Shopping (for pleasure)
- Visit wineries;
- Visit museums or art galleries; and
- Go to markets.

DOMESTIC OVERNIGHT VISITOR ACTIVITIES

Trip Activities	Baw Baw	Regional Victoria
Visit friends & relatives	57.0%	48.1%
Eat out / dine at a restaurant and/or café	41.3%	57.1%
Bushwalking / rainforest walks	23.4%	15.8%
Sightseeing / looking around	21.8%	28.3%
Pubs, clubs, discos, etc	21.0%	22.7%
Visit national parks / state parks	16.1%	13.2%
Shopping (for pleasure)	11.3%	22.8%
Other outdoor activities	11.0%	4.0%
Picnics or BBQs	8.0%	8.3%
Fishing	6.6%	7.3%
Go to markets	6.4%	11.6%
Visit history / heritage buildings, sites or monuments	6.3%	5.9%

Tourism Research Australia NVS, 2014-2015 (year ending September).

Visitor origin

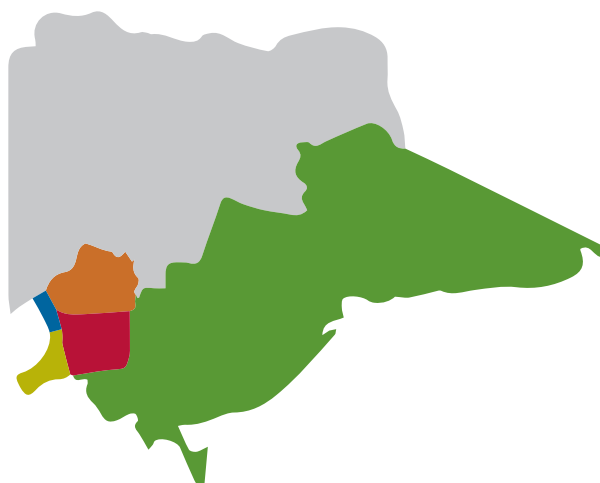
The table below shows that the majority of overnight visitors to Baw Baw were intrastate visitors (87.1 per cent), with just over half of these originating from Melbourne. Given Baw Baw's proximity to Melbourne, and improving transport links, there is considered to be significant opportunity to grow the Melbourne market.

Origin State	Baw Baw Region	Regional Victoria
Victoria	87.1%	84.4%
Melbourne	52.4%	58.6%
Regional Victoria	47.6%	41.4%
New South Wales	3.7%	7.7%
Western Australia	3.4%	0.9%
Queensland	2.8%	2.1%
South Australia	1.7%	3.3%
ACT	0.6%	0.8%
Tasmania	0.4%	0.6%
Northern Territory	0.3%	0.2%

Tourism Research Australia NVS, 2014-2015 (year ending September).

Population

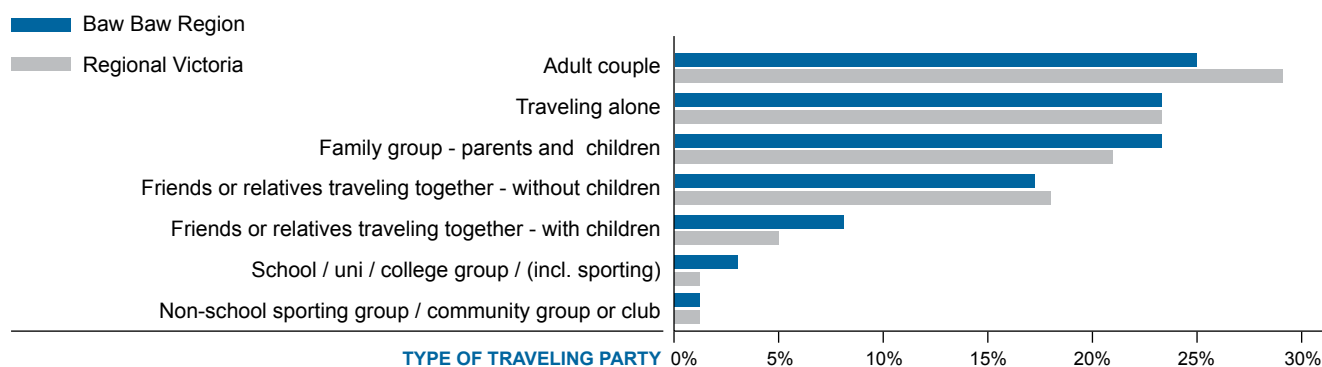
Gippsland	266,020
Melbourne south east	751,032
Melbourne outer east	506,234
Melbourne inner south	471,540
Mornington Peninsula	290,986
Target population	2,231,812



Travel party

The key visitor markets to Baw Baw include adult couples (25 per cent), travelling alone (23 per cent), and families (23 per cent).

