Newcastle City Council

Economic Development Strategy

2016-2019

www.newcastle.nsw.gov.au

The City of Newcastle

1927SEP15

The City of Newcastle acknowledges the traditional country of the Awabakal and Worimi peoples.

We recognise and respect their cultural heritage, beliefs and continuing relationship with the land, and that they are the proud survivors of more than two hundred years of dispossession.

Council reiterates its commitment to addressing disadvantages and attaining justice for Aboriginal and Torres Strait Islander peoples of this community.

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CONTENTS

ABOUT NEWCASTLE

The wider Newcastle metropolitan area is the largest regional centre in New South Wales and the second largest non-capital urban centre in Australia. Newcastle itself is recognised as the service and administrative centre for the Hunter Region.

The 2011 Census data has been used to analyse established and emerging trends and plan for the community of the future.

Key data includes:

- the population of Newcastle in 2011 was 154,883 persons. This represents an increase of 6,778 people from 2006.
- median age is 37
- median weekly household income is $1,165
- median weekly rent is $275
- 33% of households are renters
- 25% of the population is made up of couples with children
- lone person households are the main household type
- the three largest ancestries in the city of Newcastle are Australian, English, and Irish
- in 2014, the unemployment rate was 6.2%.
- gross Regional Product ($'M): $13,586.932
- per capita gross regional product ($'000): $91.474
- per worker gross regional product ($'000): $155.299.

EXECUTIVE SUMMARY

Newcastle is at the centre of the Lower Hunter region and is both an industrial economy and a service economy. The city has undergone a major transformation over the last two decades, with strong growth in services, activity and employment. In particular, there has been growth in knowledge industries, with the expansion of health, higher education, research centres, defence industries and professional and technical services. These industries, along with the traditional energy and engineering sectors, are providing the foundation for future growth of Newcastle and the broader region. This Strategy establishes where the Newcastle City Council can value add to economic growth.

Council's Role in Economic Development

Council's economic development tools include: advocating for the community; ensuring appropriate and integrated strategic and statutory planning documents; working with other tiers of government to promote major infrastructure needs; taking a lead in the visitor economy including events attraction and sponsorship; facilitating access to business assistance programs of other tiers of government; assisting the business improvement associations; and providing information from statistics to approvals and licensing processes for business.

Advantage Newcastle

Newcastle has a number of strategic economic advantages that create opportunities for our continued transformation and ongoing growth.

Newcastle is the seventh largest City in Australia; it has the scale of a large city and is at the centre of a large and growing region as the primary provider of business, health, personal, education and professional services.

- Newcastle has a major international deep water port, which is a key component of the export coal chain and of logistics for major industries. The long term lease of the port by the NSW government in 2014 has scope to broaden its freight activities and the development of the vacant Mayfield site.
- Newcastle's industrial base includes specialisations in heavy engineering, defence and aerospace.
- Newcastle has a creative culture that is being translated into business opportunities, through mentoring, venture capital programs and industry clusters.
- Newcastle offers high residential amenity with its coastal location and cultural, sporting and leisure facilities and is an attractive place to live and invest.
- Newcastle is accessible and linked to national markets through a major airport, road and rail.
- Newcastle has a growing local, national and international reputation as a destination and events city for leisure, business, sporting and cultural events.

The Economic Vision for Newcastle

The vision for economic development in Newcastle is defined in Newcastle 2030 – the Newcastle Community Strategic Plan.

"The future vision is for Newcastle as a smart, liveable and sustainable city. This city has a growing local economy with strong industries that are linked to national and international markets. Contained within a high quality urban environment, designed for future improvement, Newcastle is built upon vibrant and emerging businesses that thrive on innovation and creativity to generate a new sustainable community."

The Community Strategic Plan (CSP) identifies three objectives for Newcastle as a 'smart and innovative city'[1]:

- *a vibrant diverse and resilient green economy built on educational excellence and research;*
- *a culture that supports and encourages innovation and creativity at all levels; and*
- *a thriving city that attracts people to live, work, invest and visit.*

This strategy is built around the vision and objectives of the CSP, industry and stakeholder consultation and data analysis, to identify Council's role and responsibilities.

The strategy focuses on five key areas:

1. our role as the capital of the Hunter Region,
2. the development of key infrastructure,
3. supporting business growth and employment,
4. encouragement of innovation and creativity and
5. developing the visitor economy of Newcastle.

1 Newcastle 2030 , Newcastle Community Strategic Plan (Revised 2013), Newcastle City Council.

SUMMARY: THEMES AND STRATEGY

THEME 1

Newcastle as the regional capital

Recognise and strengthen Newcastle's role as the regional capital and hub for industry, education, health, business, personal, tourism, port and logistics services.

Opportunities	Strategies	Actions
Largest regional city in NSW	Promote the competitive lifestyle and cultural advantages of Newcastle as a place to work, invest and live, as part of our business attraction activities.	Develop an opportunities prospectus to promote Newcastle as the perfect business and lifestyle location nationally and internationally.
Attract new national and international business investment	Maintain the role as the regional centre for government services, as well as, business, health and personal services.	Maintain dialogue with government to ensure regional government service's role is maintained and expanded.
Identify and capitalise on employment and investment generators	Strengthen relationships with government agencies and others involved in regional economic development, investment attraction and the delivery of business programs.	Partner with Industry NSW, Urban Growth NSW, GPT and other developers on business attraction activities targeting key value add sectors.
	Share and exchange demographic, regional and industry information with businesses, investors and industry associations.	Monitor land use across the city in accordance with the Local Planning Strategy and ensure supply of appropriately zoned land for industry and commerce.
	Ensure adequate supply of well located, zoned employment land.	Develop website resources to provide relevant information to existing and start-up businesses using REMPLAN and other data sources.
	Targeted investment attraction with domestic and international strategies to encourage investment attraction and effective cooperation agreements with cities in countries such as China (e.g. The City of Yantai).	Develop a night time economy strategy for the city centre (review of the SAFE Newcastle Strategy) with a focus on diversity of activity and community safety.

THEME 2

Facilitating key infrastructure

Work with businesses, community and government to facilitate the development of key infrastructure to facilitate business performance.

Opportunities	Strategies	Actions
Excellent connection through Newcastle airport, rail and road links plus digital connection with the National Broadband Network (NBN)	Deliver the infrastructure component of the Newcastle Urban Renewal Strategy and Hunter Street Revitalisation Framework.	Continue to work with State government agencies to implement the Newcastle Renewal and Transport Program.
Ongoing development and enhancement of facilities including University of Newcastle (UON), John Hunter Hospital, Hunter Stadium, Port of Newcastle, TAFE	Work with our community, the business sector and government to identify and facilitate key infrastructure projects.	Use REMPLAN to model and assess new initiatives to determine economic impact. This data can then be used in grant applications and project prioritisation.
Excellent recreation and cultural facilities	Develop sound economic assessments and business cases for major strategic infrastructure projects, including catalyst projects to guide Council investment.	Participate in local and regional business and industry initiatives to identify and promote the infrastructure needs of the city including transport initiatives, digital connectivity and city-wide WI-FI capability.
	Develop and maintain active partnerships and linkages with major businesses and industry groups.	Encourage local area improvement planning through the Business Improvement Associations.
		Continue to support the development of Newcastle Airport (Council is a part owner).
		Develop a night time economy strategy for the city centre (review of the SAFE Newcastle Strategy) with a focus on diversity of activity and community safety.

THEME 3

Business growth and employment creation

Revitalise the city centre and local precincts through support of existing businesses and industries. Facilitate the generation of new sustainable job opportunities. Seek to maintain major regional industries that are linked to national and international markets.

Opportunities	Strategies	Actions
Revitalise the city centre	Continue to work with NSW government to promote revitalisation of the city centre and attract new investment, business and jobs.	Promote access to business development programs (Australian Government, NSW Government, UON and Hunter Business Chamber).
Maintain key industries	Continue to work with Business Improvement Associations to identify and act on local needs.	Participate actively in the Small Business Friendly Councils Program (SBFC) sponsored by the NSW Office of Small Business Commissioner.
Encourage new business and employment opportunities	Target business and investment attraction to value add domestic and international companies to encourage investment.	Work with Business Improvement Associations on development programs for small businesses and other initiatives to promote local level business growth.
Support and advocate for the small business sector	Support and encourage local business networks and industry clusters (eg. HunterNet, Defence Cluster).	Work with government and business partners in regional and/or industry action plans to reduce impediments and accelerate growth in priority sectors.
	Improve Council recognition of small business issues in the development and implementation of its policies through the SBFC program.	Continue Council's Economic Development Sponsorship Grant Program to promote employment and new business growth.
	Strengthen the existing commercial centres hierarchy as service and employment centres.	Gather and analyse economic and industry information to identify gaps and business opportunities through the use of REMPLAN.
	Ensure adequate supply of zoned employment land (industry and commercial).	

THEME 4

Innovation and creativity

Encourage innovation in business, research activities, education and creative industries.

Opportunities	Strategies	Actions
Skills and knowledge growth	Concentrate smart specialisation programs through the development of innovative hubs and cooperatives.	Facilitate small business access to government innovation programs.
Promote a smart, creative and connected city	Support smart city services and applications.	Work with external networks to support creative business development through Renew Newcastle style initiatives to encourage start-up businesses.
Build on our existing creative and cultural profile	Promote the lifestyle and cultural profile of Newcastle as a place to work, invest and live in business attraction activities.	Maintain links with UON and major businesses in the city to encourage research clusters and business development programs.
	Encourage the creative industries sector and encourage the development of new small businesses.	Develop a Digital Economy Strategy for the city.
	Continue to build on and promote Newcastle's advantages in education, health and energy research.	Develop website resources to provide relevant information to existing and start-up businesses using REMPLAN and other data sources.
	Continue to define the cultural profile of Newcastle through innovative programs and exhibitions at the Newcastle Art Gallery, Newcasrte Museum, regional library and Civic Theatre.	Continue to partner and provide business improvement skills through the Smart Arts and similar programs.
		Continue Council's Economic Development Sponsorship Grant Program to promote employment and new business growth.

THEME 5

Developing the visitor economy

Work with the tourism sector and industry associations to further develop Newcastle as a visitor and event destination.

Opportunities	Strategies	Actions
Grow the market and increase visitor nights (and expenditure)	Implement the Destination Management Plan.	Council to continue its leadership role in developing the visitor economy and partnering with Newcastle Tourism Industry Group (NTIG) and operators.
Improve the visitor experience with revitalised destinations	Continue to work on researching and promoting sector infrastructure issues, including accommodation, cruise ship facilities, and conference facilities.	Complete visitor website upgrade, as well as, print promotions such as maps and self-guided tours.
Connect the industry	Utilise economic and business information to track city and key industry trends.	Investigate and provide improved visitor services.
Invest in Newcastle as a visitor and event destination	Continue to identify signature events and experiences for the Newcastle community and our visitors.	Complete and implement the CBD Visitor Economy Vision with NTIG.
	Create and maintain effective partnerships at local and regional level.	Through Council's Newcastle Convention Bureau promote Newcastle as a destination for business and professional conferences (MICE – meetings, incentives, conferences and exhibitions).
	Work with industry to develop skills and quality of product.	Engage public relations consultants to promote Newcastle as a destination, state wide and nationally.
		Continue to work with organisations such as Destination NSW to promote Newcastle through initiatives such as Its On.
		Continue to partner with regional bodies to promote the region and events (e.g. All Together Perfect and events such as Port to Port).
		Prepare a local events strategy, including the sporting events market.
		Continue to provide the Events Sponsorship Grant Program to increase overnight visitation and promote Newcastle as destination.

1.0 NEWCASTLE AN OVERVIEW

Newcastle is at the centre of a large region and is both an industrial economy and a service economy. Recent growth in the Newcastle economy has been driven by a combination of a growing population and expansion of major industry sectors.

The city has undergone a major transformation over the last two decades, with strong growth in services activity and employment. In particular, there has been growth in knowledge industries, with the expansion of health, higher education, research centres, defence industries and professional and technical services. These industries, along with the traditional energy and engineering sectors, are providing the foundation for future growth of Newcastle and the broader region. This strategy establishes where Newcastle City Council can value add to economic growth.

This section of the document outlines population trends, and the major industries within Newcastle by output and employment. More detailed information can be found in the appendices at the rear of the document.

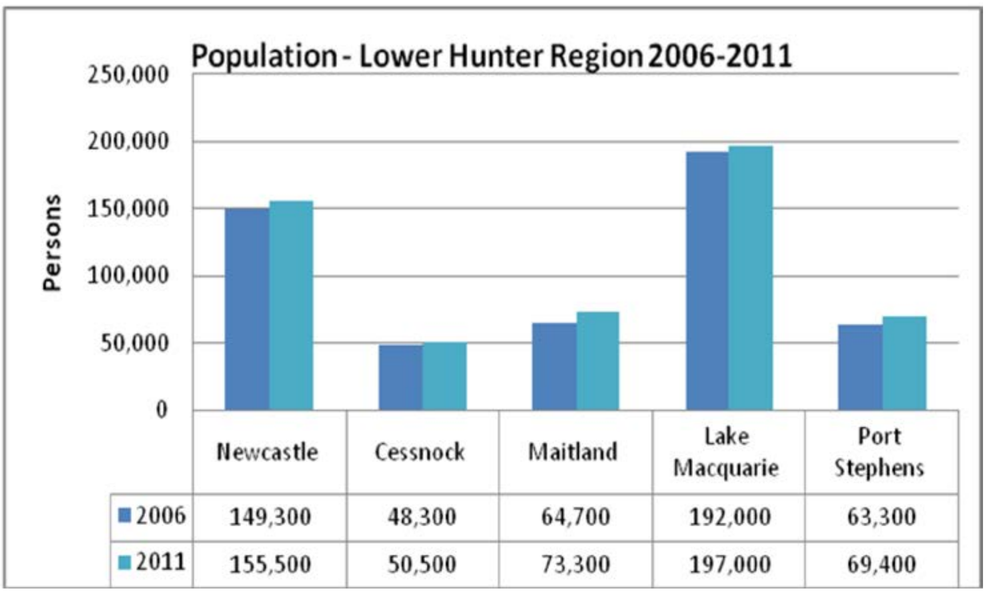
1.1 Population

1.1.1 Regional Population

Newcastle is at the centre of a large and growing region. The Hunter Region had a total population of 648,800 persons in 2011, with 545,700 in the Lower Hunter and 103,100 in the Upper Hunter Region.

The population of the Lower Hunter is growing. Between 2006 and 2011, the region's population increased by 28,100 people, or 5.4%. Newcastle accounted for 22% of this population growth or 6,200 persons.

Chart 1. Population Lower Hunter Region 2006-2011



The Australian Bureau of Statistics divides Newcastle into three statistical local areas (SLAs). In 2011, the Inner City accounted for 34% of the population; Outer West 29%; and Throsby 36%. The population has been increasing in each of the SLAs. Medium and long term projections show stronger growth in the Inner City and Outer West.

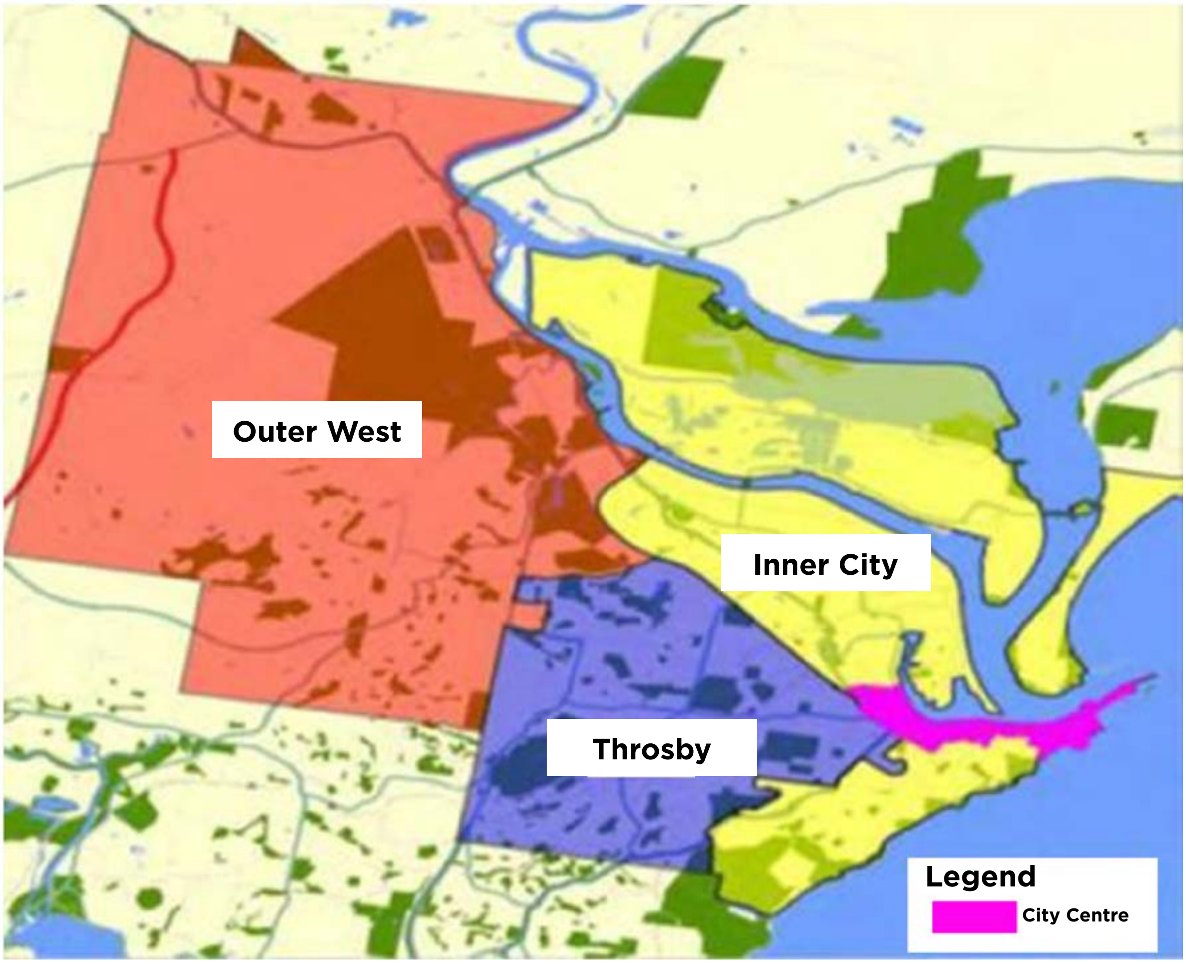
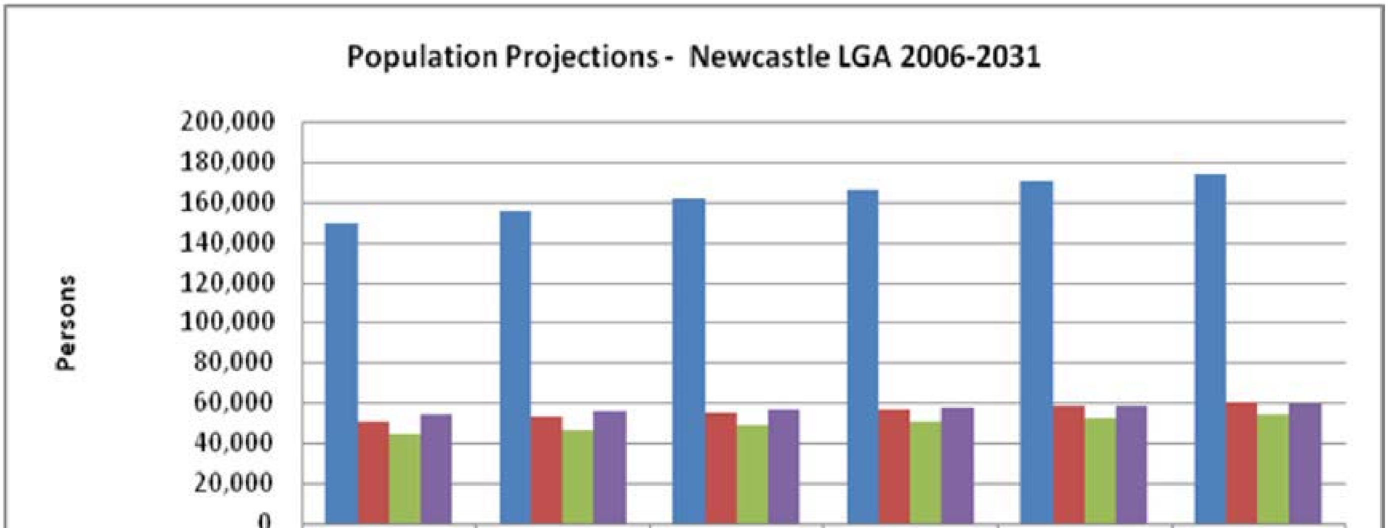


Chart 2. Population Projections-Newcastle LGA / SLAs 2016-2031

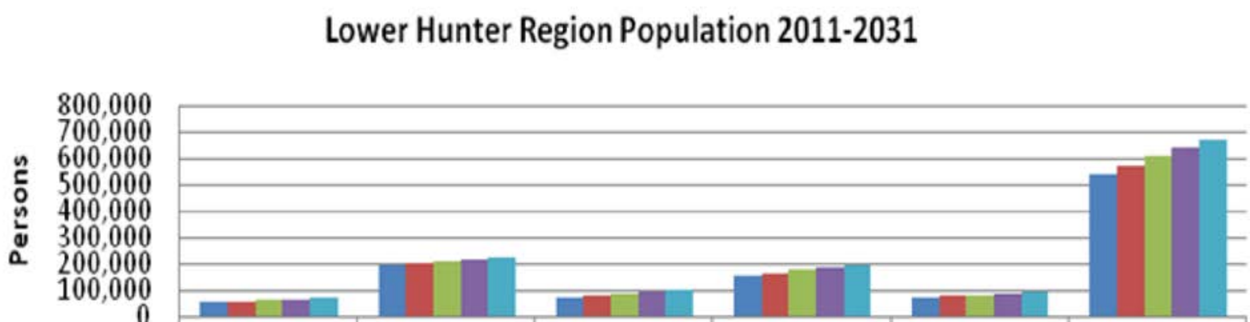


	2006	2011	2016	2021	2026	2031
Newcastle	149,300	155,500	161,300	165,600	170,000	174,200
Inner City (SLA)	51,000	53,300	55,300	56,900	58,600	60,200
Outer West (SLA)	44,200	46,700	49,200	51,000	52,700	54,400
Throsby (SLA)	54,100	55,500	56,800	57,700	58,700	59,600

Source: Newcastle Urban Renewal Study – Economic Assessment - March 2012 Hill PDA P 35

Population in the Inner City is projected to increase by 6,900 persons or 13% between 2011 and 2031; 7,700 (16%) in the Outer West; and 4,100 in Throsby (7%). The projected population growth is based on a number of factors including: new household formation; the movement in of young adults for tertiary education; and the growth in employment opportunities attracting new residents. The development of the UON new city campus and the increase in international students will boost the number of student residents in the Inner City area.