TRAVEL PARTY OVERNIGHT



Origin State	Baw Baw Region	Regional Victoria
Victoria	99.3%	96.8%
Melbourne	52.5%	51.5%
Regional Victoria	47.5%	48.5%

Tourism Research Australia NVS, 2014-2015 (year ending September).

Tourism marketing plan

This information is useful in helping set the early agenda for the Shire's Economic Development Strategy. As noted in a separate report by TRC Tourism in June 2018, the Shire's approach to growing the destination and marketing foundations of its tourism campaign should include:

- Grow the appeal of Baw Baw Shire through experience and product development, in key visitor nodes and with flow-on benefits throughout the Shire;
- Build capacity, partnerships and cooperation within the destination and with surrounding destination managers;
- Cost-effective marketing initiatives that build in current strengths in the marketplace and 'quick-win' opportunities that will generate momentum for tourism success.

In addition, TRC outlines several success factors that will allow the BBSC and stakeholders to meet their marketing objectives in the tourism space, including:

Partnerships, collaboration and collective experience development and marketing activity.

Limited resources and a highly competitive marketplace increase the need for unity and a strong voice in marketing activity. Packaging products and experiences will encourage visitors to stay longer and spend more.

Develop experiences that are distinctive and immersive.

The market is crowded and consumers are increasingly discerning. This does not necessarily mean high-end (five-star) experiences. Dining, accommodation and activity options can be rustic and authentic to the local community, but they must be of high quality and delivered with excellent customer service.

The digital environment

It is vital to reaching, communicating with, and converting potential customers to visitors. This will require the tourism industry taking advantage of formal 'listing' sites such as the Australian Tourism Data warehouse, streamlining and ensuring high quality destination online information about the destination, and actively embracing opportunities for destination marketing through social media and user engagement platforms.

Focus on promoting select products and experiences

Focus on target markets, rather than trying to offer 'something for everyone'. Getting the product right for your target market –creating amazing experiences and selling them well, will entice other markets too.

Growing community and stakeholder understanding

Appreciation of the role and contribution the visitor economy –creating jobs, stimulating investment, identifying and sharing community values with visitors.

With this in mind, BBSC's Economic Development Strategy will implement a multi-dimensional campaign that sets out a series of short, medium and long-term initiatives to increase tourism in the region.

As part of the Shire's review into its previous tourism campaigns, a major challenge that required attention was focusing on certain destinations with specific offerings to different groups which in turn provide flow-on benefits to other parts of the Shire.

To this end, TRC Consulting worked with the Shire's Economic Development team to conduct in-depth workshops at three sites for further development into Destination Action Plans (DAPs). Here is a snapshot of the three DAPs and initial action items to be undertaken by the Economic Development team.

Walhalla and Mountain Rivers

Several objectives resulted from meetings held with tourism leaders from the Walhalla and Mountain Rivers region. These included:

- Need to grow weekday visitation – numbers, length of stay and financial return
- Grow year-round length of stay and expenditure
- Enhance the visitor experience through refreshed and new products, packaging and improved service delivery and infrastructure
- Grow industry professionalism, capacity and participation in destination management and promotion.

Several responsible agencies have been identified to help reach these objectives, including the Walhalla and Mountain Rivers Tourism Association, the Walhalla Board of Management, BBSC and the Department of Environment, Land, Water and Planning (DELWP).

The region's action plan identified several initiatives covering short, medium and long-term timelines. Several critical Infrastructure projects are needed to ensure that the region can keep up with tourism numbers. These include improving gateway/township welcome signage; linking the tramline walkway through town to the railway station; developing the former Department of Education site as an RV location; and continuing to advocate for key

infrastructure projects.