Chart3 – Population Projections (Planning NSW) – Lower Hunter Region to 2031



	Cessnock (C)	Lake Macquarie (C)	Maitland (C)	Newcastle (C)	Port Stephens (A)	Lower Hunter
2011	52,500	195,900	69,600	154,900	67,100	540,000
2016	56,100	199,900	77,400	164,800	74,700	572,900
2021	60,000	206,900	84,700	174,200	80,400	606,200
2026	63,800	213,500	92,000	183,400	86,000	638,700
2031	67,400	219,600	98,900	192,500	91,200	669,600

Source: NSW State and Local Government Projections 2031 (preliminary revision), Planning NSW

Looking at the region to 2031, strong growth is projected across the region. Appendix A provides more detailed information.

Population Outlook

Create an environment where people want to live

The population outlook is positive for Newcastle's economic development.

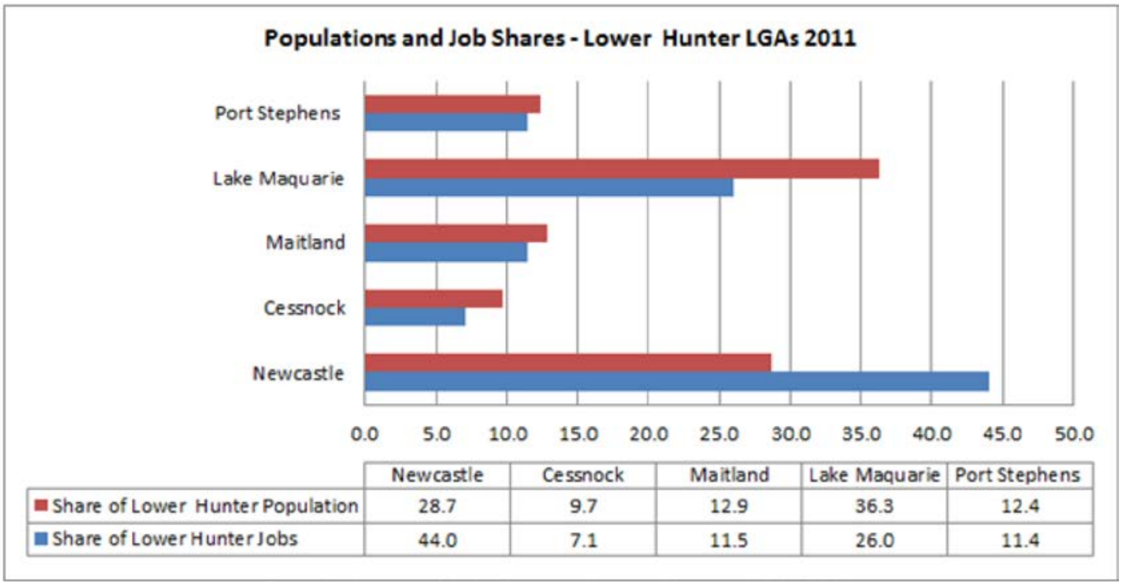
Strong local and regional population growth will increase the size of the market and will drive demand for retail and services, including higher education and specialist health services.

1.2 Regional Role

Newcastle plays a central role in the Hunter Region and is the "regional capital". It is the centre for critical infrastructure (including the port/logistics functions and support activities); it provides services to the region including health, higher education, financial services, professional services and government services; it has the headquarters of a number of major organisations and has a major concentration of manufacturing/engineering businesses that are servicing national and international markets.

Regional Role	Services and facilities	Jobs in LGA
Health Services	Newcastle is a regional centre for health services. This comprises: John Hunter Hospital and the Calvary Mater Hospital and associated specialist medical services in general paediatrics, tertiary services, surgery and trauma, oncology and emergency facilities as well as a range of private hospital facilities and specialist services. There is also the Hunter Medical Research Institute (HMRI) with around 1500 researchers.	**15,950** or **18%** of jobs in the LGA
Finance and Business Services	Newcastle is the centre for an expanding finance and professional services sector, which is servicing broader regional markets.	**15,903** or **18%** of jobs in the LGA
Manufacturing	Newcastle is a centre for manufacturing, particularly for heavy engineering linked to mining and defence markets. HunterNet is involved in the development of new markets for engineering businesses and in education and training for the sector.	**8,444** or **10%** of jobs in the LGA
Port of Newcastle (Logistics and wholesaling)	The Port is the world's largest coal port and a major international deep water port. Future development by the new commercial operators will expand the capacity for general cargo, bulk materials, bulk liquids, and container trade. The Port services a number of major industries in the region including chemicals and fertilisers. To underpin the development of the Port, the maintenance of road and rail access is critical for port users.	**6,873** or **8%** of jobs in the LGA
Government Services	Newcastle is the regional headquarters for a number of government agencies that service Hunter and Central Coast Regions.	**5,515** or **6%** of jobs in the LGA
Tertiary Education	Newcastle services a regional market for higher education (University of Newcastle) and vocational education and training (Hunter TAFE).	**4,761** or **5%** of jobs in the LGA
Sports and Entertainment	Newcastle is a centre for sports and entertainment with international standard facilities for football, rugby and hockey and a entertainment and exhibition centre. Hunter Venues comprise: • Hunter Sports Stadium – a rectangular, multi-purpose outdoor stadium with a capacity of 33,000; • Newcastle Hockey Centre (NIHC) with three internationally FIH accredited fields; • Newcastle Entertainment Centre with a capacity up to 7500 and suitable for concerts and exhibitions; • Newcastle Exhibition Centre with indoor space of 1650 m2; • Newcastle Showground - with an oval arena and seating for 3000; and • Newcastle Harness Racing Centre.	**637** or **1%** of jobs in the LGA

Chart 4 Population and Job Shares – Lower Hunter LGAs 2011



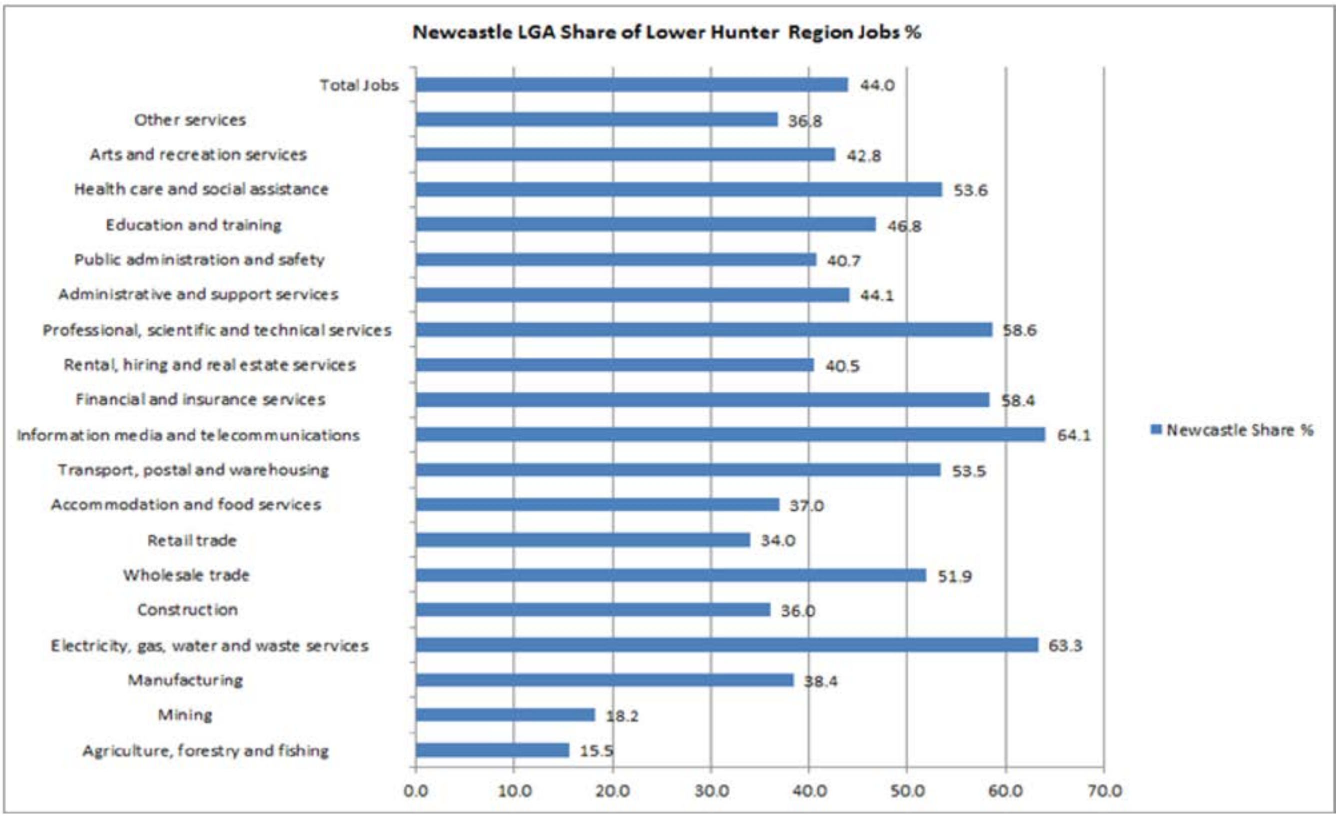
	Newcastle	Cessnock	Maitland	Lake Maquarie	Port Stephens
Share of Lower Hunter Population	28.7	9.7	12.9	36.3	12.4
Share of Lower Hunter Jobs	44.0	7.1	11.5	26.0	11.4

Source: ABS Census 2011, Working Population and Resident Population Data

Newcastle's regional role is also reflected in the industry structure of jobs in the LGA, Chart 5 shows there is a large share of jobs in:

- information media and telecommunications (64%),
- utilities – electricity, gas, water and waste services 63%,
- professional, scientific and technical services (59%),
- financial and insurance services (58%),
- health care and social assistance 54%,
- transport, postal and warehousing 54%.

Chart 5 Newcastle LGA Shares of Lower Hunter Region Jobs 2011



Source: ABS Census 2011, Working Population Data

1.3 Newcastle Industry and Employment

1.3.1 Industry Jobs

Table 1 indicates Newcastle's employment by industry group and clearly shows the majority of jobs (47.9%) are involved in 'In-person' services which includes health services, retail trade and education and training, followed by goods producing (manufacturing, construction, utilities etc.). The table also shows there was little change in the industry groups between 2006 and 2011. By industry the greatest increase in the period was in health services and social assistance, followed by professional, technical and scientific services. The greatest loss in jobs occurred in the agriculture, forestry and fishing sector. Appendix A contains further information.

Knowledge based industries have become increasingly important in Newcastle and are focused in the university, health sector, CSIRO and professional services and business services.

- The University of Newcastle (UON) has research strengths in areas including health, biotechnology, mining and minerals processing and energy. UON is a partner (with Hunter New England Health) of the Hunter Medical Research Institute (HMRI) and has established the Newcastle Institute of Energy and Resources.
- UON and CSIRO have specialisations in nanotechnology, biotechnology, and clean technology (e.g. solar energy, wind management and optimisation, energy efficiency and energy storage).
- UON and Hunter TAFE are active in delivering tailored education and training programs to industry.

Table 1 Jobs by Industry - Newcastle LGA 2006 and 2011

City of Newcastle	2011		2006		Change	% change
Industry	**Number**	**Share %**	**Number**	**Share %**	**2006 to 2011**	**2006-2011**
Good Producing						
Agriculture, Forestry and Fishing	192	0.2	566	0.7	-374	-66.1
Mining	625	0.7	241	0.3	+384	159.3
Manufacturing	8,444	9.6	8,177	10.1	+267	3.3
Electricity, Gas, Water and Waste Services	2,146	2.4	1,730	2.1	+416	24.0
Construction	4,721	5.4	4,076	5.0	+645	15.8
Total Goods Producing	**16,128**	**18.3**	**14,790**	**18.2**	**1,338**	**9.0**
Goods Related Services						
Wholesale Trade	3115	3.5	3270	4.0	-155	-4.7
Transport, Postal and Warehousing	4,570	5.2	3,987	4.9	+583	14.6
Total Goods Related Services	**7685**	**8.7**	**7257**	**8.9**	**428**	**5.9**
Business and Professional Services						
Information Media and Telecommunications	1,248	1.4	1,546	1.9	-298	-19.3
Financial and Insurance Services	3,701	4.2	3,572	4.4	+129	3.6
Rental, Hiring and Real Estate Services	1,361	1.5	1,370	1.7	-9	-0.7
Professional, Scientific and Technical Services	7,237	8.2	6,057	7.5	+1,180	19.5
Administrative and Support Services	2,356	2.7	2,079	2.6	+277	13.3
Total Business and Professional Services	**15,903**	**18.0**	**14,624**	**18.0**	**1,279**	**8.7**
Government Services						
Public Administration and Safety	5,515	6.3	5,365	6.6	+150	2.8
Total Government Services	**5515**	**6.3**	**5365**	**6.6**	**150**	**2.8**
In-Person Services						
Retail Trade	8,271	9.4	8,337	10.3	-66	-0.8
Accommodation and Food Services	5,808	6.6	5,275	6.5	+533	10.1
Education and Training	7,990	9.1	7,060	8.7	+930	13.2
Health Care and Social Assistance	15,950	18.1	13,884	17.1	+2,066	14.9
Arts and Recreation Services	989	1.1	874	1.1	+115	13.2
Other Services	3,251	3.7	2,971	3.7	+280	9.4
Total In Person Services	**42259**	**47.9**	**38401**	**47.3**	**3858**	**10.0**
Industry not classified	689	0.8	701	0.9	-12	0.0
Total Jobs	**88,179**	**100.0**	**81,138**	**100.0**	**+7041**	**8.7**

Source: ABS Census 2011, Working Population Data

1.3.2 Location of Jobs

Within Newcastle, jobs are distributed across the SLAs as follows:

- **Inner City which includes the CBD and port**: Between 60-70% of the government (Council, NSW Government, and Australian Government) and business and professional services jobs; and 50% of accommodation and food service jobs. It also has over 50% of the manufacturing jobs and 63% of the transport jobs. Overall this SLA accounted for 47% of jobs in the LGA (and 34% of the population).
- **Outer West:** 42% of education and training jobs (UON); and 61% of electricity, gas and water sector jobs; and 35% of wholesale jobs. Overall this SLA accounted for 20% of jobs in the LGA (30% of the population).
- **Throsby:** 60% of health care and social assistance jobs (John Hunter Hospital, Newcastle Private Hospital); 44% of retail jobs; and 45% of the arts and recreation services jobs. Overall this SLA accounted for 33% of jobs in the LGA (37% of the population).[1]

1.3.3 Major Employers

Table 2 shows some of the major employers in Newcastle and the broader region by industry sector.

1.3.4 Employment Travel Patterns

Newcastle LGA is the centre of the regional labour market, and performs a major role in the provision of jobs for a wide area of the Lower Hunter and the Central Coast.

- In 2011 there were 70,255 employed residents and a total of 88,179 jobs located in the LGA. In all 62% of Newcastle residents (43,329) had their jobs in Newcastle LGA and around 38% (26,926) held jobs outside the area (mainly in adjacent LGAs).
- For these Newcastle residents holding jobs outside the region, the major job locations were in the adjoining LGAs of Lake Macquarie (9383 or 13% of employed residents); Maitland (2689 or 4%) and Port Stephens (3399 or 5%).
- Newcastle has around 50% employment containment, which means that 50% of the jobs in the LGA are held by Newcastle LGA residents.[2] A total of 44,850 persons (51%) from outside Newcastle LGA held jobs in the LGA, with 26,581 (30%) living in Lake Macquarie. Other sources of workers were Maitland 6645 (8%); Port Stephens 5310 (6%) and Wyong 1628 (2%).[3]
- The Newcastle City Centre is a net importer of workers, with most persons travelling from the outer suburbs, as well as the adjacent LGAs of Lake Macquarie and Port Stephens.

1 Based on 2006 data in Newcastle Urban Renewal Study – Economic Assessment Hill PDA 2012 P74

2 Draft Local Planning Strategy, Working Paper :Centres and Employment Lands Newcastle Council P13

3 See Appendix B for detailed tables on journey to work patterns.

Table 2 Major Businesses – Newcastle LGA and Region

Sectors	Activities	Major Regional Businesses
ICT	E-commerce, telecommunications, software development and systems support.	CSC, Computer Systems Australia, Telstra
Manufacturing	Heavy engineering, steel products, chemicals, mining industry support	Downer EDI Limited, Arrium Limited (formerly OneSteel), Thales, Forgacs, Bradken (Global Corporate HQ), Orica
Services	Financial services, professional services	PricewaterhouseCoopers, NIB, Sparke Helmore; GHD, Banks, Newcastle Permanent Building Society, The Greater
Health	Hospitals and health services Health and medical research	Hunter New England Health – HQ and hospitals Hunter Medical Research Institute (HMRI);
Defence/ Aerospace	Defence support and aerospace support	BAE Systems, Lockheed Martin; GE Aviation, Boeing, Raytheon, Thales, Varleys, L3-Communications, Forgacs, RAAF
Transport	Coal rail services, road freight	Pacific Rail, Toll, Port of Newcastle, Aurizon
Energy and Water	Electricity, water	Macquarie Generation, Hunter Water Corporation, Ausgrid, Energy Australia
Education	Higher education and vocational education	University of Newcastle, Hunter TAFE, WEA
Government	Government agencies	Australian Taxation Office, Centrelink

Opportunities and Jobs

KEY ISSUES:

The strong growth in services employment experienced over the last 10 years is likely to continue, with Newcastle continuing to develop as a major regional service hub. Newcastle LGA has the potential to reach the job targets that are linked projected population growth.

- *Manufacturing will remain important for the region, but employment levels will be lower.*
- *Industries moving products through the port will remain important and there is potential to expand logistics activities.*
- *Knowledge based sectors will grow, particularly in higher education, research, medical and health sectors.*
- *Jobs will require qualifications and skills (higher education and trade and VET qualifications). The number of jobs that require no qualifications is continuing to decline.*
- *Newcastle due to its regional capital role will continue to provide jobs for persons in adjacent LGAs. This is particularly the case for knowledge sector jobs, for higher level services jobs and for government agencies.*

1.4 Future Opportunities

1.4.1 Future Job Requirements

Some recent projections have been prepared of future job requirements that are associated with population growth in Newcastle LGA[1].

- The Newcastle Employment Lands Strategy (NELS) projects population growth of 18,500 residents to 2031 (for a total population 175,700). Based on the current average labour force participation rate for Newcastle LGA (61%), this population growth requires an additional 11,285 jobs for the resident labour force by 2031[2].
- The NELS has projected future jobs for Newcastle LGA (for the 2011-2031 period) using NSW Bureau of Transport Statistics (BTS) forecasts. These projections show growth in jobs in services, with most being higher skilled knowledge industry jobs.
- The sectors that are likely to see some contraction in jobs include manufacturing, wholesale trade, energy utilities, and administrative and support services. These are based on expected changes in demand levels; technology and workforce structures[3].

1.5 Industry output

Total industry output in the area is estimated at $28,831.076 million. Table 3 shows the major contributors to output.

1.6 Strategic Growth Sectors

Future growth in jobs will be driven by a number of factors and these include growth in industries servicing external markets; growth in activities linked to the port; internal market growth, generated by a larger regional population; and innovation and commercialisation of ideas. Knowledge-based activities will increase in importance for most sectors of the economy.

Newcastle LGA has a large, diverse economy, with a spectrum of industries and businesses servicing local, regional, national and international markets. These businesses and organisations employ around 88,000 persons.

1 Draft Local Planning Strategy, Working Paper :Centres and Employment Lands, Newcastle Council
2 Draft Local Planning Strategy, Working Paper :Centres and Employment Lands, Newcastle Council P14
3 Newcastle Urban Renewal Study – Economic Assessment , Hill PDA 2012 P75

Newcastle LGA has a number of key advantages including : population size and growth; accessibility to Sydney; a major international port with potential for substantial growth and diversification; a major airport with key domestic routes (and potential international flights); a leading university (which is expanding) and Hunter TAFE; a large health services sector (7.7% of the economy and expected to increasing to 8.4% in 2036); major research centres and a culture of innovation; an industrial base; an expanding knowledge based services sector. When combined with a large city centre, a coastal lifestyle and affordable housing there is a strong foundation for future growth,

Newcastle and the Hunter Region have shown a capacity to adjust to industry changes, and have an outlook of continued regional population growth. A recent study for RDA Hunter has projected long term economic growth to 2036 for the Hunter Region, which would see the region growing at around 2.4% per annum (above the growth rate for the rest of New South Wales).

Newcastle and the Hunter Region have strong long term economic prospects based around current strengths and new emerging opportunities. These opportunities include: development of defence/aerospace clusters at RAAF Williamtown and Newcastle Airport (associated with the Joint Strike Fighter); other defence manufacturing and support; port services and logistics; the coal chain and support activities; high value manufacturing/engineering; agribusiness; hospitals and specialist health services; health and medical research; ICT; higher education (domestic and international students)and research at UON; business and professional services; a growing visitor market; and emerging creative industries.

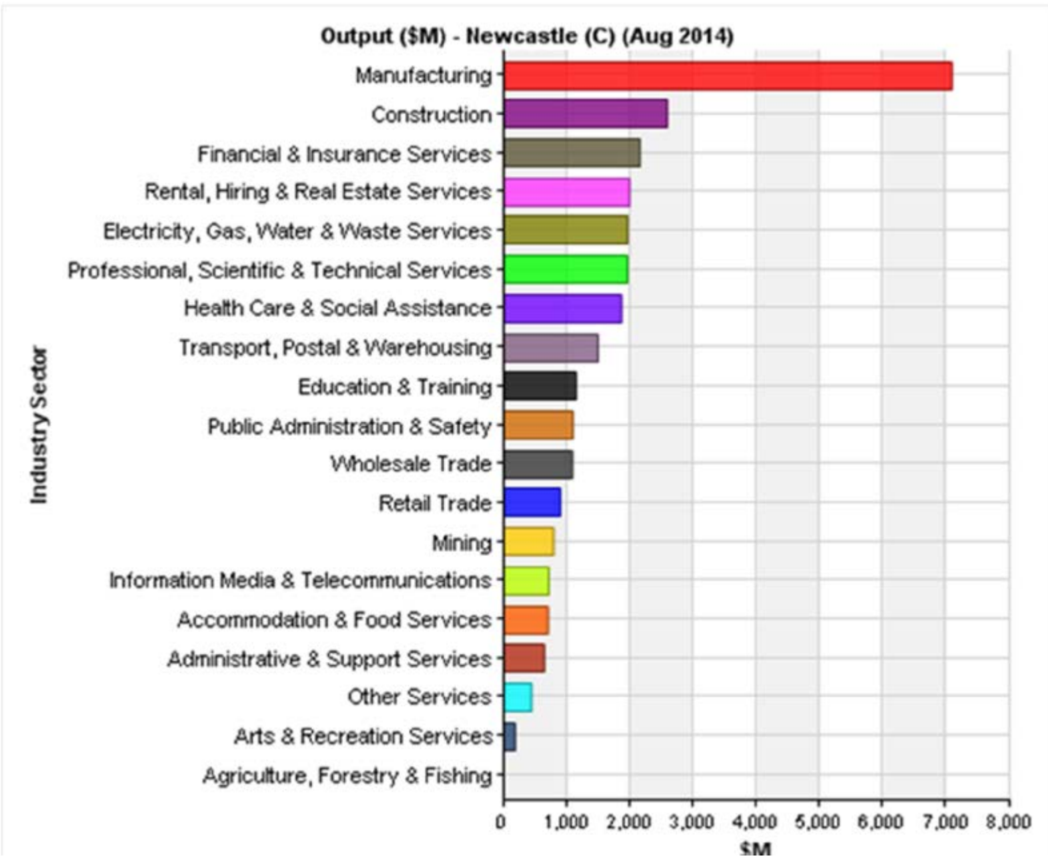
These opportunities are explored further in Section 2.

Work

Provide opportunities for growing employment

Table 3 Major contributors to output – Newcastle LGA and Region

Industry Sector	$million	%
Manufacturing	$7,084.049	24.6 %
Construction	$2,586.482	9.0 %
Financial and insurance services	$2,151.989	7.5 %
Other	$17,008.557	59.0 %
Total output	**$28,831.076**	**100.0%**



2.0 MAJOR OPPORTUNITIES

2.1 Overview

There are a number of key elements that will shape the future economic development of Newcastle LGA and these include:

- City centre revitalisation - regeneration of the city as a place to live, work, invest and visit.
- Port of Newcastle development is important to the future of Newcastle (including coal exports and expansion for other products).
- Development of the visitor economy.
- City university precinct - University of Newcastle city campus as a catalyst project.
- Digital connectivity in the smart city.
- Strengthening of local areas and precincts.
- Developing workforce skills for a knowledge-based future.

Newcastle City Council's Economic Development Strategy needs to identify its role and responsibilities and facilitate action in each of these key areas.

Appendix D contains further information.

2.2 City Centre Revitalisation

Urban renewal of the city centre is fundamental to Newcastle's long term future. A vibrant city centre is important from an economic and social perspective.

The NSW Government, in partnership with Newcastle City Council, is implementing an urban renewal strategy for the Newcastle city centre. A major focus of the 25 year Newcastle Urban Renewal Strategy, is on initiatives: to improve the city's economy, access, connections and the quality and attractiveness of the public domain; and to encourage the development of retail, residential and commercial space in the city.[1]

The strategy is based on a vision for Newcastle as a vibrant and growing city. A key input to the strategy was the Council's Hunter Street Revitalisation Framework Strategy (2010).

Newcastle City Centre Vision:

Newcastle will continue to grow and evolve to strengthen its position as the Hunter region's capital.

The city centre location and setting between the river and ocean make Newcastle a compact, people-friendly city with unique attributes.

Newcastle city centre will be a vibrant regional hub and attractive destination for businesses, residents and visitors, providing accessible and suitable employment opportunities, a choice of retail and other services, and local, national and international investment opportunities.

(Source: Newcastle Urban Renewal Strategy 2012, Department of Planning xviii)

2.2.1 Planning principles

Nine planning principles are recommended to guide redevelopment within the city centre. These are summarised below and the areas where the economic development strategy can assist are also identified.

Key initiatives for the city centre currently include:

- light rail and a new transport interchange at Wickham (linking the city and helping create a new business district at the west end);
- the UON city campus;
- revitalising Hunter Street Mall and east end of Newcastle into a distinct retail, entertainment, leisure and residential precinct;
- reshaping Hunter Street as a key city destination to promote activity, business opportunities, events and other uses;
- strengthening the civic precinct as the main civic, educational and cultural hub;
- attracting more residents into the city centre;
- providing additional connections across the rail corridor for pedestrians, cyclists and cars; and
- positioning the west end as the city's future CBD.[2]

1 Revitalisation funding of $460 million from the NSW Government, includes $340 million from the lease of Newcastle Port.

2 Newcastle Urban Renewal Strategy 2012, Department of Planning NSW Pxvii

Place development and infrastructure are major elements of the Newcastle City Revitalisation.

Table 4 Planning Principles for Newcastle City Centre

Guiding Principles	Elements
1. Providing opportunities to grow and expand	Provide adequately zoned land to ensure the ongoing economic sustainability of the city and to accommodate anticipated growth and trends
2. Economic viability with enhanced choice and competition	The city centre supports a diverse range of retail, commercial and residential uses
3. A busy and vibrant city	The city develops its own character, which is reinforced through branding and marketing of the city
4. Integrity and viability	The growth and development of the city centre should support and reinforce the existing integrity and uniqueness of Newcastle, including its heritage
5. Investment, employment and business growth	Population growth in the city centre will increase demand for jobs and services and require, additional investment. The planning framework needs to support this development. Support for existing and emerging business is vital for the long-term viability of the city centre Targeted investment attraction and business development strategies are needed
6. Transport, access and connectivity	Accessibility and convenience of public transport to and within the city centre is important
7. Housing mix and affordability	More residential development in the city centre will enhance vibrancy and viability through increased day and night activity, and support for jobs and services There is need to encourage a range of affordable housing types for a variety of markets, including student and seniors housing
8. Retail variety	Retail is important to the economic viability of the city centre. This includes supermarkets; other retail (eg. brand outlet), bulky goods retailing (city fringe); and reinforcing main street shopping experience
9. Provide for future employment growth	Promote a commercial core that provides for a range of employment-generating activities Cluster shared resources and services to attract new business Employment-zoned land that can accommodate relatively large floor plates should be preserved, so that the city centre is the primary location for commercial office, entertainment, civic and community uses

Source: Summarised from Newcastle Urban Renewal Strategy 2012, Department of Planning NSW

2.2.1 Property Market

Traditionally commercial office space has been located within city centres clustered with retail, civic and community facilities. However, a trend in cities has been the shift of some commercial and industrial businesses to business park developments and industrial zones. Newcastle has seen some of this type of development.

Newcastle city centre developed around the Honeysuckle Precinct, is considered the main location within the LGA, and regionally, for commercial and professional businesses. Including properties in the East Precinct the city centre accommodates businesses such as legal and accounting firms, consultants, financial institutions and government departments.

Some current issues in the city property market include: fragmented retail and lack of retail anchors; increasing escape spending to suburban centres; high vacancy rates - for retail shopfronts (particularly along Hunter Street and in the West End) and C Grade commercial space; and a limited take up of older commercial offices.

The key driver of demand for commercial and employment land is jobs growth. Hill PDA has forecast the demand for employment floor space in the City Centre to 2031. They estimate that there was demand for almost 647,000 sqm of employment floor space (including retail floor space) within the Newcastle City Centre in 2011, and this is forecast to increase to over 900,000 sqm by 2031. The majority of this demand will be for commercial floor space.

The projected demand to 2031 for additional gross floor area (GFA) by type is: retail - 40,000 sqm (GFA); accommodation and food services - 46,000 sqm (GFA); education, health and community services - 35,000 sqm (GFA); and other commercial space -133,000 sqm (GFA). [1]

1 Newcastle Urban Renewal Study – Economic Assessment , Hill PDA 2012 P16

The city centre (including the Honeysuckle Precinct) as the primary location for commercial offices needs to be maintained. Development will require the attraction of private developers and investors and this requires maintenance of a positive investment climate and predictable planning rules.

Creating this positive climate is an important element of this Council Economic Development Strategy.

As a first real step in the implementation of the Urban Renewal Strategy, UrbanGrowth NSW and GPT have lodged concept plans for a $400 million CBD development package, which includes residential, retail and commercial developments. The program includes 17 developments worth $360 million, with seven projects in the core CBD valued at around $120 million. These projects will be major catalysts for redeveloping the city centre.

The development proposal is broadly consistent with the NSW Government's Newcastle Urban Renewal Strategy, and will contribute to meeting long term targets for 6,000 new homes and 10,000 jobs in the city centre Newcastle by 2036.

An active city marketing **(live, invest, work)** and business attraction strategy is required, with Newcastle City Council working in partnership with Industry NSW, UrbanGrowth NSW, RDA Hunter, GPT and other project developers.

Table 5 UG-GPT Proposed Developments (GFA above)

Proposed Developments	
Residential	Various residential buildings including on the site of the old David Jones car park on King Street; on the corner of King and Newcommen Streets; Wolfe Street
Retail	Retail precinct of 15,000 m^2 to 25,000 m^2 retail precinct - a supermarket fronting Hunter Street, a cafe and dining strip and entertainment precinct (including new cinemas). Return of the old Market Square and Hunter Street Mall as the retail heart
Commercial	Mixture of six-storey retail and commercial buildings in Hunter Street Mall
Heritage	Protection of heritage façades

2.3 Port Development

The privatisation of the port (through a 99 year lease), will lead to the expansion and diversification of Newcastle Port. Port of Newcastle, the commercial managers of the port, manages 792 hectares of port land and the associated strategic infrastructure such as wharves, buildings, terminals and transport infrastructure. This includes around 200 hectares of currently vacant land which is available for development.

Port of Newcastle is a vital economic asset for the Hunter Region and beyond. Strategically positioned at the gateway to the state's largest regional economy, with close proximity to Sydney, the port is the economic and trading centre for regional New South Wales.

While coal operations will continue to dominate the port's activities, there is major potential to further extend general cargo operations and to develop multi-purpose facilities and logistics operations on the port land. The overall development potential of the port is significant. The Port of Newcastle has published a port development plan which will be updated every five years. It will be informed by:

Mayfield Concept Plan

The *Mayfield Concept Plan* covers a 90 hectare parcel of port-side land, located within the 152 hectare Mayfield Precinct, and is part of the former BHP Steelworks site.

Potential development includes bulk liquids, and a multi-purpose cargo facility focused around bulk materials, general cargo and containers.[1]

The *Mayfield Site Port Related Activities Concept Plan (Mayfield Concept Plan)* was approved by the NSW Department for Planning and Infrastructure, in mid-2012 (with a modification in March 2014). [2]Further development of the bulk liquids precinct within the port's Mayfield precinct, will meet the region's increasing need for fuel imports.

1 http://www.portofnewcastle.com.au/Commercial-Opportunities/Mayfield-Concept-Plan/

2 Port of Newcastle Letter to Minister – Mayfield Concept-Plan December 2013 P10 http://www.portofnewcastle.com.au/Resources/Documents/Concept-Plan-Modification_2013-12-06-NPC-Letter-to-Minister-re-Mayfield-Concept-Plan-06-Dec-2013.pdf

Source: Port of Newcastle

Terminal 4 development (T4)

The proposed Port Waratah Coal Services Terminal 4 development is currently undergoing planning assessment by the NSW Government, would position the port and the region to meet the continued global demand for the region's high quality coal.

The port's current coal terminal capacity is 211 million tonnes per annum. The port currently has three coal terminals (two are operated by Port Waratah Coal Services, and one is operated by the Newcastle Coal Infrastructure Group).

In terms of future capacity, if all stages of T4 are approved and developed, it would increase the port's coal terminal capacity to approximately 280 million tonnes per annum. There is likely to be an expansion of the port for bulk products, general cargo and containers.

The Port of Newcastle and the Hunter region are ideally placed to provide a supply role in the continued growth and development of Sydney, to receive the associated economic benefits.

Newcastle City Council will work with the Port of Newcastle to encourage appropriate port based activities and other linked industry opportunities.

***Note:** The proceeds of the port lease are being invested in the NSW Government's infrastructure fund, Restart NSW. The Government has assigned $340 million from the proceeds for the revitalisation of the Newcastle CBD, in addition to the $120 million the Government has already allocated to the project (which includes a new light rail service).*[1]

1 Funds for Newcastle will be co-ordinated through the Hunter Infrastructure and Investment Fund, a capital pool that will have $690m.

2.4 Williamtown airport, defence and aerospace development

An $80 million extension to Newcastle Airport is completed to increase domestic capacity as well as developing secure customs and immigration facilities to accommodate future international flights.

The Newcastle Airport runway is shared with the RAAF Base Williamtown, which is a major operational base for fighter aircraft. Employment on the base is around 4,000 people, comprising 2500 permanent ADF personnel, 700 Australian Public Service (APS) personnel and approximately 500 Defence contractors. The operations inject more than $200 million annually into the Hunter Region economy.

Williamtown will be the RAAF's command, operations and training base for the new F35 Joint Strike Fighter with a $950 million redevelopment proposed to accommodate the new activity. Redevelopment will generate around 700 construction jobs. It is expected that support activities will increase employment at Williamtown by up to 1000 persons in support activities.

The *Williamtown Aerospace Centre (WAC)* includes the Newcastle Airport Precinct and 120 hectares of industrial land adjacent to the RAAF Base. The industrial land is being developed as a defence, aerospace and aviation business park.

The WAC will comprise three precincts:

Commercial precinct

With the first stage including a Mecure Hotel and conference centre, plus commercial office space for lease and industrial lots. Potential uses include defence contractor offices, airport related services, transport services and logistics. Lockheed Martin Australia will be WAC's first defence tenant, occupying a purpose built facility in this precinct.

Aerospace Precinct

Comprises sites (with access to the runway and apron) located near current aircraft servicing facilities.

Support Precinct

This will allow for a progressive relocation of up to 1000 civilian staff and contractors currently working on RAAF Base Williamtown.

Develop secure customs and immigration facilities to accommodate future international flights

Planned view of Williamtown Aerospace precinct

Visit and promote the city as an events and tourism destination

2.5 Developing the Visitor Economy

There is major potential for significant expansion of the visitor market including interstate visitors, the short stay market from Sydney, cruise ships and international visitors. Newcastle is a gateway to the Hunter Region and an emerging destination, with a growing number of visitors.

The *Newcastle Destination Management Plan (2013)* has set development priorities for the sector. The focus of the Plan is on emerging markets including: education, visiting friends and relatives (VFR), events, sports, cruise ships, medical and overnight short breaks.

Development of the market also requires investment in infrastructure, and this includes additional hotels and other accommodation facilities and the development of a conference centre. The Newcastle Tourism Industry Group, with Council support, is currently preparing a plan to identify additional infrastructure required.

Further support of the visitor economy is also provided through Council's major events sponsorship program designed to provide events with assistance in becoming established in Newcastle and delivering the many economic benefits that flow from major events.

This funding mechanism has delivered significant achievements (in partnership with Destination NSW) such as securing four key games for the **Asian Football Cup (AFC)** in January 2015 and the establishment of the **Its On! In Newcastle** campaigns which provide broad based promotion of Newcastle to a very wide audience. The program includes both funding for specific events and an annual grants program.

Council's success has been recognised with Newcastle being named as a Global City for Festivals and Events by the International Festivals and Events Association (IFEA) for the third time in 2015.