Several initiatives allied with Visitor Experience action plans were identified including documenting and promoting 4WD opportunities across the region; documenting and promoting opportunities for mountain biking in Erica; reinstating the Ljusfest as a regular signature event; and updating/creating visitor information and signage.

Under the Industry Development and Capacity Building action, key initiatives include: updating image library with new photos; developing an industry leadership group that promotes collaboration; undertaking visitor surveys to establish a greater understanding of Walhalla Mountain Rivers visitors, preferences and opportunities; and increasing online bookings and creating commissionable booking of project within the region.

Noojee and Surrounds

Similar themes emerged from discussions with members of the Noojee and Surrounds tourism contingent. Objectives include increasing the length of stay and yield from current visitor groups; improving the experience of visitors through better infrastructure and safety initiatives and improving collaboration between local stakeholders, Council and industry.

In addition to BBSC and DELWP, the Noojee Progress Association was identified as a key party in delivering on its main objectives and Action Plans.

In terms of infrastructure projects, improving sewerage and bringing in additional public toilets were seen as a key initiative along with improving and increasing long vehicle parking and short term overnight options; creating additional visitor vehicle parking in central Noojee and providing more signage for the entrance and welcome into town.

Under the Visitor Experience projects, the group identified such action items as building up information on visitor experiences; working with local businesses and agencies to develop visitor experiences to enjoy the Mountain Ash forest environment; identifying current and potential cycling opportunities; and refreshing township entrance signage and welcoming messages in each of the townships.

In terms of Industry Development and Capacity Building, the workshops recommended updating the image library with new photos and footage to support marketing and visitor engagement; undertaking visitor surveys to establish a greater understanding of Noojee and Surrounds visitors; establishing networking and partnership opportunities with Small Transport Victoria, Vic Forests, Latrobe Valley Authority, DELWP, Parks Victoria, Baw Baw Alpine Report and VicRoads.



Yarragon and Surrounds

Key objectives discussed during workshops with Yarragon and Surrounds tourism members included increasing return visitation and length of stay in the area; growing visitor expenditure; establishing a bigger role as a 'gateway' to the region; and maintaining high visitor satisfaction and appeal of Yarragon as a 'village' experience.

Identified responsible agencies for delivering on this region's tourism objectives include the Yarragon Business Association, VicRoads, BBSC and DELWP.

Infrastructure projects include establishing the region's accommodation capacity; implementing the 2017 RV Strategy actions, including long vehicle parking; identifying and addressing visitor signage and information requirements; improving access to Mt Worth; and investigating and undertaking a trial of a free Wi-Fi hotspot within the village.

Under the Visitor Experience projects component, the group identified the need to update visitor information; undertake laneway beautification and place-making works; lower speed limit within the township; and improving signage to existing parking and long vehicle parking.

Within the Industry Development and Capacity Building component, key projects include updating image library with new photos and footage; establishing an industry leadership group within the region to oversee greater collaboration and implementation of this plan; engaging all businesses in Yarragon village and surrounding areas to grow understanding of tourism and participation in tourism-friendly initiatives; and growing communication between the local community and businesses to increase awareness of who is coming and identifying more opportunities to work together.

BBSC has begun short term initiatives across these three Destination Action Plans and will continue to work with other relevant agencies to deliver on other short-term items. BBSC also will work with designated parties to plan and deliver on various medium and long-term initiatives across these three regions.

At all three of the DAP towns, Council will place road counters at strategic entry points. Initially to gain a baseline for visitor numbers, then eventually to see if the actions from the DAPs have led to increased visitation.

During 2018/19, Council will work to establish a Regional Tourism Activity Monitor (RTAM). The RTAM will include a group of around thirty operators who will take part in regular surveys. The surveys will field questions based on occupancy, revenue and vibe.

Visit Baw Baw Website Refresh

For the Shire to better meet growing demand primarily from intrastate visitors for information on destinations, events and activities, it is paramount that the dedicated tourism website – *Visit Baw Baw* – employ the latest capability for visitors, local businesses and attractions and administrators.

To this end, the Shire sought external expertise to revitalise the website to enable it to be more versatile and flexible to meet the needs of an ever increasing – and changing – tourism market.

With no physical Accredited Visitor Information Centre operating within the Shire, it is also vital that this online portal can serve the needs of consumers and operators alike.

The new-look website will provide a range of improved services and functionality including:

- Establish a virtual tourism hub that will be adaptable into the future for both consumers and administrators;

- Provide an online visitor portal that gives the end user all of the information they require when researching and planning a trip to Baw Baw Shire;
- Provide an online Visitor Information Centre;
- Provide an interactive website that can facilitate growth; and
- Provide a database of businesses for Council to draw on.

At the heart of its enhanced functionality will be a focus on advanced Google Analytics that can provide more in-depth information about visitors to the site.

In simple terms, site administrators will now know precisely where their 'visitors' are located by both town/city and country; which pages are receiving the most traffic; how the pages are being viewed, that is from a desktop, tablet or mobile device; demographic data such as

age and gender; and register users' search queries.

By tracking each user's 'behavioural flow,' administrators will now drill down how visitors travelled through the site from beginning to end. This is important to determine which pages are capturing visitors' interests and which pages are resulting in drop-offs.

Further, 'real-time tracking' will give administrators the location of the visitor and how they are viewing the site (desktop or mobile). There will also be an 'event tracking' capability which allows for granular measuring of nominated 'events' with Google Analytics. In this way, we will be able to track interactions on the site that involve visitors clicking on email addresses, phone numbers an external links.



Sports Marketing Australia

Given the Shire's lack of experience in organising major events geared primarily at attracting day-trippers from the greater metropolitan area, a relationship with one of the country's premier events placement organisations has been established.

Sports Marketing Australia (SMA) was started in 1999 and since its beginning, its Events Placement Program has delivered \$3.3 billion direct spend into the local economies of the Councils that partner with SMA in the program.

In addition, these events have generated more than 12,500,000 bed nights and the vast majority of this activity has occurred in the past seven years.

Currently, SMA works with 53 Councils across Australia. They include Gold Coast, Moreton Bay, Townsville, Cairns, Wollongong, Bendigo, Penrith and Port Adelaide

along with some smaller regions including Orange, Wagga Wagga, Kalgoorlie, Bunbury, Albany, Wangaratta and Murray Bridge.

SMA has begun undertaking a 'Capacity and Capability Assessment' of the Shire's sports and events venues as well as of other facilities, including Lardner Park and Blue Rock Lake.

Baw Baw Shire is attractive to many events offered annually through SMA due in large part to its range of natural settings, sports grounds and accessibility to Melbourne by road and rail.

While talks are underway to bring some international sporting/entertainment events, the Shire has organised through SMA to run a week-long National Cinema Pop Up 'free' community event.

The event will be run in conjunction with Mix Tape Media and their major sponsors – Toyota and Victorian Traffic Accident

commission (TAC). In addition to four nights worth of classic movie greats, local community cinema-goers will get access to a Kids Zone, VIP Area, full licensed bar, sponsor boards and red carpet.

The Shire also has recently agreed to host four episodes of the popular Good Chef/Bad Chef program that will appear on both local Channel 10 and overseas. The four episodes would begin appearing in early 2019 and based on previous results, will attract more than 350,000 viewers. Re-runs of similar episodes also attract approximately 180,000 viewers as well as more than 120,000 Ten Play video segment views.

The most attractive element of these shows is when the participating chefs – Adrian Richardson and Rosie Mansfield – visit local people and areas of interest to give viewers a true 'taste' of the region.

Independent Major Events

Complementing the events introduced to the Shire by SMA, the Economic Development unit also is working with tourism and industry partners, state and federal agencies to attract a range of other major events. At time of publication, there were several major events under consideration. These will be updated on a regular basis and reported through to Council.

Peninsula Film Festival

Economic Development team members are in discussions with the organisers of the State's most popular open-air cinema event – Peninsula Film Festival. The event would be provided free of charge to community members who would be encouraged to bring a picnic and enjoy the top short films from the festival. There also would be an opportunity for young film makers in the region to show their works.

Scout Jamboree 2022 (in conjunction with Lardner Park)

Scheduled for January 2022, this event attracts 10,000 Scouts along with up to 20,000 visiting the site on Visitors Day. Event organisers estimate that the 10-day Jamboree is worth approximately \$17 million. The Shire and Lardner Park put their Expression of Interest in to host the event and may know whether they've been successful in the last quarter of 2018.