The support of business events, through Council's Newcastle Convention Bureau is continuing to add significant economic boosts through the attraction of medium sized conferences and conventions to Newcastle. In 2014-15 this program was extended through the 'Altogether Perfect' campaign where Newcastle City Council has been working in partnership with neighbouring regions of Port Stephens and Hunter Valley Wine Country to promote the region to the 'meetings, incentives, conventions and exhibition market (MICE).

Appendix E contains further information.

Newcastle Council needs to continue its lead role in visitor market development, events, and in developing the business case for new tourism infrastructure.

The city campus will bring an estimated 2500 students and staff into the city

2.6 City Campus

The University of Newcastle is developing its CBD education precinct with an innovative 10 storey 'vertical' campus - NeW Space. Home to the Faculty of Business and Law, the building design supports a technology-rich and collaborative form of teaching and learning and will be completed in the 2017.

The UON's expanded education precinct will bring additional students and staff into the city, and provide opportunities for greater research and engagement with industry, businesses and the community.

The NeW Space project is being jointly funded by the Australian Government's Education Investment Fund, the NSW Government through the Hunter Infrastructure and Investment Fund, and the University of Newcastle.

The city campus is a catalyst project that will assist the activation of the CBD and generate demand for additional residential development.

NeW Space – Hunter Street. Artist impressions.

2.7 Digital Connectivity

Connectivity is important for creativity, innovation and business development. Digital connectivity and broadband has changed the way businesses operate reduced barriers to entry in a number of sectors and changed the location equation for many types of businesses.

Digital connectivity underpins the development of Newcastle as a smart city. The Newcastle Smart City Initiative is actively working to establish an urban environment capable of collecting and processing data to improve the measurement of asset life-cycle and population behaviour, and to enhance resource allocation. Newcastle City Council is actively developing strategic partnerships and investment that will provide a smart city platform for enhancements in urban efficiency and safety, and the creative application of smart city services and interactive urban environments. The growth of Newcastle as a smart city is driving new collaborative relationships between stakeholders, and will be guided by the development of a digital economy strategy for the city.

Digital connectivity has also changed the way in which the community obtains information, conducts transactions and communicates with government and business. New enterprises and jobs have been created in ICT and in developing online applications for computers and hand held devices. Applications have also led to major improvements in business productivity.

As a major regional city, Newcastle has the opportunity to be the test bed for integrated city Wi-Fi and for high speed broadband. Digital technologies; creativity; business skills; and the UON can be harnessed to incubate new small businesses and to create new jobs.

Newcastle is home to an innovative project developing an integrated smart city platform. The Kaooma project is being led by the City Centre Business Improvement Association , Newcastle NOW, in partnership with Newcastle City Council and VIMOC technologies. This project was a finalist in a global innovation competition held by ICT networking giants Cisco.

Council, in partnership with key stakeholders is developing innovative applications including smart parking, wayfinding and lighting for safety and security.

This integrated smart platform will provide a digital economy environment to enable growth in a range of smart sectors and digital technologies.

2.8 Strengthening Local Areas

There is potential to further extend the role of BIAs in assisting with the delivery of small business improvement programs at a local level.

Newcastle's local precincts are an important part of the economic fabric of Newcastle and of its local communities. Newcastle City Council has four Business Improvement Associations (BIAs) covering the four main commercial centres within the Newcastle LGA: Newcastle City Centre - (also managing the Darby Street precinct) - Newcastle Now; Hamilton BIA; Mayfield BIA; and Wallsend BIA. Further strengthening and establishment of local organisations has also occurred in The Junction, New Lambton and Throsby Basin areas; providing improved access for the support of small business in local areas throughout the LGA.

Following changes in 2011, the Business Improvement Associations are now independent incorporated associations and where agreed are funded through Council via a special benefit rate. Funds are passed on to the BIAs through a Funding and Service Agreement with each organisation. Council remains the overall manager of the operational framework for the local BIA network. This has included having each BIA constantly prepare and revise a business plan that links to the Newcastle Destination Management Plan and current economic development activity including this Strategy.

The plans and the programs developed by the BIAs have focused on localised marketing activity, public facility improvements, street beautification and special events.

2.9 Encouraging Small and Medium Size Enterprises (SMEs)

Small and medium size businesses are an important part of Newcastle's economy and provide a large number of jobs in the LGA.

There is a need to develop a sustainable economic base through strengthening existing businesses and generating a culture that develops creative entrepreneurs and emerging businesses.

Newcastle has the foundations for this culture of innovation with some dynamic SMEs; the UON and its research activity and business links; the cultural and creative industries base; and programs like Slingshot (start-up accelerator) and Renew Newcastle.

Renew Newcastle was established in 2007 as a not for profit association as a response to find short and medium term uses for buildings in Newcastle's CBD that were vacant, disused, or awaiting redevelopment. Renew Newcastle aims to continue to find artists, cultural projects and community groups to use and maintain numerous buildings until they become commercially viable or are redeveloped.

It has its Creative Talks series, which presents successful creatives, who have taken their craft to a commercial level and has implemented a Creative Enterprise Incubation & Development (CEID) project - a professional development program for Renew Newcastle creative projects. Renew Newcastle has partnerships with Newcastle City Council, Hunter Development Corporation, the NSW Government and a range of commercial partners.

Slingshot is a high tech accelerator that provides seed funding, working space, and a mentoring program that nurtures business skills and relationships to enable entrepreneurs to build viable businesses. Slingshot founders have created strategic partnerships within Newcastle and provide numerous opportunities for start-up entrepreneurs predominantly in tech-oriented environments.

Newcastle City Council should continue to endorse these programs and have active partnerships with the UON programs, Renew Newcastle and Slingshot style projects to encourage startup businesses. This is consistent with the Hunter Street Revitalisation Strategy Framework and the Newcastle Urban Renewal Strategy.

2.10 Skills for the Future

The jobs in key sectors in Newcastle are high skill requiring university qualifications; trade qualifications; or other vocational training. Newcastle has the advantage of being the home of both the UON and Hunter TAFE - two leading institutions that have developed strong industry partnerships and community links.

They continue to provide education and training in all the fields that are required for Newcastle's future (eg. health, business, built environment, engineering, skilled trades) with a consistent aim to adapt to existing stakeholder needs.

The University and TAFE provide the education and knowledge base for developing workforce skills for emerging industries and businesses and for improving the productivity of existing businesses.

Workforce skills and business skills are fundamental to Newcastle's future. Newcastle has a major strategic advantage in that it is home to an innovative university and Australia's largest regional vocational education and training provider.

Regional Development Australia (RDA) Hunter has focused on attracting young people into the manufacturing and engineering workforce, through the Advanced Manufacturing Industry Schools Pathways Program (ME Program).

ME is an industry led program that engages over 4000 high school students in targeted career based education. Since its inception in 2010, the Defence Materiel Organisation (DMO) funded program has helped to increase uptake in science, technology, engineering and mathematics (STEM) subjects, increase the quality and quantity of job applicants for manufacturers and provided industry visits for over 3,000 students.[1]

Due to the importance of workforce skills to Newcastle's future, Newcastle City Council should assist partners (e.g. NSW Government, RDA Hunter, Hunter TAFE, and UON) in encouraging workforce plans for key sectors in the Newcastle and Lower Hunter economy.

1 http://rdahunter.org.au/initiatives/advanced-manufacturing-industry-schools-pathways-program-me-program; http://www.meprogram.com.au/

2.11 Summary of strategic growth sectors

Strategic growth sectors for Newcastle include:

Table 6 Strategic growth sectors for Newcastle

Sector	Activities
Defence and Aerospace Sector	
Newcastle Airport	A major $80 million expansion of the terminal to allow for increased domestic passenger numbers (a capacity of up to 5 million passenger movements) and infrastructure for international flights Passenger numbers were 1.2 million in 2013
RAAF Base Williamtown	A major $950 million redevelopment of the base will be undertaken to accommodate the new F35 Joint Strike Fighter and associated support activity Redevelopment will generate around 700 construction jobs It is expected that support activities will increase employment at Williamtown by up to 1000 persons in support activities Williamtown has the potential to become the Asian regional support hub for the F35, and this would generate major business activity for defence support industries in the region
Williamtown Aerospace Centre (WAC)	The Williamtown Aerospace Centre (WAC) includes the Newcastle Airport Precinct and 120 hectares of industrial land and is adjacent to the RAAF Base. The industrial land is being developed as a defence, aerospace and aviation business park The centre comprises: a Commercial Precinct- hotel, offices, logistics; Aerospace Precinct with runway and apron access; and Support Precinct for civilian staff and contractors servicing the base
Defence Industry Cluster	The Hunter Region has a large defence and aerospace sector including RAAF Base Williamtown and the Singleton Military Area. The sector comprises Defence Prime Contractors (covering aerospace, maritime, electronic systems and land management) including: BAE Systems, Boeing, Raytheon, Lockheed Martin, GE Aviation, Forgacs, Thales and Varley. These prime contractors are linked to a network of smaller suppliers. Hunter Defence is a cluster being supported by the University of Newcastle, Regional Development Australia, HunterNet, Hunter TAFE, Hunter Business Chamber, and the Australian Industry Group. It is working with government to build defence-related capacity in the Hunter Region. Expansion of Newcastle Airport operations and aircraft servicing
Manufacturing	
Engineering	Newcastle has a significant heavy engineering and advanced engineering sector that services the coal industry, civil construction, defence and the industrial sector (servicing local markets and some international markets) Newcastle is a major part of the coal supply chain, with port facilities and support industries (including construction contractors and service providers) While some businesses have been affected by the end of the mining investment boom, long term prospects of specialist engineering businesses that have diversified markets are seen as good Growth based on engineering capability and opportunities in regional, national and international markets
Port and Logistics	
Port and Logistics	The Port of Newcastle is the world's largest export coal tonnage port and has bulk cargo and general cargo operations As deep water port with large areas of available wharf- side industrial land, there is major potential for diversification and expansion of port operations This will occur with the new operators of the port (Port of Newcastle Investments) Expansion of the Port of Newcastle and growth of associated logistics and distribution activities

Sector	Activities
Visitor Economy	
Visitor Market	The visitor economy is a significant and growing market for Newcastle and offers prospects for continued growth Visitor data indicates that it is a $722 million market for Newcastle LGA. This is based on a total of around 3.6 million visitors (2.6 million day visitors, 962,000 domestic overnight visitors, 75,300 international visitors) in 2012 The *Newcastle Destination Management Plan* has set development priorities for the sector There are four strategic priorities: creating a unified voice for the businesses engaged in the Visitor Economy (formation of the industry group); getting the industry connected for major events; engaging the global social and community networks; and creating signature experiences in the city Identified opportunities are: attracting national and international sporting and cultural events through a focussed and funded events attraction strategy; building new markets including those from Asia, through better air service connections to key hubs and the education sector; growing visiting friends and relatives (VFR) travel both from interstate and overseas; leveraging the growth of the airport to access new domestic markets; continuing to strengthen the destination as a cruise port, including the potential to regain base porting operations; and building the business and conference market to support a future investment in a Convention Centre Market expansion associated with development of the visitor market and with population growth
Health	
Health Services	Health is a major sector, with Hunter New England Health (HNE Health) servicing 25 local government areas HNE Health's major hospitals and research centres based in Newcastle HNE Health is one of the largest employers in Newcastle LGA (employs 15,500 persons) In Newcastle HNE Health operates the John Hunter Hospital; John Hunter Children's Hospital; and the Calvary Mater Newcastle Hospital and a number of other health services HNE Health is a partner with UON in the Hunter Medical Research Institute (HMRI) The demand for health services is continuing to grow and jobs in the sector are increasing
Education	
University of Newcastle	The University of Newcastle is a research-intensive institution UON operates at the Callaghan Campus (12kms from Newcastle CBD), and has two current sites in the city: School of Drama, Fine Art, and Music (incorporating the Conservatorium) and the Newcastle Legal Centre and the Newcastle Business School Postgraduate Program UON had an enrolment of 39,131 students (EFTS=26,195) with around 85% of student load at the Newcastle and Central Coast campuses The University is the second largest employer in the Hunter region with 2670 full-time equivalent staff in ongoing or fixed term employment in 2013 The University of Newcastle is developing a $95 million CBD education precinct - NeW Space, which will be a 10 storey 'vertical' campus
Hunter TAFE	Hunter TAFE is Australia's largest regional training organisation (RTO), delivering 450 job ready qualifications to about 60,000 annual enrolments It is also one of the Hunter Region's largest businesses with an operational budget of over $190 million in 2013 and around 2000 employees located across its 15 campuses Hunter TAFE has regional campuses and specialist training centres located in the Lower Hunter, Upper Hunter and the Central Coast Operations in Newcastle LGA are the Hunter Street Campus and the main Tighes Hill Campus Delivery covers all of the key sectors in the region including: mining, manufacturing, construction, health services, children's services, tourism, and emerging study areas in renewable energy

Sector	Activities
Research and Innovation	
Newcastle has a strong research and innovation "eco-system" which comprises the University of Newcastle, HMRI and CSIRO. The region has specialisations in energy, health and medical research and the university has developed an active defence industries cluster	
University of Newcastle	UON is an applied research focused university, with total research funding in 2011/12 of $85 million The major areas were in Health ($43 million); Engineering and Built Environment ($20 million); Science and Information Technology ($10 million); Education and Arts ($4 million); and other research ($6million) UON's major research facilities centres comprise: Hunter Medical Research Institute (HMRI); Newcastle Institute for Energy and Resources (NIER); Newcastle Innovation is the technology transfer company; Priority Research Centres The university hosts 15 centres of research across a wide range of disciplines; Research Clusters have been developed including an active Defence Research Cluster defence industries cluster
Hunter Medical Research Institute (HMRI)	HMRI is a major translational medical research institute and is a partnership between the University of Newcastle and Hunter New England Health (established in 1998) It has more than 1200 clinical and biomedical researchers and support staff employed across seven HMRI Research Programs
Business Services	
Finance and Business Services	Newcastle is a growing regional centre for business and professional services with a total of 11,591 jobs (excluding the Creative Industries) in 2011 (13% of jobs in the LGA), up by almost 2000 jobs on 2006 The major sectors are: Architectural, Engineering and Technical Services (2888); Legal and Accounting Services (2175); Financial Services (1632); Health and General Insurance (1167); Employment Services (976); and Computer Systems Services (821) The major financial services and professional services businesses include: NIB, Newcastle Permanent Building Society, Major Banks, PricewaterhouseCoopers, Sparke Helmore and GHD All of these businesses are servicing broader regional markets and in some cases national markets, with Newcastle as their base Growth prospects are strong for the sector, which is driven by population and the increase in the number of businesses in the region. Newcastle is the base for some specialist consultants and advisors that are servicing the major regional industries, including the coal sector As part of the city revitalisation it will be important to maintain these services businesses and to attract other new businesses into commercial space in the city centre
Other Sectors	
Retail Sector	There have been major changes in the retail sector over the last 20 years with the introduction of new retail formats and changing consumer preferences, which have influenced the location of retail facilities There has been a loss in retail in the city centre as suburban centres and fringe retail facilities have been developed Total retail spending (including tourists and residents from other LGAs) in Newcastle was estimated at $2.4 billion By 2031 resident retail spending is projected to increase to $3 billion (in 2009 dollars) and total retail spending in Newcastle LGA (including tourists and shoppers from other LGAs) would be $3.5 billion Part of the revitalisation of Newcastle city centre will involve new retail space, and this is included in the GPT proposals Some growth in retail space will also occur in other precincts in the LGA Promotion of precincts has been undertaken by the Business Improvement Associations (including Newcastle Now) in order to attract visitors, shoppers and diners, and these activities need to continue

Sector	Activities
Creative Industries	As a major city Newcastle has a creative tradition that has a contemporary expression in the visual and performing arts, a vibrant popular music scene, world class writers, a well-established media, a strong advertising and design culture and internationally competitive architectural firms It is supported by organisations such as Newcastle Now and Renew Newcastle, which is incubating creative enterprises in vacant buildings Analyses of data show that in total an estimated 4070 persons are directly involved in activities that can be classified as part of the creative industries In addition, there are an estimated 3000 students undertaking courses at the University of Newcastle in fields that are classified as part of the creative economy Creative industries are important for the city's culture and entertainment adding, to an environment that stimulates ideas and innovation, which can be translated into new businesses and jobs. Most importantly they are crucial industries that are central to the new knowledge economy. This is why they are a key element in Newcastle's Economic Development Strategy Growth associated with the creative economy, through the creative industries strategy and mentoring/business development programs
Sports Industry	Newcastle has international standard sports facilities for football, rugby and hockey and teams in two national competitions (NRL and A League) In 2011 there were a total of 637 sports jobs – 497 in sports and physical recreation activities and 134 in horse racing. These jobs include: the players and other staff of the Newcastle Jets and Newcastle Knights; persons employed in other sports; and gym staff and trainers Sports are a major industry for Newcastle and are a key component of the visitor market There is potential for further expansion of the Hunter Venues site Development of sports sector – professional teams, community sport and venues
Construction	Growth associated with the housing market, port development and revitalisation of the city centre.
Night-time Economy (NTE)	The total value of the Newcastle NTE in 2013 was estimated as $1.13 Billion, accounting for 4.8% of the local economy The NTE employed 10,965 people, or 12% of all employment in the LGA Newcastle City Council is developing strategies to grow the economic capacity of safe, diverse and sustainable night-life precincts in the city and local centres.

Further information on the strategic growth sectors is contained in Appendix E.

2.12 Key Issues Economic Development

Based on the analysis of information in section 1 and 2, the key issues for focus for Newcastle City Council in economic development are summarised below:

Business and investment attraction will be important for future economic growth and new jobs

It is important to maintain the existing major employers in the region that are linked to national and international markets and those that currently utilise the port facilities

An active economic development strategy is needed to support the revitalisation of Newcastle LGA and its city centre

The strategy needs to be integrated with the planning framework for Newcastle, with an emphasis on place/precinct improvement and the strengthening of local businesses

An emphasis is required on jobs of the future through innovation, emerging industries and start-up businesses

Working with businesses, planners and government at all levels to facilitate key infrastructure development

Tourism development and the visitor economy; and creative industries are recognised as opportunities and growth sectors within Newcastle

Partnerships are important with Council working with industry associations, businesses, industry clusters, and government agencies on economic development issues

Business Improvement Associations are important vehicles for local level economic development and will have a focused role

Council needs an evidence based approach to economic development - using economic and industry information in investment attraction and business development. Data and information needs to be shared with businesses to support business cases and investment decisions

Council's economic development tools include: advocating for the community; ensuring appropriate and integrated strategic and statutory planning documents; working with other tiers of government to promote major infrastructure needs; taking a lead in the visitor economy including events attraction and sponsorship; facilitating access to business assistance programs of other tiers of government; assisting the business improvement associations; and providing information from statistics to approvals and licensing processes for business

3.0 ECONOMIC DEVELOPMENT STRATEGY

3.1 Vision

The vision for economic development in Newcastle is based on Newcastle 2030 – the Newcastle Community Strategic Plan.[1]

The future vision is for Newcastle as a smart, liveable and sustainable city. In 2030 we will be a leader in smart innovations with a healthy, diverse and resilient economy.

Our community will witness a smart city with diverse industries that are linked to national and international markets. These industries will support a high quality urban environment, designed for the future; a vibrant Newcastle built upon businesses that thrive on innovation and creativity to generate a new sustainable community."

The Community Strategic Plan (CSP) identifies three objectives for Newcastle as a 'smart and innovative city':

- A vibrant diverse and resilient green economy built on educational excellence and research;
- A culture that supports and encourages innovation and creativity at all levels; and
- A thriving city that attracts people to live, work, invest and visit.

The vision and objectives of the CSP are reflected in the themes of the Economic Development Strategy which focus on our role as the capital of the Hunter Region, the development of key infrastructure, supporting business growth and employment, encouragement of innovation and creativity and developing the visitor economy of Newcastle.

3.2 Council's Role in Economic Development

Council has a strategic role to play in economic development in Newcastle LGA and in the city centre.

- Council represents the city and its communities and needs to be the lead advocate for Newcastle to ensure that it secures appropriate decisions and funding from the other tiers of government.
- Council is a point of contact for businesses and organisations implementing projects and developments in the city. Analysis and information sharing is an opportunity for Council to value add to economic growth.
- Council has a strategic role in ensuring land is appropriately zoned for commercial and industrial activity and that appropriate development controls apply.
- Council is a decision maker on many of the planning and environmental requirements for development and construction projects.
- Council takes a lead role in marketing Newcastle to the leisure and business visitor market. It also needs to be active with government and private sector partners in marketing the city as a place to live, work, invest and run a business.
- Council can improve local precincts through area improvements and through the activities of the Business Improvement Associations (BIAs).
- Council can partner with businesses, organisations and networks on major projects that will positively impact the Newcastle economy.

3.3 Overview Themes and Directions

The Economic Development Strategy is one of Newcastle City Council's core strategies and has a key focus on Council's role in supporting the future economic development of Newcastle. It provides an economic roadmap linking activities by Council and other partners.

A clear plan allows Newcastle City Council to concentrate its efforts where it can have maximum impact and allocate sufficient resources for economic development activities.

The strategy has five major themes that together provide a road map for economic development for Newcastle LGA and the city centre. The themes are:

1. Newcastle as the regional capital
2. Facilitating key infrastructure
3. Business growth and employment creation
4. Innovation and creativity
5. Developing the visitor economy

1 Newcastle 2030 , Newcastle Community Strategic Plan (Revised 2013), Newcastle Council.

3.3.1 Newcastle as the Regional Capital

Newcastle is the regional capital of the Hunter Region and is NSW's largest regional city.

This has a number of dimensions:

Business Centre

- Newcastle is a major centre for: financial and professional services; manufacturing industry and engineering services. It has the national and regional headquarters of a number of major home grown businesses.

Logistics Centre

- Newcastle is at the centre of regional logistics (and the coal chain) with the critical role of the Port of Newcastle and the planned diversification and expansion of the port.

Government Centre

- Newcastle has the regional offices of a number of government agencies.

Health Centre

- Health services are concentrated in Newcastle with the John Hunter Hospital and Calvary Mater Hospital and other specialist medical services.

Education Centre

- Newcastle is the centre for higher education, with the world ranked University of Newcastle; and for training with Hunter TAFE, the largest regional TAFE institute in Australia.

Innovation Centre

- Newcastle is a centre of innovation with major national research centres in health - Hunter Medical Research Institute (HMRI); and energy and resources (UON and CSIRO).
- The UON is a research intensive university, with research centres in fields including: health, science, engineering, built environment and creative industries.
- Through programs like Renew Newcastle and Slingshot emerging businesses are being developed.

Coastal and residential amenity

- Newcastle offers a desirable residential lifestyle with excellent recreation, education and cultural facilities.

Cultural Centre

- Newcastle is a major regional hub for arts, culture, events and entertainment.

Sports Centre

- Newcastle has strong sports culture; international standard sports facilities for football, rugby and hockey; and teams in two national competitions (NRL and A-League).

THEME 1

Newcastle as the regional capital

Recognise and strengthen Newcastle's role as the regional capital and hub for industry, education, health, business, personal, tourism, port and logistics services.

Opportunities	Strategies	Actions
Largest regional city in NSW	Promote the competitive, lifestyle and cultural advantages of Newcastle as a place to work, invest and live, as part of our business attraction activities.	Develop an opportunities prospectus to promote Newcastle as the perfect business and lifestyle location nationally and internationally.
Attract new national and international business investment	Maintain the role as the regional centre for government services as well as business, health and personal services	Maintain dialogue with government to ensure regional government services role is maintained and expanded.
Identify and capitalise on employment and investment generators	Strengthen relationships with government agencies and others involved in regional economic development, investment attraction and the delivery of business programs.	Partner with Industry NSW, Urban Growth NSW, GPT and other developers on business attraction activities targeting key value add sectors.
	Share and exchange demographic, regional and industry information with businesses, investors and industry associations	Monitor land use across the city in accordance with the Local Planning Strategy and ensure supply of appropriately zoned land for industry and commerce
	Ensure adequate supply of well located, zoned employment land	Develop website resources to provide relevant information to existing and start-up businesses using REMPLAN and other data sources
	Targeted investment attraction with domestic and international strategies to encourage investment attraction and effective cooperation agreements with cities in countries such as China (e.g. The City of Yantai).	Develop a night time economy strategy for the city centre (review of the SAFE Newcastle Strategy) with a focus on diversity of activity and community safety

Partners

UrbanGrowth NSW
Industry NSW
Department of Premier and Cabinet
Planning NSW
RDA Hunter
Property Council
Hunter Development Corporation
UON
Hunter Research Foundation
Hunter TAFE
Hunter Development Corporation
Hunter Business Chamber

3.3.2 Facilitating Key Infrastructure

Council will work with businesses, investors, planners and government agencies to identify and facilitate the development of key urban infrastructure to revitalise the city centre and Newcastle's local precincts. This may include built facilities such as a convention centre; improved access such as road links and public transport timetables; or utilities such as roll out of the NBN and Wi-Fi connectivity. Appropriate infrastructure will help consolidate and attract business investment.

Council is also an infrastructure enabler. Council is a part owner of the Newcastle Airport, identified as a key economic advantage and growth driver for Newcastle (see appendix E for further information). Council also plays an important role in providing and maintaining facilities vital for business and community success. Cultural facilities such as the Newcastle Art Gallery, Newcastle Museum and Civic Theatre attract day trippers and overnight visitors for exhibitions and events. Landscaping, place making and footpath projects can boost local areas to improve both economic performance and amenity.

Council is currently working with a range of State government agencies on the implementation of the Newcastle Urban Renewal Strategy. Council will seek to ensure transport; other infrastructure and planning outcomes are consistent with the adopted Hunter Street Revitalisation Framework and deliver appropriate outcomes for Newcastle.

Accurate information and analysis is important to decision making. In 2014-15, Council trialled REMPLAN, an economic modelling tool. The ongoing subscription to this service will enhance Council's analysis capability. REMPLAN can:

- Add weight to funding and grant applications, media releases and feasibility studies
- Generate detailed local economic data and maps to promote the area for publications and Council's website
- Analyse the economic impacts of potential developments or industry closures
- Identify the contribution of existing business and industries
- Understand the spatial distribution of industries across the area
- Identify opportunities for import replacement and value adding
- Generate economic profiles for sub regions, such as town centres and commercial hubs.

THEME 2

Facilitating key infrastructure

Work with businesses, community and government to facilitate the development of key infrastructure to facilitate business performance.

Opportunities	Strategies	Actions
Excellent connection through Newcastle airport, rail and road links plus digital connection with the National Broadband Network (NBN)	Deliver the infrastructure component of the Newcastle Urban Renewal Strategy and Hunter Street Revitalisation Framework.	Continue to work with State government agencies to implement the Newcastle Renewal and Transport Program.
Ongoing development and enhancement of facilities including University of Newcastle (UON), John Hunter Hospital, Hunter Stadium, Port of Newcastle, TAFE	Work with our community, the business sector and government to identify and facilitate key infrastructure projects.	Use REMPLAN to model and assess new initiatives to determine economic impact. This data can then be used in grant applications and project prioritisation.
Excellent recreation and cultural facilities	Develop sound economic assessments and business cases for major strategic infrastructure projects, including catalyst projects to guide Council investment.	Participate in local and regional business and industry initiatives to identify and promote the infrastructure needs of the city including transport initiatives, digital connectivity and city-wide WI-FI capability.
	Develop and maintain active partnerships and linkages with major businesses and industry groups.	Encourage local area improvement planning through the Business Improvement Association.
		Continue to support the development of Newcastle Airport (Council is a part owner).
		Develop a night time economy strategy for the city centre (review of the SAFE Newcastle Strategy) with a focus on diversity of activity and community safety.

Partners

UrbanGrowth NSW
Hunter Development Corporation
Department of Planning
Port of Newcastle
Hunter Business Chamber
Urban Development Institute of Australia
Property Council
Newcastle Tourism Industry Group
REMPLAN

3.3.3 Business Growth and Employment Creation

Business growth and new businesses are important for the revitalisation of Newcastle. This growth needs to occur in the city centre as well as local retail and business precincts and industrial areas. Council's land use planning strategy encourages the provision of services at a local level to reduce the need for travel and enhance local sustainability.

A major focus of the Economic Development Strategy is on encouraging growth in existing industries; acting on obstacles to growth, and ensuring that small businesses are able to access business advice and other business development programs.

Newcastle has a number of organisations and networks that are involved in activities, which influence economic and business development in the city. These include: industry associations (eg. Hunter Business Chamber, Australian Industry Group, Property Council, Newcastle Tourism Industry Group); industry networks (eg. HunterNet); RDA Hunter; research clusters at UON; and organisations involved in innovation with new start-ups (eg. Renew Newcastle and Slingshot). Council has recently reshaped the local area Business Improvement Associations to broaden their role and to improve effectiveness.

There is a need for Newcastle City Council to develop stronger linkages and partnerships with key businesses, organisations and networks. This would cover industry development issues, investment attraction, constraint identification and the use of networks to leverage the delivery of business programs and precinct programs.

It is not necessarily Council's role to take the lead in these areas. Often it will involve Council endorsing representations being made by industry and other organisations on issues that will affect jobs in region (eg. the local manufacturing of trains and participating in trade missions).

Another mechanism for Council to assist economic growth is through the Economic Development Sponsorship Program (see also under 3.3.4).

THEME 3

Business growth and employment creation

Revitalise the city centre and local precincts through support of existing businesses and industries. Facilitate the generation of new sustainable job opportunities. Seek to maintain major regional industries that are linked to national and international markets.

Opportunities	Strategies	Actions
Revitalise the city centre	Continue to work with NSW government to promote revitalisation of the city centre and attract new investment, business and jobs.	Promote access to business development programs (Australian Government, NSW Government, UON and Hunter Business Chamber).
Maintain key industries	Continue to work with Business Improvement Associations to identify and act on local needs.	Participate actively in the Small Business Friendly Councils Program (SBFC) sponsored by the NSW Office of Small Business Comissioner.
Encourage new business and employment opportunities	Target business and investment attraction to value add domestic and international companies to encourage investment.	Work with Business Improvement Associations on development programs for small businesses and other initiatives to promote local level business growth
Support and advocate for the small business sector	Support and encourage local business networks and industry clusters (eg. HunterNet, Defence Cluster).	Work with government and business partners in regional and/or industry action plans to reduce impediments and accelerate growth in priority sectors.
	Improve Council recognition of small business issues in the development and implementation of its policies through the SBFC program.	Continue Council's Economic Development Sponsorship Grant Program to promote employment and new business growth.
	Strengthen the existing commercial centres hierarchy as service and employment centres.	Gather and analyse economic and industry information to identify gaps and business opportunities through the use of REMPLAN.
	Ensure adequate supply of zoned employment land (industry and commercial).	

Partners

Hunter Business Chamber
RDA Hunter
Industry NSW
Hunter Business Centre
NSW Office of Small Business Commissioner
Business Improvement Associations
UON
Hunter Research Foundation
Hunter TAFE
Hunter Development Corporation
UrbanGrowth NSW
Property Council of Australia

3.3.4 Innovation and creativity

Newcastle has a base in innovation and creativity which is reflected in its major research centres (UON, HMRI and CSIRO) and in its creative industries activities (the arts, IT, the media and all forms of design). These knowledge based activities will continue to grow as existing research programs expand and new programs are developed. These research centres are also major locations for knowledge based professional employment.

The creative industries covers a wide range of sectors including performing arts, creative arts, media and communications, architecture and design and teaching in all these fields. At the current time, around 1.9% of Newcastle employment is in the creative economy. (Appendix D provides further information.)

Newcastle has opportunities to utilise its home grown programs to develop new ventures (eg. Slingshot, Renew Newcastle, UON innovation programs) and to facilitate better access to government programs that support research, innovation and commercialisation.

Council for many years has provided annual funding to the Hunter Research Foundation

It is important that Council has an understanding of the drivers of small businesses and works with business associations and government agencies to strengthen the small business sector.

At a regional level, coordination and promotion of the Hunter as a location for filming has occurred through Screen Hunter which Council supports annually through Hunter Councils.

Council has also run for many years an economic development grant program. This program is administered under Council's Economic Development Sponsorship Policy. The level of funding will be determined annually by Council. This in turn will determine if grants are offered in single grant round per year, or multiple.

THEME 4

Innovation and creativity

Encourage innovation in business, research activities, education and creative industries.

Opportunities	Strategies	Actions
Skills and knowledge growth	Concentrate smart specialisation programs through the development of innovative hubs and cooperatives	Facilitate small business access to government innovation programs.
Promote a smart, creative and connected city	Support smart city services and applications	Work with external networks to support creative business development through Renew Newcastle style initiatives to encourage start-up businesses
Build on our existing creative and cultural profile	Promote the lifestyle and cultural profile of Newcastle as a place to work, invest and live in business attraction activities	Maintain links with UON and major businesses in the City to encourage research clusters and business development programs.
	Encourage the creative industries sector and encourage the development of new small businesses	Develop a Digital Economy Strategy for the city
	Continue to build on and promote Newcastle's advantages in education, health and energy research	Develop website resources to provide relevant information to existing and start-up businesses using REMPLAN and other data sources
	Continue to define the cultural profile of Newcastle through innovative programs and exhibitions at the Newcastle Art Gallery, Newcastle Museum, regional library and Civic Theatre	Continue to partner and provide business improvement skills through the Smart Arts and similar programs
		Continue Council's Economic Development Sponsorship Program to promote employment and new business growth

Partners

UON
HMRI
Renew Newcastle
Slingshot
Hunter Business Chamber
AusIndustry
Australian Industry Group
HunterNet
BIAs

3.3.5 Developing the Visitor Economy

Tourism is a key development priority for Newcastle. In 2012 visitors to Newcastle totalled 3.6 million (2.6 million day visitors, 962,000 domestic overnight visitors, and 75,300 international visitors). Overnight visitors accounted for a total of 3.9 million visitor nights. The value of the visitor economy in Newcastle was estimated at $722 million (2012).

The visitor market is growing and there is potential to expand the market covering interstate and international visitors; the short stay market from Sydney; business visitors (including conferences); cruise ships (including home porting); and events related travel.

(See appendix E for further information.)

Newcastle is seen as the gateway to the Hunter Region and has been recognised as an emerging destination for both leisure and business tourism. It has the advantage of air access through Newcastle Airport, good road and rail access from Sydney and is receiving cruise ships.

The key action for Council is to continue to implement and monitor Council's *Destination Management Plan (2013).* This plan guides Council's investment in events, the development of the visitor market and marketing of the city as a visitor destination.

With the importance of events to both the local community and the visitor economy, an events strategy is required to guide Council's direct investment in funding events. This includes both existing (e.g. New Year's Eve) and new events such as the Port to Port mountain biking series or one off opportunities such as 2015 AFC Asian Cup.

The strategy would also provide guidance on the focus of Council's annual Event Sponsorship Program. Funding for this program is determined annually by Council and the program is administered consistent with the Events Sponsorship policy.

THEME 5

Developing the visitor economy

Work with the tourism sector and industry associations to further develop Newcastle as a visitor and event destination.

Opportunities	Strategies	Actions
Grow the market and increase visitor nights (and expenditure)	Implement the Destination Management Plan.	Council to continue its leadership role in developing the visitor economy and partnering with Newcastle Tourism Industry Group (NTIG) and operators.
Improve the visitor experience with revitalised destinations	Continue to work on researching and promoting sector infrastructure issues, including accommodation, cruise ship facilities, and conference facilities.	Complete visitor website upgrade as well as print promotions such as maps and self-guided tours.
Connect the industry	Utilise economic and business information to track city and key industry trends.	Investigate and provide improved visitor services.
Invest in Newcastle as a visitor and event destination	Continue to identify signature events and experiences for the Newcastle community and out visitors.	Complete and implement the CBD Visitor Economy Vision with NTIG.
	Create and maintain effective partnerships at local and regional level.	Through Council's Newcastle Convention Bureau promote Newcastle as a destination for business and professional conferences (MICE – meetings, incentives, conferences and exhibitions).
	Work with industry to develop skills and quality of product.	Engage public relations consultants to promote Newcastle as a destination state wide and nationally.
		Continue to work with organisations such as Destination NSW to promote Newcastle through initiatives such as Its On.
		Continue to partner with regional bodies to promote the region and events (e.g. All Together Perfect and events such as Port to Port).
		Prepare a local events strategy, including the sporting events market.
		Continue to provide the Events Sponsorship Program to increase overnight visitation and promote Newcastle as destination.

Partners

Accommodation sector
Tourism operators
Newcastle Tourism Industry Group (NTIG)
Destination NSW
Visitor Economy Hunter
Major event developers
Cruise Hunter
Tourism Australia
ATEC


INVEST
A targeted approach to attract and support investment
LIVE
Create an environment where people want to live
WORK
Provide opportunities for growing employment
TRAVEL
Promote the city as an events and tourism destination
NEWCASTLE ECONOMIC DEVELOPMENT
Progress to success

4.0 TRACKING OUR PROGRESS

It is important that deliverables are defined and performance against each area of the Strategy is monitored and measured. The following are some KPIs for each area of the Economic Development Strategy and the ways in which they can be measured. A report will be prepared annually on the delivery of this strategy.

Table 7 KPI's and indicator measures

KPI	Indicator measure
1. The regional capital	
Strengthening Newcastle as regional capital	Development of a prospectus to promote lifestyle and business advantages Leads received and acted upon to attract new investment
2. Facilitating key infrastructure	
Revitalisation the city centre	Value of planned investment in city centre Average residential and commercial occupancy rates in the city Number of new businesses in city centre
Refocusing the industrial economy	Growth of businesses in the industrial sector by value Change in employment levels in industrial sector by EFT
An affordable housing market	Sales, auction clearance rates and median housing prices Rental market – median rents, vacancy levels
3. Business Growth and employment creation	
Developing skills and knowledge	Growth in student numbers, University of Newcastle and TAFE
Generating ideas - research and innovation	Number of major (funded) research projects through UON and HMRI
A creative city	Creative industries growth by employment and value add. Change in visitor numbers at gallery, museums and identified attractions. Development within 18 months of the Newcastle After Dark night-time economy strategy
Recognising small business	Change in trends of small business numbers
Facilitating program access	Numbers attending identified business seminars/meetings
Business Improvement Associations	Number of new associations established Outcomes of combined coordinated activity
Creation of local employment opportunities	Changes in travel to work rates / data
4. Innovation and Creativity	
Encouraging business growth	Change in the number of businesses by sector Value add of new business start ups Participation in supported business development programs
Increasing employment opportunities	Jobs created in key innovation sectors
5. Developing the Visitor Economy	
Growing the market	Number of visitors to Newcastle
Improving occupancy	Number of rooms and occupancy
Developing the night time experience	Number of businesses participating and mix Growth in the value of the night time economy
Event development	Number of supported / unsupported events by category Economic value of events
Active industry involvement	Number of members of industry associations

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APPENDIX

Appendix A: Employment Change by Industry

The following tables show changes in employment by industry sector for growth sectors and those experiencing a decline in employment.