Knowledge Tourism

The Australian international education market is estimated to comprise more than 500,000 students and is valued at \$18.3 billion, according to Regional Development Australia. The higher education component of that market is growing at 7.6 per cent, while the VET and English Language Intensive Courses for Overseas Students segments are in decline. Moreover, it is estimated that the visiting friends and relatives market contributes a further \$365 million to the national economy.

Chinese students make up nearly 30% of Victoria's international students followed closely by Indian students. At a state level, education is by far Victoria's biggest export,

contributing \$5.5 billion to the state economy and generating an estimated 50,000 jobs.

While most of these students attend universities based in Melbourne, a Warragul-based operation has come up with an innovative way to tap into this market.

Gippsland International Student Tours is the brainchild of Professor Murray Cree and John Daniels, founder of Travel Plus Warragul, the region's most successful travel agency. The concept is to offer international students access to day trips to Baw Baw Shire destinations for 10 months of the year.

The trips not only introduce these students to such destinations as Walhalla and Mt Baw Baw, but provide them with the chance to practice their English, gain greater insight into Victoria's rich history via selected destinations and the ability to identify possible business opportunities.

The tours will rely on heavy marketing via social media during its first phase beginning in September 2018. Ten buses per month visiting up to five different locations are planned, with up to 50 students per bus. Approximately 5,000 students will be expected in the first year. It is expected that the venture will not only appeal to students, but also attract interest from friends and relatives.

Cycling Initiatives

Cycling ranks as the third highest participation activity for people aged between 15-64 in Victoria. And as Baw Baw Shire's population continues to grow exponentially over the next 20 years, so too will the need to provide residents with an efficient transport network while also enhancing a sense of place.

A well-planned and well-run transport system contributes to the social, economic and environmental aspects of a sense of place. While road and rail networks continue to develop, at

the same time there is greater demand for providing the ever-growing cycling community opportunities to enjoy their surrounds, whether they're training for the Tour de France, taking part in a BMX race or commuting.

Participation in cycling is growing dramatically according to figures from state cycling groups. Since 2010, Cycling Victoria reports an increase in active membership by nearly 21 per cent while BMX Victoria says their numbers have gone up by 26 per cent all of that

are trumped by the 267.5 per cent increase reported by Mountain Bike Australia's Victorian-based members.

Baw Baw Shire Council is working with local cycling enthusiasts to not only help enhance some existing events, but to identify some larger scale projects designed to promote greater community engagement while also serving the growing needs of a larger population with diverse cycling requirements.



Short Term Cycling Events

Baw Baw Cycling Classic 2019

This demanding road race has been running since 2001, beginning in Warragul before moving up the mountain culminating in what many cyclists say is one of the toughest climbs in the world. The race traditionally attracts approximately 250 cyclists from all over the country and the occasional international dropping in to challenge themselves.

Just over 105 kilometres from start to finish and taking in some of the area's most scenic countryside and towns including Neerim Junction, Noojee and Shady Creek, the three-and-a-half-hour ride (for the quicker entrants!), has provided a range of weather conditions going from warm sunny days to snow falling at the higher altitudes.

The event has been hosted by the Warragul Cycling Club and delivered from an operational viewpoint by club member, Karin Jones, an experienced event

manager. The event has been especially reliant on other club members to volunteer services as well as on the local community and business sector for donations. The Warragul Cycling Club has underwritten the event and up until the last three years, received assistance from the Shire. Since this financial support ceased, the event has struggled leaving local club members unsure as to the event's long-term viability.

Baw Baw Shire Council has agreed to become more involved for 2019, both by providing a direct cash injection as well as by seeking additional funds from other sources and assisting in providing more marketing and infrastructure support.

This event is seen not only as a great activity for local cyclists and their families, but as a way to draw more riders and their friends and family from the neighbouring

Gippsland communities, as well as to the strong cycling fraternity in and around the metropolitan Melbourne region.

It's envisaged that the race could be expanded into a weekend-long cycling festival, possibly including everything from a criterium circuit race in the centre of Warragul to a family cycling activity on the Saturday. Then, too, in addition to the traditional 105-kilometre race from Warragul to Mount Baw Baw, event organisers will offer a shorter circuit beginning in Noojee so as to attract a wider group of riders to the 'main attraction.'