Table A.1 Overview - Job Trends: Newcastle LGA 2006-2011

Growth Sectors : Newcastle LGA - Jobs	Change 2006 to 2011	% Change
Goods Producing		
Specialised Machinery and Equipment Manufacturing	+458	193.2
Electricity Distribution	+171	19.6
On Selling Electricity and Electricity Market Operation	+89	523.5
Non-Residential Building Construction	+204	73.4
Machinery and Equipment Repair and Maintenance	+200	43.0
Building Installation Services	+224	23.9
Goods Related Services		
Other Machinery and Equipment Wholesaling	+134	25.4
Rail Freight Transport	+289	50.3
Postal and Courier Pick-up and Delivery Services	+144	29.2
Water Transport Support Services	+152	28.3
Business and Professional Services		
Depository Financial Intermediation	+166	11.3
Health and General Insurance	+190	19.4
Architectural, Engineering and Technical Services	+926	47.2
Computer System Design and Related Services	+152	22.7
Building Cleaning, Pest Control and Gardening Services	+136	21.7
Government Services		
Central Government Administration	+126	10.0
State Government Administration	+161	11.5
In Person Services		
Supermarket and Grocery Stores	+117	7.3
Clothing, Footwear and Personal Accessory Retailing	+294	34.5
Cafes, Restaurants and Takeaway Food Services	+675	22.5
Preschool and School Education, nfd	+141	
Tertiary Education	+823	25.6
Hospitals	+254	4.3
Medical Services	+102	8.3
Allied Health Services	+339	36.5
Residential Care Services	+637	40.8
Child Care Services	+184	36.4
Other Social Assistance Services	+384	22.5
Health Care and Social Assistance, nfd	+507	134.1

Contracting Sectors: Newcastle LGA - Jobs	Change 2006 to 2011	% Change
Goods Producing		
Poultry Farming	-375	-79.1
Basic Ferrous Metal Product Manufacturing	-96	-27.4
Basic Non-Ferrous Metal Manufacturing	-53	-53.5
Iron and Steel Forging	-104	-83.9
Sheet Metal Product Manufacturing (except Metal Structural and Container Products)	-44	-47.3
Other Fabricated Metal Product Manufacturing	-116	-19.6
Goods Related Services		
Grocery, Liquor and Tobacco Product Wholesaling	-153	-23.2
Wholesale Trade, nfd	-96	-38.2
Business and Professional Services		
Newspaper, Periodical, Book and Directory Publishing	-60	-16.0
Telecommunications Services	-231	-31.0
Finance, nfd	-130	-60.5
Non-Depository Financing	-64	-78.0
Financial Asset Investing	-37	-63.8
Government Services		
Public Order and Safety Services	-111	-8.4
In Person Services		
Motor Vehicle Retailing	-148	-22.7
Food Retailing, nfd	-74	-78.7
Specialised Food Retailing	-77	-9.7
Recreational Goods Retailing	-112	-20.2
Pubs, Taverns and Bars	-175	-19.0
Medical and Other Health Care Services, nfd	-341	-57.4
Tertiary Education	+823	25.6
Hospitals	+254	4.3
Medical Services	+102	8.3
Allied Health Services	+339	36.5
Residential Care Services	+637	40.8
Child Care Services	+184	36.4
Other Social Assistance Services	+384	22.5
Health Care and Social Assistance, nfd	+507	134.1

Source: ABS Census 2006 and 2011, Working Population Data

Table A.2Growth Sectors Newcastle LGA: Jobs 2006-2011

Growth Sectors : Newcastle LGA - Jobs	2011 Number	Share %	2006 Number	Share %	Change 2006 to 2011	% change
Goods Producing						
Meat and Meat Product Manufacturing	651	0.7	469	0.6	+182	38.8
Beverage Manufacturing	61	0.1	27	0.0	+34	125.9
Specialised Machinery and Equipment Manufacturing	695	0.8	237	0.3	+458	193.2
Motor Vehicle and Motor Vehicle Part Manufacturing	221	0.3	126	0.2	+95	75.4
Electricity Distribution	1,044	1.2	873	1.1	+171	19.6
On Selling Electricity and Electricity Market Operation	106	0.1	17	0.0	+89	523.5
Non-Residential Building Construction	482	0.5	278	0.3	+204	73.4
Machinery and Equipment Repair and Maintenance	665	0.8	465	0.6	+200	43.0
Building Installation Services	1,163	1.3	939	1.2	+224	23.9
Total	**6,146**	**7**	**3,986**	**5**	**2,160**	**54.2**
Goods Related Services						
Timber and Hardware Goods Wholesaling	318	0.4	238	0.3	+80	33.6
Other Machinery and Equipment Wholesaling	662	0.8	528	0.7	+134	25.4
Rail Freight Transport	863	1.0	574	0.7	+289	50.3
Postal and Courier Pick-up and Delivery Services	637	0.7	493	0.6	+144	29.2
Water Transport Support Services	689	0.8	537	0.7	+152	28.3
Total	**3,169**	**4**	**2,370**	**3**	**799**	**33.7**
Business and Professional Services						
Depository Financial Intermediation	1,632	1.9	1,466	1.8	+166	11.3
Health and General Insurance	1,167	1.3	977	1.2	+190	19.4
Architectural, Engineering and Technical Services	2,888	3.3	1,962	2.4	+926	47.2
Legal and Accounting Services	2,175	2.5	2,100	2.6	+75	3.6
Management and Related Consulting Services	511	0.6	418	0.5	+93	22.2
Veterinary Services	139	0.2	87	0.1	+52	59.8
Other Professional, Scientific and Technical Services	107	0.1	66	0.1	+41	62.1
Computer System Design and Related Services	821	0.9	669	0.8	+152	22.7
Employment Services	976	1.1	927	1.1	+49	5.3
Other Administrative Services	412	0.5	324	0.4	+88	27.2
Building Cleaning, Pest Control and Gardening Services	763	0.9	627	0.8	+136	21.7
Total	**11,591**	**13**	**9,623**	**12**	**1,968**	**20.5**
Government Services						
Central Government Administration	1,391	1.6	1,265	1.6	+126	10.0
Local Government Administration	954	1.1	927	1.1	+27	2.9
State Government Administration	1,563	1.8	1,402	1.7	+161	11.5
Total	**3,908**	**4**	**3,594**	**4**	**314**	**8.7**
In Person Services						
Supermarket and Grocery Stores	1,718	1.9	1,601	2.0	+117	7.3
Clothing, Footwear and Personal Accessory Retailing	1,147	1.3	853	1.1	+294	34.5
Cafes, Restaurants and Takeaway Food Services	3,674	4.2	2,999	3.7	+675	22.5
Preschool and School Education, nfd	141	0.2	0	0.0	+141	
Tertiary Education	4,038	4.6	3,215	4.0	+823	25.6
Adult, Community and Other Education	539	0.6	480	0.6	+59	12.3
Hospitals	6,118	6.9	5,864	7.2	+254	4.3
Medical Services	1,326	1.5	1,224	1.5	+102	8.3
Allied Health Services	1,268	1.4	929	1.1	+339	36.5
Residential Care Services	2,200	2.5	1,563	1.9	+637	40.8
Child Care Services	690	0.8	506	0.6	+184	36.4
Other Social Assistance Services	2,091	2.4	1,707	2.1	+384	22.5
Health Care and Social Assistance, nfd	885	1.0	378	0.5	+507	134.1
Creative and Performing Arts Activities	198	0.2	160	0.2	+38	23.8
Sports and Physical Recreation Activities	497	0.6	419	0.5	+78	18.6
Total	**26,530**	**30**	**21,898**	**27**	**4,632**	**21.2**
Total Growth Sectors	**51,344**	**58**	**41,471**	**51**	**9,873**	**23.8**

Source: ABS Census 2006 and 2011, Working Population Data

Table A.3Contracting Sectors Newcastle LGA: Jobs 2006-2011

Declining Sectors : Newcastle LGA- Jobs	2011 Number	Share %	2006 Number	Share %	Change 2006 to 2011	% change
Goods Producing						
Poultry Farming	99	0.1	474	0.6	-375	-79.1
Basic Ferrous Metal Product Manufacturing	254	0.3	350	0.4	-96	-27.4
Basic Non-Ferrous Metal Manufacturing	46	0.1	99	0.1	-53	-53.5
Iron and Steel Forging	20	0.0	124	0.2	-104	-83.9
Sheet Metal Product Manufacturing (except Metal Structural and Container Products)	49	0.1	93	0.1	-44	-47.3
Other Fabricated Metal Product Manufacturing	476	0.5	592	0.7	-116	-19.6
Total	**944**	**1**	**1,732**	**2**	**-788**	**-45.5**
Goods Related Services						
Grocery, Liquor and Tobacco Product Wholesaling	507	0.6	660	0.8	-153	-23.2
Wholesale Trade, nfd	155	0.2	251	0.3	-96	-38.2
Total	**662**	**1**	**911**	**1**	**-249**	**-27.3**
Business and Professional Services						
Newspaper, Periodical, Book and Directory Publishing	315	0.4	375	0.5	-60	-16.0
Telecommunications Services	513	0.6	744	0.9	-231	-31.0
Finance, nfd	85	0.1	215	0.3	-130	-60.5
Non-Depository Financing	18	0.0	82	0.1	-64	-78.0
Financial Asset Investing	21	0.0	58	0.1	-37	-63.8
Total	**952**	**1**	**1,474**	**2**	**-522**	**-35.4**
Government Services						
Public Order and Safety Services	1,207	1.4	1,318	1.6	-111	-8.4
Total	**1,207**	**1**	**1,318**	**2**	**-111**	**-8.4**
In Person Services						
Motor Vehicle Retailing	505	0.6	653	0.8	-148	-22.7
Food Retailing, nfd	20	0.0	94	0.1	-74	-78.7
Specialised Food Retailing	720	0.8	797	1.0	-77	-9.7
Recreational Goods Retailing	442	0.5	554	0.7	-112	-20.2
Pubs, Taverns and Bars	745	0.8	920	1.1	-175	-19.0
Medical and Other Health Care Services, nfd	253	0.3	594	0.7	-341	-57.4
Total	**2,685**	**3**	**3,612**	**4**	**-927**	**-25.7**
Total Declining Sectors	**+6,450**	**+7**	**+9,047**	**+11**	**-2,597**	**-28.7**

Source: ABS Census 2006 and 2011, Working Population Data

Newcastle's regional role is also reflected in the industry structure of jobs in the LGA.

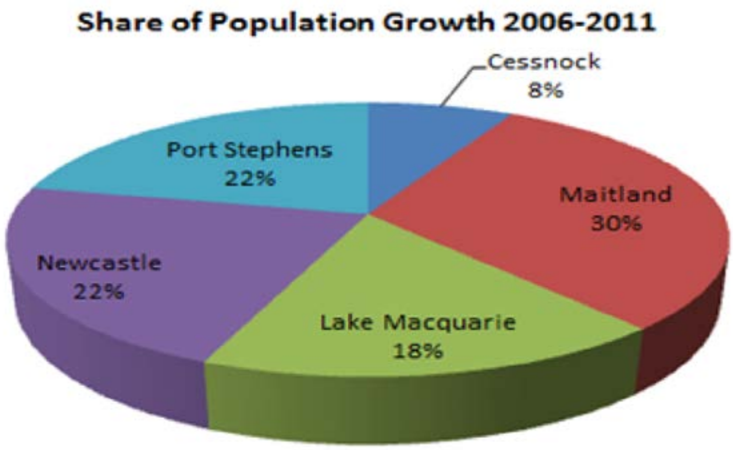
- Newcastle has a large share of the knowledge-based jobs in sectors including: professional services (59% of professional jobs In the Lower Hunter); information media (64%); financial services (58%); education and training (47%), driven by higher education and TAFE.
- As a port and freight hub Newcastle has a major share of Lower Hunter jobs in transport and logistics (53%); and wholesale trade (52%).
- Other sectors that mainly service a local market including retail (34% of retail jobs in the Lower Hunter); accommodation and food service (37%); and construction (36%) are broadly in line with Newcastle LGA's share of the Lower Hunter Region population (29%).

Regional Population

Newcastle is at the centre of a large and growing region. The Hunter Region had a total population of 648,800 persons in 2011, with 545,700 in the Lower Hunter and 103,100 in the Upper Hunter Region. Newcastle has a concentration of services industries servicing this regional population including: health and medical; higher education; finance and business services; and government services.

The population of the Lower Hunter is growing, and between 2006 and 2011, the region's population increased by 28,100 or 5.4%. Newcastle accounted for 22% of this population growth or 6200 persons.

Chart 6: Shares of Population Growth - Lower Hunter Region



Source: ABS Census 2011, Resident Population Data

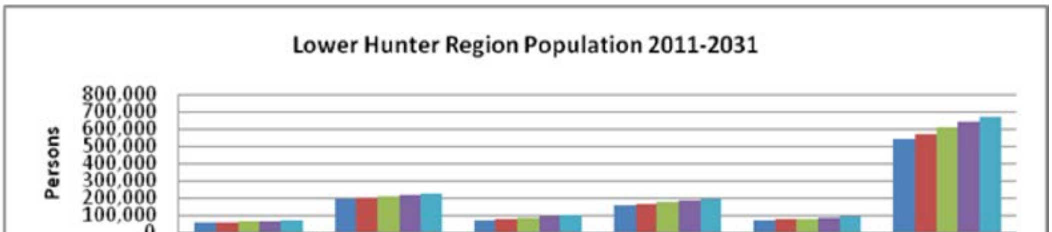
Chart 7: Population Projections- Lower Hunter Region 2011-2031

	Newcastle	Cessnock	Maitland	Lake Macquarie	Port Stephens	Lower Hunter
2011	155,500	50,500	73,300	197,000	69,400	545,700
2016	161,300	53,100	82,000	202,300	74,500	573,200
2021	165,600	56,500	89,600	210,100	78,700	600,500
2026	170,000	60,100	96,600	218,200	82,300	627,200
2031	174,200	64,000	103,200	226,000	85,400	652,800

Source: Newcastle Urban Renewal Study – Economic Assessment - March 2012 Hill PDA P 35

Some more recent NSW Government projections at the LGA Level show much stronger growth over the period for Newcastle.

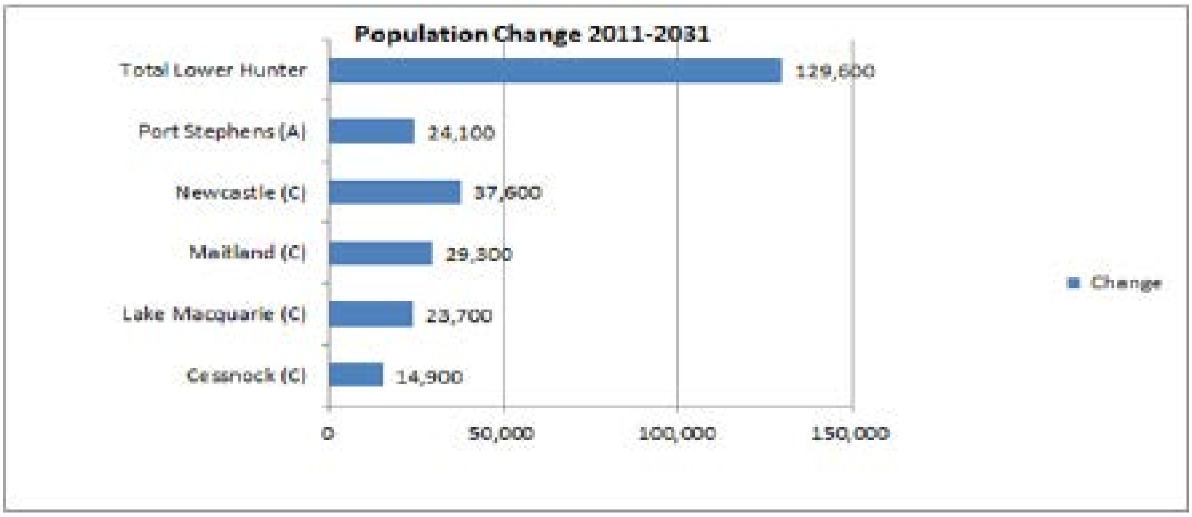
Chart 8: NSW Government Population Projections -Lower Hunter Region 2011-2031



	Cessnock (C)	Lake Macquarie (C)	Maitland (C)	Newcastle (C)	Port Stephens (A)	Lower Hunter
2011	52,500	195,900	69,600	154,900	67,100	540,000
2016	56,100	199,900	77,400	164,800	74,700	572,900
2021	60,000	206,900	84,700	174,200	80,400	606,200
2026	63,800	213,500	92,000	183,400	86,000	638,700
2031	67,400	219,600	98,900	192,500	91,200	669,600

Source: New South Wales State and Local Government Area Population Projections: 2013 (preliminary revision), Planning NSW.

Chart 9: NSW Government Population Projections- Lower Hunter Region Population Change 2011-2031



Source: New South Wales State and Local Government Area Population Projections: 2013 (preliminary revision), Planning NSW

Housing in Newcastle

Continued population growth and the changing demographics have implications for Newcastle's housing stock and the mix of housing that will be required. This will involve apartments in the city centre; medium densities in existing areas; and the development of some green field sites.

Housing is a major component of Newcastle City Council's Local Planning Strategy (LPS).[1] Population growth will provide with opportunities for the construction sector in green field sites, infill development and some conversions in inner areas.

Table D. Newcastle LGA Housing Stock 2011

Housing Type	No	Share %
Separate house	40573	71.5
Medium density	13951	21.2
High density	4348	6.6
Other	416	0.6
Total (Private Dwellings)	**65,768**	**100.0**

Source: ABS Census 2011 Data. Reported in Working Paper, Housing and Neighbourhoods, Newcastle City Council March 2014 P4

The following table shows projections of housing requirements to 2031 and indicates that an extra 10,000 dwellings would be required for the projected population.[2]

Table E. Population Forecasts and Housing Requirements 2011-2031

Newcastle LGA	2011	2016	2021	2026	2031
Population	154,883	159,731	164,277	169,205	174,605
Change in population (5yrs)	--	4,848	4,546	4,928	5,400
Average annual change	--	0.62	0.56	0.59	0.63
Households	64,424	66,291	68,606	71,088	73,705
Average household size	2.35	2.34	2.32	2.31	2.3
Population in non-private dwellings	3681	4598	4798	4923	5048
Dwellings	66,575	68,634	71,166	73,838	76,611
Increase 5 Years		**2,059**	**2,532**	**2,672**	**2,773**
Increase 10 Years (2021)& 20 Years (2031)			**4,591**		**10,036**

Source: Population and household forecasts, 2011 to 2036, prepared by .id The population experts, March 2013. Reported in Working Paper, Housing and Neighbourhoods, Newcastle City Council March 2014

The recent NSW Government population projections have much higher population growth rates, and housing requirements would be significantly greater over the period to 2031. Modelling of the larger population implies an additional 17,152 dwellings would be required over the 20 year period to 2031.

1 Working Paper, Housing and Neighbourhoods, Newcastle City Council March 2014
2 Significant new 'greenfield' opportunities have been identified in Fletcher, Minmi, Elermore Vale and Wallsend. Inner city areas such as Newcastle, Newcastle West, Mayfield, Adamstown, New Lambton, Broadmeadow, Wickham and Islington are also expected to provide new dwelling opportunities.

Table F. Forecast Population and Housing Requirements 2011-2031

Newcastle LGA	2011	2016	2021	2026	2031	
Population	154,900	164,800	174,200	183,400	192,500	
Change 5 years		9,900	9,400	9,200	9,100	
Ave household	2.35	2.34	2.32	2.31	2.3	ID estimate
Households	65915	70427	75086	79394	83696	
Population in non-private dwellings	3,681	4,598	4,798	4,923	5,048	ID estimate
Population in Private Dwellings	151,219	160,202	169,402	178,477	187,452	
Private Dwellings Required	64349	68462	73018	77263	81501	
Increase 5 years		**4114**	**4556**	**4245**	**4238**	
Increase 10 (2021) & 20 years (2031)			**8670**		**17152**	

Source: New South Wales State and Local Government Area Population Projections: 2013 Preliminary Revision, MCa Estimates

New dwellings for a growing population will need to be accommodated through an increase in densities and the provision of additional medium density and high-rise residential developments. A larger population in the inner areas of Newcastle will strengthen local precincts, and assist with the revitalisation agenda.

Table G. Population 2011-2006 - Lower Hunter LGAs

Newcastle LGA	2003	2011	Change 2006-2011	Share of Regional Change %
Cessnock	48,300	50,500	2200	7.8
Maitland	64,700	73,300	8600	30.6
Lake Macquarie	192,000	197,000	5000	17.8
Newcastle	149,300	155,500	6200	22.1
-Inner City (SLA)	51,000	53,300	2300	8.2
-Outer West (SLA)	44,200	46,700	2500	8.9
-Throsby (SLA)	54,100	55,500	1400	5.0
Port Stephens	63,300	69,400	6100	21.7
Total Lower Hunter	**517,600**	**545,700**	**28,100**	**100.0**

Source: Population and household forecasts, 2011 to 2036, prepared by .id The population experts, March 2013. Reported in Working Paper, Housing and Neighbourhoods, Newcastle City Council March 2014

Projections show continued growth in the Lower Hunter, with the region's population increasing to 652,800 in 2031 (an increase of 107,100 or 20%)

Appendix B: Journey to Work Patterns – Newcastle LGA

The following tables show information on journey to work patterns for Newcastle LGA

Table B.1
Resident Location of Persons Holding Jobs in Newcastle LGA 2011

Newcastle LGA 2011		
Resident Location of Job Holders (SLAs)	**Number**	**%**
Newcastle (C) - Inner City	16,332	18.5
Newcastle (C) - Throsby	16,167	18.3
Newcastle (C) - Outer West	10,830	12.3
Total Newcastle LGA	**43,329**	**49.1**
Lake Macquarie (C) - North	14,718	16.7
Lake Macquarie (C) - East	8,180	9.3
Lake Macquarie (C) - West	3,683	4.2
Total Lake Macquarie LGA	**26,581**	**30.2**
Maitland (C)	6,645	7.5
Port Stephens (A)	5,310	6.0
Cessnock (C)	1,896	2.2
Wyong (A) - North-East	1,146	1.3
Wyong (A) - South and West	482	0.5
Total Wyong	**1,628**	**1.8**
Gosford (C) - West	366	0.4
Gosford (C) - East	253	0.3
Total Gosford	**619**	**0.7**
Dungog (A)	409	0.5
Great Lakes (A)	320	0.4
Singleton (A)	164	0.2
Muswellbrook (A)	31	0.0
No Usual Address (NSW)	82	0.1
Greater Taree (C)	53	0.1
Ku-ring-gai (A)	26	0.0

Source: ABS Census 2011 (profile.id analysis).http://profile.id.com.au/newcastle/residents

Table B.2
Employment Location of Newcastle LGA Residents 2011

Newcastle LGA 2011		
Employment Location of Newcastle LGA Residents	**Number**	**%**
Newcastle (C) - Inner City	19,984	28.4
Newcastle (C) - Throsby	15,203	21.6
Newcastle (C) - Outer West	8,142	11.6
Total Newcastle LGA	**43,329**	**61.6**
Lake Macquarie (C) - North	6,595	9.4
Lake Macquarie (C) - East	1,766	2.5
Lake Macquarie (C) - West	1,022	1.5
Total Lake Macquarie	**9,383**	**13.4**
Maitland (C)	2,689	3.8
Port Stephens (A)	3,399	4.8
Cessnock (C)	939	1.3
Wyong (A) - South and West	185	0.3
Wyong (A) - North-East	183	0.3
Total Wyong	**368**	**0.6**
Gosford (C) - West	137	0.2
Great Lakes (A)	79	0.1
Singleton (A)	451	0.6
Muswellbrook (A)	105	0.1
POW State/Territory undefined (NSW)	3,997	5.7
POW No Fixed Address (NSW)	2,179	3.1
Sydney (C) - Inner	148	0.2

Source: ABS Census 2011 (profile.id analysis).http://profile.id.com.au/newcastle/residents

Table B.3 Summary - Journey to Work Newcastle LGA 2011

Newcastle LGA		2011
Employment Location of Newcastle Residents	**Number**	**%**
Live and work in Newcastle LGA	43,329	61.7
-Live and work in the same SLA	21,894	31.2
-Live in the area and work in different SLA	21,435	30.5
Live in Newcastle LGA, but work outside	19,276	27.4
Work location unknown	7,650	10.9
Total Employed Residents	**70,255**	**100.0**
Residential Location of Workers	**Number**	**%**
Live and work in Newcastle LGA	43,329	49.1
-Live and work in the same SLA	21,894	24.8
-Live in the area and work in different SLA	21,435	24.3
Work in Newcastle LGA, but live outside	44,850	50.9
Total Workers in Newcastle LGA	**88,179**	**100.0**

Source: ABS Census 2011 (profile.id analysis).

Appendix C: Jobs by Industry - Newcastle LGA

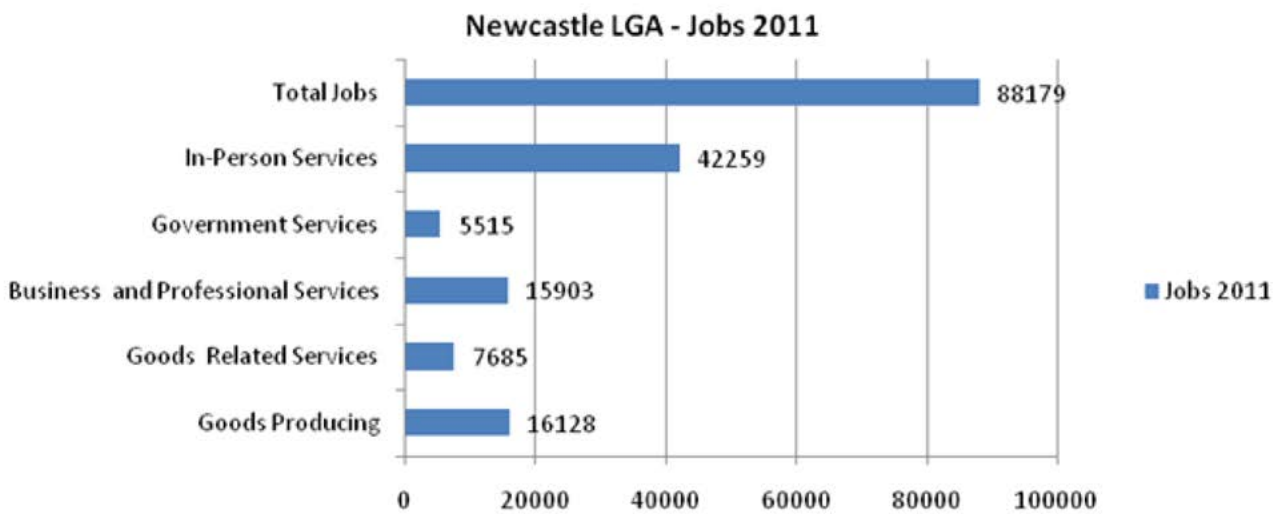
Table C.1 Jobs by Industry - Newcastle LGA 2006 and 2011

City of Newcastle Industry	2011 Number	Share %	2006 Number	Share %	Change 2006 to 2011	% change
Good Producing						
Agriculture, Forestry and Fishing	192	0.2	566	0.7	-374	-66.1
Mining	625	0.7	241	0.3	+384	159.3
Manufacturing	8,444	9.6	8,177	10.1	+267	3.3
Electricity, Gas, Water and Waste Services	2,146	2.4	1,730	2.1	+416	24.0
Construction	4,721	5.4	4,076	5.0	+645	15.8
Total Goods Producing	**16,128**	**18.3**	**14,790**	**18.2**	**1,338**	**9.0**
Goods Related Services						
Wholesale Trade	3115	3.5	3270	4.0	-155	-4.7
Transport, Postal and Warehousing	4,570	5.2	3,987	4.9	+583	14.6
Total Goods Related Services	**7685**	**8.7**	**7257**	**8.9**	**428**	**5.9**
Business and Professional Services						
Information Media and Telecommunications	1,248	1.4	1,546	1.9	-298	-19.3
Financial and Insurance Services	3,701	4.2	3,572	4.4	+129	3.6
Rental, Hiring and Real Estate Services	1,361	1.5	1,370	1.7	-9	-0.7
Professional, Scientific and Technical Services	7,237	8.2	6,057	7.5	+1,180	19.5
Administrative and Support Services	2,356	2.7	2,079	2.6	+277	13.3
Total Business and Professional Services	**15,903**	**18.0**	**14,624**	**18.0**	**1,279**	**8.7**
Government Services						
Public Administration and Safety	5,515	6.3	5,365	6.6	+150	2.8
Total Government Services	**5515**	**6.3**	**5365**	**6.6**	**150**	**2.8**
In-Person Services						
Retail Trade	8,271	9.4	8,337	10.3	-66	-0.8
Accommodation and Food Services	5,808	6.6	5,275	6.5	+533	10.1
Education and Training	7,990	9.1	7,060	8.7	+930	13.2
Health Care and Social Assistance	15,950	18.1	13,884	17.1	+2,066	14.9
Arts and Recreation Services	989	1.1	874	1.1	+115	13.2
Other Services	3,251	3.7	2,971	3.7	+280	9.4
Total In Person Services	**42259**	**47.9**	**38401**	**47.3**	**3858**	**10.0**
Industry not classified	689	0.8	701	0.9	-12	0.0
Total Jobs	**88,179**	**100.0**	**81,138**	**100.0**	**+7041**	**8.7**

Source: ABS Census 2006 and 2011, Working Population Data

Chart 10: Jobs by Industry Group - Newcastle LGA 2011

Source: ABS Census 2011, Working Population Data



Distribution of Jobs

Jobs located in Newcastle are distributed across the three Statistical Local Areas (SLA).

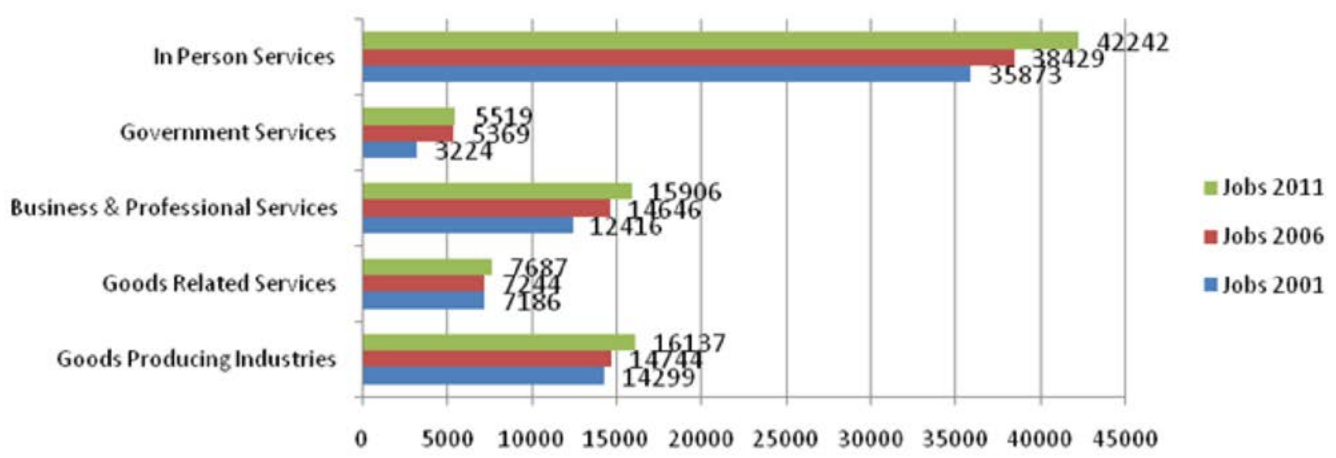
- Inner City: which includes the CBD has between 60-70% of the government (Council, State Government, and Australian Government) and business and professional services jobs; and 50% of accommodation and food service jobs. It also has over 50% of the manufacturing jobs and 63% of the transport jobs. Overall this SLA accounted for 47% of jobs in the LGA.
- Outer West: has 42% of education and training jobs (University); and 61% of electricity, gas and water sector jobs; and 35% of wholesale jobs. Overall this SLA accounted for 20% of jobs in the LGA.
- Throsby: has 60% of health care and social assistance jobs (John Hunter Hospital, Newcastle Private Hospital); 44% of retail jobs; and 45% of the arts and recreation services jobs. Overall this SLA accounted for 33% of jobs in the LGA. [1]

Newcastle LGA is the centre of a major regional labour market, and performs a major role in the provision of jobs for a wide area of the Lower Hunter and the Central Coast.

- In 2011 there were 70,255 employed residents and a total of 88,179 jobs located in the LGA. In all 62% of Newcastle residents (43,329) had their jobs in Newcastle LGA and around 38% (26,926) held jobs outside the area (mainly in adjacent LGAs).
- For these Newcastle residents holding jobs outside the region, the major job locations were in the LGAs of Lake Macquarie (9383 or 13% of employed residents); Maitland (2689 or 4%) and Port Stephens (3399 or 5%).
- Newcastle has around 50% employment containment, which means that 50% of the jobs in the LGA are held by Newcastle LGA residents.[2] A total of 44,850 persons (51%) from outside Newcastle LGA held jobs in the LGA, with 26,581 (30%) living in Lake Macquarie. Other sources of workers were Maitland 6645(8%); Port Stephens 5310 (6%) and Wyong 1628(2%). [3]
- The Newcastle City Centre is also a net importer of workers, with most persons travelling from the outer suburbs, as well as the adjacent LGAs of Lake Macquarie and Port Stephens.

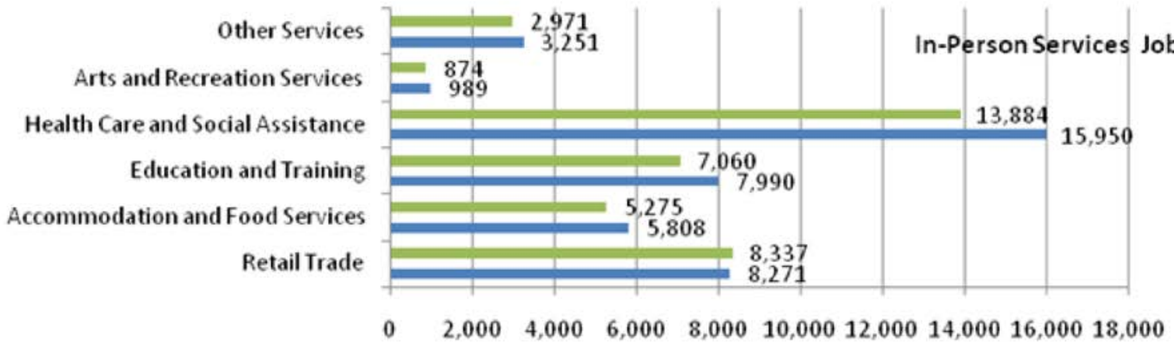
1 Based on 2006 data in Newcastle Urban Renewal Study – Economic Assessment Hill PDA 2012 P74
2 Draft Local Planning Strategy, Working Paper :Centres and Employment Lands Newcastle Council P13
3 See Appendix B for detailed tables on journey to work patterns.

Chart 11: Number of Jobs by Industry Group - Newcastle LGA 2001-2011



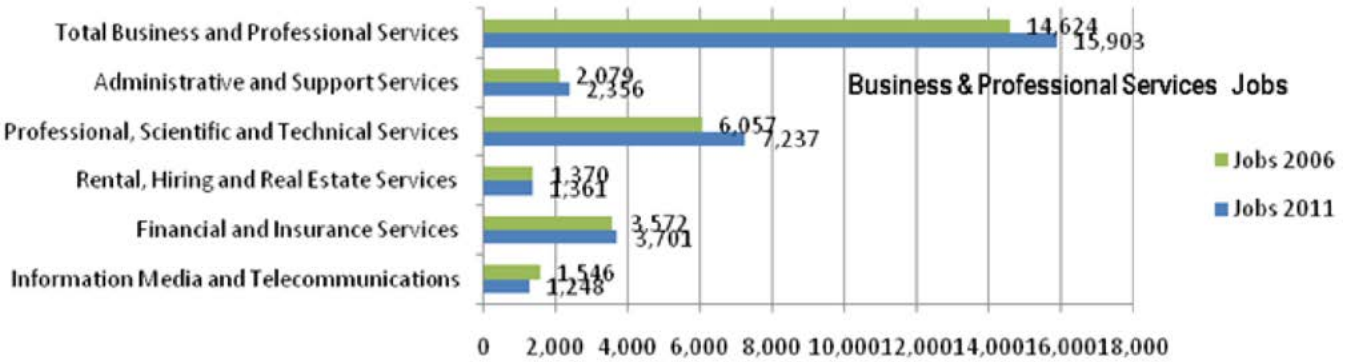
(Source: ABS Census 2006 and 2011, Working Population Data)

Chart 12: Number of Jobs in In-Person Services - Newcastle LGA 2006 and 2011



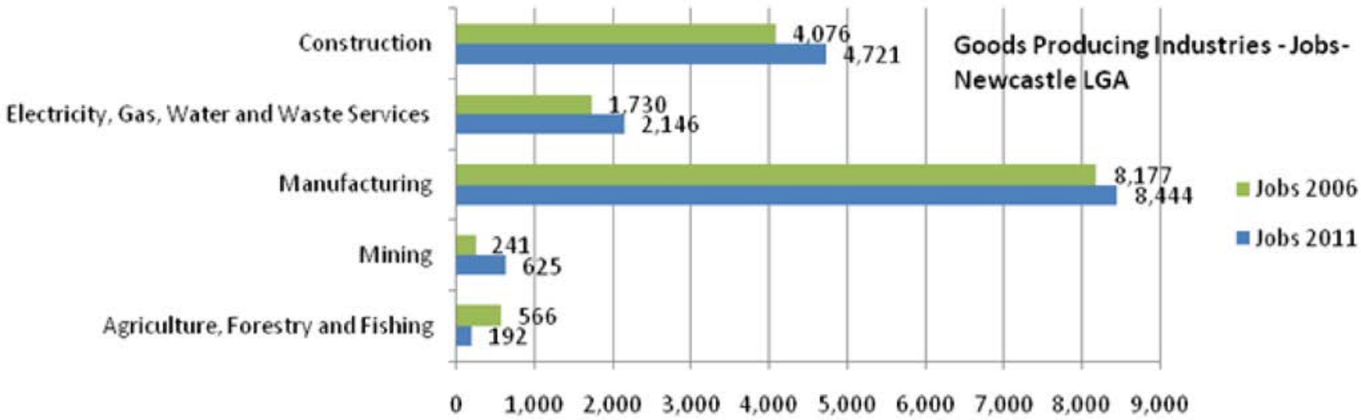
(Source: ABS Census 2006 and 2011, Working Population Data)

Chart 13: Number of Jobs in Business & Professional Services - Newcastle LGA 2006 and 2011



(Source: ABS Census 2006 and 2011, Working Population Data)

Chart 14: Number of Jobs in Goods Producing Industries - Newcastle LGA 2006 and 2011



(Source: ABS Census 2006 and 2011, Working

Appendix D: Creative Industries Newcastle LGA

The following provides employment estimates for creative industries in Newcastle LGA.

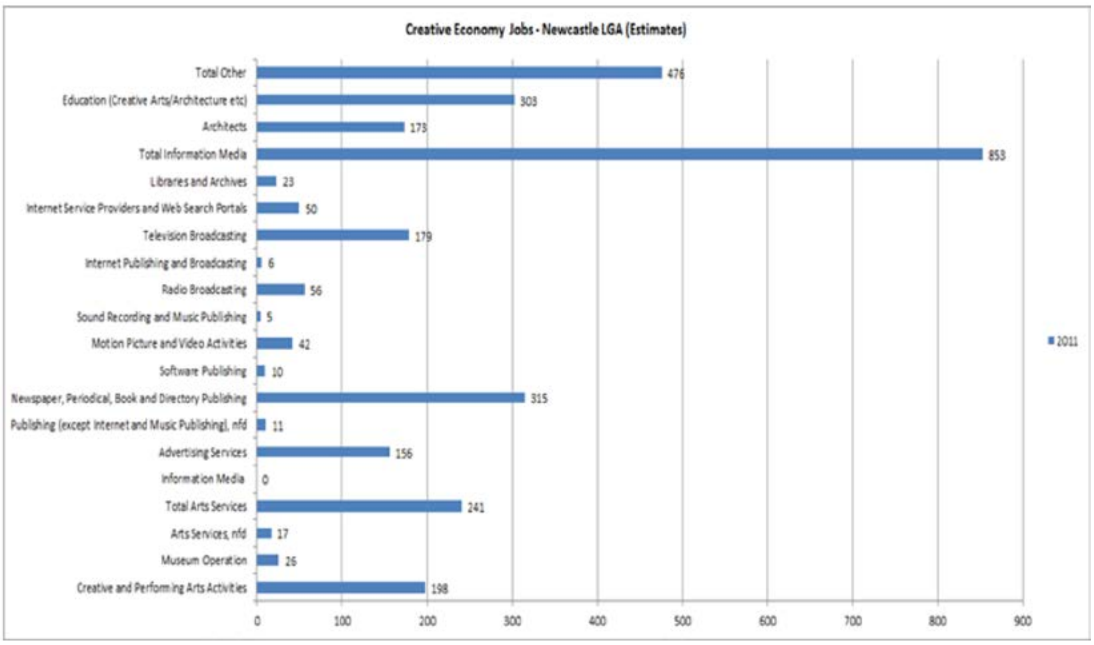
- The definition of creative industries includes a wide range of sectors such as: performing arts, creative arts and heritage; content development (newspapers, radio, and television); internet and digital publishing and services; architecture and design; and the teaching of programs in some of these fields.[1] According to the 'Valuing Australia's Creative Industries' 2013 report endorsed by the Federal Minister for Industry, Mr Ian MacFarlane, the creative industries include: writing, publishing and print media; design and visual arts; architecture; music and performing arts; film, television and radio; advertising and marketing; and software development and interactive content.
- Education and training in the above areas is an important part of the local creative economy in Newcastle and comprises programs at the University of Newcastle and at Hunter TAFE. Some estimates are provided below of jobs in education in the areas that are identified as part of creative industries and also of student numbers in these fields.[2]
- It should be noted that the jobs data is from the ABS Census 2011 and is based on the industry of employment of Census respondents. It is recognised that some people are involved in creative activities (particularly in Arts Services - visual arts and performing arts) on a part-time basis/out of hours basis and may have reported another industry sector for their main job. Additionally, since the creative industries are typified by those who are specialist creative workers, those embedded in other sectors or are support workers, as Higgs and Cunningham identify, the data below may understate the number of people involved in creative industries activities in Newcastle.[3]

The preliminary data shows that in total around 4070 persons are directly involved in activities that can be classified as part of the creative economy.