The BBSC Economic Development team will work with the local cycling club to develop this weekend-long festival as well as seek additional support both in the way of direct financial contribution and in-kind support from local community groups and businesses.

Mountain Bike Australia State Downhill Championships

Baw Baw Shire, in conjunction with Mt Baw Baw Alpine Resort has offered to host a new state championship event designed to attract mountain bike competitors from around Victoria to the region.

This event would be scheduled for February 2019 and is expected to attract more than 250 competitors/officials to the region. Based on past similar events, approximately 90 per cent of competitors and officials are expected to come from outside the Shire's boundaries.

Nearby to Mt Baw Baw, the Erica Mountain Bike Park, is already a leading destination for mountain bike enthusiasts. It is expected competitors would use the park for practice and return visits.

The event would be conducted over one day with another day for practice runs. Most competitors would stay in the area for at least one night.

Event organisers also said that based on past experience, this championship would attract in the order of 650 people to Baw Baw Shire.

Benefits to the Shire for taking part in this event would include:

- Signage at the event
- Logo recognition on the event website and on all marketing collateral
- Invitation to the Mayor to address the competitors prior to the race
- Joint media releases
- Promotion by the Mountain Bike Australia on their website of the region, it's other tourism and accommodation offerings.





Medium-to-Long Term Cycling Initiatives

As one of the state's fastest growing municipalities, Baw Baw Shire's sporting infrastructure struggles to keep pace with ever growing resident numbers.

As outlined earlier in this document, the Economic Development team will work with Council to undertake a workshop to determine the level of interest in developing a sport and recreation precinct featuring several cycling activities..

Another suggested longer term project would be undertaking a feasibility study to determine the viability of developing a trail link from Warragul to Yarragon for cyclists.



RV & Tourism Signage Strategy

Baw Baw Shire Council enlisted the support of TRC Tourism to undertake a detailed Recreational Vehicle and Tourism Signage Plan in November 2017. (The draft plan obtained Council approval in February 2018).

The Strategy outlined the key RV visitor markets to Baw Baw Shire, those travelling through the region as part of a Melbourne to Sydney route or to East Gippsland, and those who are visiting the Shire specifically for the regional tourism product.

The Strategy identified the need for the Shire to not only raise the profile of existing sites, but to look for ways to grow the number of RV and caravan sites. Importantly, the plan recommends that the ultimate success of the Strategy will rely on strong support from business owners and operators to

help create targeted opportunities for through travellers to stop, stay longer and plan a return to Baw Baw Shire. For those with Baw Baw as their main destination, improved signage, visitor information and strategic development of RV facilities, in addition to careful packaging of products will increase their understanding of the experiences on offer in the Shire, and satisfaction while they are in the region.

Prior to looking at a series of short and long-term initiatives, the Strategy highlights several key drivers that motivate RV operators to select a site. These include:

- **Safety:** The need to park and stay overnight at a place that is safe, tranquil and quiet and slightly away from any main roads, but providing easy access to shopping areas.

- **Services:** A dump point and a tap to refill fresh water tanks.
- **Community:** RV tourists are more likely to stay longer when they are made to feel welcome and appreciated. Potential drawcards like, the best pie in Gippsland, scenic hideaways, dinosaur fossil hunting help put places on the map.
- **Signage:** RV free camp friendly township signage, clear map outlining locations and good tourism information that clearly show all attractions and facilities. Ideally, tourist facilities should be easily accessible and open seven days a week.



Short-Term RV Initiatives

Baw Baw Shire will implement a series of short-term initiatives in keeping with the overall Plan. These include:

- Building a strong presence on the Visit Baw Baw tourism website and on the Shire's social media platforms. Update regularly and provide fresh, newly developed video footage as required.
- Update relevant online portals including wikicamps, highway traveller, thegreynomads, retrips and CMCA.
- Actively engage with local businesses and focus groups to promote locally.
- Provide a new travel map and up-to-date signage.



Medium-to-Long Term RV Initiatives

Baw Baw Shire also will undertake several medium-to-long term initiatives as part of its RV Strategy, including:

- Work with local communities, businesses and State Government agencies including Parks Victoria and DELWP to identify suitable public park land that may be commissioned for RV sites.
- Establish Gippsland-wide RV Strategy with neighbouring shires to ensure that RV
- Identify locations and create more dump sites across the Shire.