- Total creative economy jobs were estimated at 1570 or 1.8% of jobs in the LGA. These comprised: 241 arts services jobs; 853 information media jobs; and 476 other jobs (including 303 in education). [4]
- There are an estimated 3000 students undertaking courses at the University of Newcastle in fields that are classified as part of the creative economy. [5]

1 Definitions of Culture and Creative Industries are included in: ABS Australian Culture and Leisure Classifications, Australia 2008 (Second Edition), Chapter 2. CIIC (2013) Valuing Australia's Creative Industries: Final Report prepared for the Creative Industries Innovation Centre by SGS Economics and Planning, December 2013, pp. 1-95
2 Student numbers only include UON courses and not Hunter TAFE or the Hunter School of Performing Arts.
3 ABS Census data at an LGA level reports total jobs by industry sector, but does not indicate whether they are part time or full time. Higgs, P. & Cunningham, S. (2008) 'Creative Industries Mapping: Where Have we Come from and Where are We Going?', Creative Industries Journal, 1/1, pp.7-30
4 Education jobs only include UON and not Hunter TAFE or the Hunter School of Performing Arts.
5 This covers students in creative arts courses and architecture and built environment courses at UON.

Chart D.1 Creative Industries Jobs – Newcastle LGA (Estimates)



Source: Jobs data - ABS Census 2011 Working Population Data; education jobs data – UON website.

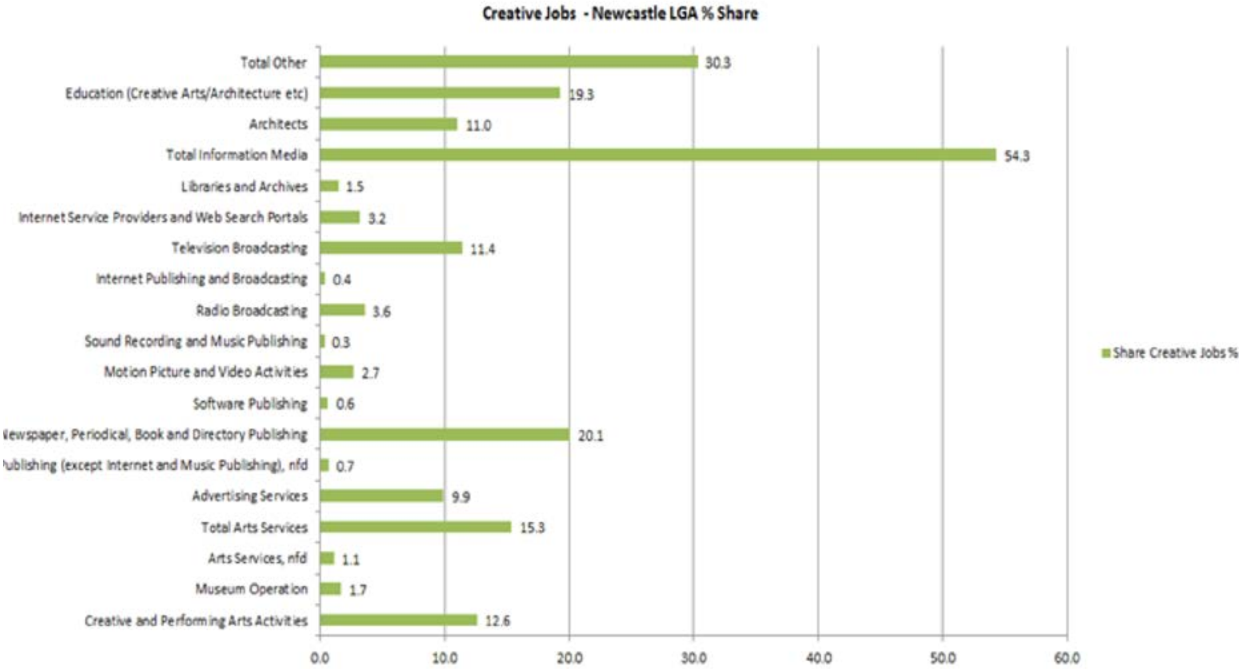
On a shares basis: Arts Services (241) accounted for 15% of creative jobs (creative and performing arts13%); the dominant group was Information Media (853) for 54% of jobs (newspapers/magazines 20%, television broadcasting11%, advertising 9%) and Other Services (1570) for 30% (education19%).

Table D.1 Estimated Jobs in Creative Industries – Newcastle LGA

Newcastle LGA	2011		2006		Change	
Creative Economy- Industry Sectors	**Jobs**	**% Total LGA Jobs**	**Jobs**	**% Total LGA Jobs**	**Number**	**% change**
Arts Services						
Creative and Performing Arts Activities	198	0.2	160	0.2	38	23.8
Museum Operation	26	0.0	19	0.0	7	36.8
Arts Services, nfd	17	0.0	51	0.1	-34	-66.7
Total Arts Services Jobs	**241**	**0.3**	**230**	**0.3**	**11**	**4.8**
Information Media						
Advertising Services	156	0.2	176	0.2	-20	-11.4
Publishing (except Internet and Music Publishing), nfd	11	0.0	4	0.0	7	175.0
Newspaper, Periodical, Book and Directory Publishing	315	0.4	375	0.5	-60	-16.0
Software Publishing	10	0.0	0	0.0	10	
Motion Picture and Video Activities	42	0.0	63	0.1	-21	-33.3
Sound Recording and Music Publishing	5	0.0	11	0.0	-6	-54.5
Radio Broadcasting	56	0.1	69	0.1	-13	-18.8
Internet Publishing and Broadcasting	6	0.0	7	0.0	-1	-14.3
Television Broadcasting	179	0.2	188	0.2	-9	-4.8
Internet Service Providers and Web Search Portals	50	0.1	48	0.1	2	4.2
Libraries and Archives	23	0.0	17	0.0	6	35.3
Total Information Media Jobs	**853**	**1.0**	**958**	**1.2**	**-105**	**-11.0**
Other						
Architects (estimate)	173	0.2	118	0.1	56	47.2
Education (teaching & support) - School of Creative Arts (UON)	177	0.2	177	0.2	0	0.0
Education (teaching & support) - School of Architecture & Built Environment (UON)	126	0.1	126	0.2	0	0.0
Total Other Jobs	**476**	**0.5**	**421**	**0.5**	**56**	**13.2**
Total Creative Economy Jobs	**1570**	**1.8**	**1609**	**2.0**	**-38**	**-2.4**
Students (2014)	**Students**		**Students**			
Students - School of Creative Arts (UON)	1300		na			
Students - School of Architecture & Built Environment (UON)	1200		na			
Total Students	**2500**		**na**			
Total Creative Economy (Persons)	**4070**		**4109**			
Total Jobs in LGA	**88,179**		**81,138**		**7,041**	**8.7**

Source: Jobs data - ABS Census 2011 Working Population Data; education employees and students data – UON website.

Chart D.2 Creative Industries Jobs in Newcastle LGA - % Share



Source: Jobs data - ABS Census 2011 Working Population Data; education employees data – UON website.

Table D.1 Estimated Jobs in Creative Industries – Newcastle LGA

Newcastle LGA	**2011**	
Creative Economy – Newcastle LGA	**Jobs**	**Share Creative Industry Jobs %**
Arts Services		
Creative and Performing Arts Activities	198	12.6
Museum Operation	26	1.7
Arts Services, nfd	17	1.1
Total Arts Services	**241**	**15.3**
Information Media		
Advertising Services	156	9.9
Publishing (except Internet and Music Publishing), nfd	11	0.7
Newspaper, Periodical, Book and Directory Publishing	315	20.1
Software Publishing	10	0.6
Motion Picture and Video Activities	42	2.7
Sound Recording and Music Publishing	5	0.3
Radio Broadcasting	56	3.6
Internet Publishing and Broadcasting	6	0.4
Television Broadcasting	179	11.4
Internet Service Providers and Web Search Portals	50	3.2
Libraries and Archives	23	1.5
Total Information Media	**853**	**54.3**
Other		
Architects (estimate)	173	11.0
Education (Creative Arts/Architecture etc. UON.)	303	19.3
Total Other	**476**	**30.3**
Total Creative Economy Jobs	**1570**	**100.0**

Source: Jobs data - ABS Census 2011 Working Population Data; education jobs data – UON website.

UON has established a Creative Industries Research and Innovation Cluster (CIRIC) takes a coordinated multidisciplinary and interdisciplinary approach and covers all areas of the creative industries include music, visual arts, design, architecture, performing arts, film and television, digital media, journalism and marketing.[1]

1 http://www.newcastle.edu.au/research-and-innovation/innovation/hubs-and-clusters/ciric/about

Appendix E: Strategic Sectors

Table H. Projected Labour Force and Job Requirements 2011-2031 by Precinct -Newcastle LGA

Newcastle LGA	Population 2011	Labour Force Participation Rate 2011	Forecast Population Increase 2011-2031	Additional Jobs Required to 2031
Inner	53,700	62%	6,500	4,030
Central	56,000	61%	3,600	2,196
Outer	47,500	58%	8,400	4,872
Newcastle LGA	**157,200**	**61%**	**18,500**	**11,285**

Source: Draft Local Planning Strategy, Working Paper: Centres and Employment Lands Newcastle Council P14

Table I. Projected Growth in Service Sector Jobs 2011-2031– Newcastle LGA

Newcastle LGA	Population 2011	Labour Force Participation Rate 2011
Professional, Scientific and Technical Services	3656	51%
Health Care and Social Assistance	7593	46%
Accommodation and Food Services	2969	46%
Retail Trade	3731	38%
Education and Training	2779	34%

Source: Newcastle Urban Renewal Study – Economic Assessment Hill PDA 2012 P75

E.1 Overview

Newcastle LGA has a large and diverse economy, with a spectrum of industries and businesses servicing local, regional, national and international markets. These businesses and organisations employ over 88,000 persons. Key industry sectors for Newcastle include: port and logistics; defence/aerospace; health; education; business services; manufacturing/engineering; visitor economy; retail; creative industries; and sports and recreation sector.

Several sectors are likely to experience significant growth including: defence/aerospace as a result of the Joint Strike Fighter project (and other defence projects) and the expansion of RAAF Williamtown; development of the Port of Newcastle; the future expansion of the visitor economy; and growth in health services and higher education.

E.2 Defence and Aerospace Sector

E.2.1 Newcastle Airport

Newcastle Airport (located in the adjacent LGA of Port Stephens) is a major strategic asset for Newcastle and the Hunter Region. It provides access to the major destinations along the east-coast and is contributing to domestic and international growth of business and tourism in the surrounding region. Currently Jetstar, Virgin Australia, QantasLink, Pelican Air and Regional Express operate flights to Sydney, Melbourne, Brisbane, Gold Coast and Canberra. Passenger numbers have increased from 214,000 in 2003 to almost 1.2 million in the 2013.

The airport has undergone major expansions, which will double the size of the terminal. This development will create capacity for up to 5 million passengers annually (from the current 2 million capacity), as well as provide infrastructure to allow for international flights. This investment will provide the infrastructure needed for Newcastle Airport to be an international hub and significant alternate gateway into New South Wales.

The airport has significant economic impacts on the region.[1] The airport cluster includes businesses involved in aircraft maintenance, aircraft manufacturing, passenger and air freight transport, ground handling and refuelling, cafes and restaurants, retailing, security and cleaning. Direct employment of the cluster is 858 jobs. The direct and indirect contribution to regional gross product (value added) is estimated to be $354 million or around 1.2% of regional value added for the Hunter Region.[2] There are also significant regional benefits from capital investment in the airport and precinct.

E.2.2 RAAF Base Williamtown

The Newcastle Airport runway is shared with the RAAF Base Williamtown, which is a major operational base for fighter aircraft. The base is the home of the Air Combat Group (ACG) and the Air Force's Surveillance Response Group.

Employment on the base is around 4000, comprising 2500 permanent ADF personnel, 700 Australian Public Service (APS) personnel and approximately 500 Defence contractors. The operations inject more than $200 million annually into the Hunter Region.

RAAF Base Williamtown will be the RAAF's command, operations and training base for the new F35 Joint Strike Fighter. Major upgrades are planned at Williamtown worth over $950 million. A major $950

1 The Economic Impact of Newcastle Airport Report 2010-11 , Update Report Prepared for Newcastle Airport Limited, November 2011
2 The Economic Impact of Newcastle Airport Report 2010-11 , Update Report Prepared for Newcastle Airport Limited, November 2011

million redevelopment of the base will be undertaken to accommodate the new F35 Joint Strike Fighter and associated support activity. Redevelopment will generate around 700 construction jobs.

It is expected that support activities will increase employment at Williamtown by up to 1000 persons in support activities.

Williamtown has the potential to become the Asian regional support hub for the F35, and this would generate major business activity for defence support industries in the region.

E.2.3 Williamtown Aerospace Centre (WAC)

The Williamtown Aerospace Centre (WAC) includes the Newcastle Airport Precinct and 120 hectares of industrial land and is adjacent to the RAAF Base. The industrial land is being developed as a defence, aerospace and aviation business park by Hunter Land[1]. The WAC will facilitate the expansion of RAAF Base Williamtown capability to meet the changing requirements of the RAAF and its defence contractors. Three precincts are being developed: Commercial Precinct: with the first stage including a Mecure hotel and conference centre, commercial office space for lease and industrial lots. Potential uses include defence contractor offices, airport related services, transport services and logistics.

Aerospace Precinct: comprises sites (with access to the runway and apron) located near current aircraft servicing facilities.

Support Precinct: this will allow for a progressive relocation of 1000 civilian staff and contractors currently working on RAAF Base Williamtown. Lockheed Martin Australia will be WAC's first defence tenant, occupying a purpose built facility in the support precinct.

E.2.4 Defence Industry Cluster - Hunter Region

The Hunter Region has a large defence and aerospace sector integrated with Defence establishments including RAAF Base Williamtown and the Singleton Military Area. At Williamtown, there is a growing aerospace sector, providing defence and civil services.

- Major Defence Prime Contractors (covering aerospace, maritime, electronic systems and land management) are located in the Hunter Region including: BAE Systems, Boeing, Raytheon, Lockheed Martin, GE Aviation, Forgacs, Thales and Varley. These prime contractors are linked to smaller suppliers.
- Regional business organisations are active in defence industries and include: the Hunter Business Chamber; and HunterNet (180 members); and a network of small and medium-sized manufacturing, engineering and consulting companies.
- Hunter Defence is a cluster being supported by the University of Newcastle, Regional Development Australia, HunterNet, Hunter TAFE, Hunter Business Chamber, and the Australian Industry Group. It is working with government to build defence-related capacity in the Hunter Region.
- The University of Newcastle has an active Defence Research Cluster. [2]

E.3 Heavy Engineering Sector

Newcastle has a significant heavy engineering sector that services the coal industry, civil construction, defence and the industrial sector. The sector services local, interstate and some international markets.

Newcastle is a major part of the coal supply chain, with port facilities and support industries (including heavy engineering, construction contractors and service providers).[3]

The end of the mine construction boom has impacted on some heavy engineering businesses that specialised in the mining sector. Many of these businesses are located in industrial areas in Newcastle LGA and there have been some recent reductions in employment. Long term prospects of specialist engineering businesses that have diversified markets are seen as good. Trends in the sector have implications for industrial land use in Newcastle and other parts of the Upper Hunter Region.

E.4 Port and Logistics

The Port of Newcastle is the world's largest coal tonnage port and includes bulk cargo and general cargo. Further expansion and diversification is likely, with the acquisition of a lease by Port of Newcastle Investments.

About the port

- The Port of Newcastle is a vital economic driver for Newcastle and the Hunter Region. Strategically positioned at the gateway to the state's largest regional economy the port is driven by materials required by the region's industries. In close proximity to Sydney, the port is the economic and trading centre for New South Wales.
- The Port of Newcastle is the world's largest coal export port and is one of Australia's largest ports by throughput tonnage, handling more than 164 million tonnes of trade annually.
- The Port of Newcastle handles bulk, project and containerised freight servicing New South Wales.
- Port of Newcastle, the commercial manager of the port, manages 792 hectares of port land. Of this, 200 hectares is vacant and available for development.

1 http://www.williamtownaerospace.com.au/

2 http://www.newcastle.edu.au/research-and-innovation/innovation/clusters/defence/aboutThe University of Newcastle is a member of Hunter Defence, through the Hunter Business Chamber and HunterNet.

3 The Hunter region accounts for more than 32% of the State's exports including coal, mining services, products and equipment, as well as fresh and processed food and wine. Coal is a $6 billion a year industry in the region, with 86 million tonnes exported annually comprising about 90% of the region's total exports. About $8 billion in trade goes through the Port of Newcastle a year.

- Since the Port of Newcastle's first commercial shipment in 1799, coal has been the port's major trade. Today, coal is 97% of the port's trade volume. Many of the port's non coal trades have a direct link to the region's coal industry and exist to supply the industry.

Port trade

- The port's trade comprises more than 25 cargoes.
- Coal is the port's largest commodity, comprising 97% of trade throughput.
- Increasing demand for the region's premium thermal and coking coal was reflected in another record coal export year in 2014.
- In 2014 the port handled a record 164.3 million tonnes in trade, reflecting a 5.3% increase on the previous year's trade. 2014 trade included 159 million tonnes of coal exports, an increase of 6% from the previous year; and almost 5.3 million tonnes of non-coal trade (imports and exports).
- Growing commodities include coal, fuels, fertiliser, agricultural commodities, alumina, minerals and project cargo.

Terminal 4 (T4)

- The proposed Port Waratah Coal Services Terminal 4 development, currently undergoing planning assessment by the NSW Government, would position the port and the region to meet the continued global demand for the region's high quality coal.
- The port's current coal terminal capacity is 211 million tonnes per annum. The port currently has three coal terminals (two are operated by Port Waratah Coal Services, and one is operated by the Newcastle Coal Infrastructure Group). In terms of future capacity, if all stages of T4 are approved and developed, it would increase the port's coal terminal capacity to approximately 280 million tonnes per annum.

This map illustrates the port boundary as outlined in the Ports SEPP, and the land that PON manages (blue and gold). The unshaded land within the Port is privately owned.

The gold shaded land is where port services and core port infrastructure are required to be developed, e.g. new road receival facility for grain being developed in Carrington.

The blue shaded land is the non-core port land where other lawful uses may be permitted to be developed, e.g. new retail service station to be developed on Cormorant Road.

2014 Trade Statistics – Port of Newcastle

Cargo	2013	2014	Variance
Alumina	1,048,636	1,062,453	1.3%
Aluminium	122,856	103,595	-15.7%
Coal	150,544,942	159,035,923	5.6%
Concentrates	442,734	479,514	8.3%
Fertiliser	353,309	444,224	25.7%
Fuels	649,974	1,171,700	80.3%
Tar and Pitch	253,802	272,592	7.4%
Meals & Grains	389,826	192,655	-50.6%
Petroleum Coke	204,503	211,751	3.5%
Steel	260,866	255,817	-1.9%
Wheat	891,837	356,241	-60.1%
Other Trade	959,423	737,243	-23.2%
Newcastle LGA	**157,200**	**61%**	**18,500**

Attracting new trade based activity

- It is expected that non-coal trade will increase steadily over the next 5 years through strong growth in fuel and wheat and modest growth in most other commodities.
- The Port of Newcastle and the Hunter region are ideally placed to provide a supply role in the continued growth and development of Sydney, to receive the associated economic benefits. The port's excellent channel and berth access, available port land, and the region's strong manufacturing base and skilled workforce will be an asset.
- Port of Newcastle aims to establish a marine services precinct within the port's Carrington Precinct to service large marine craft, such as tug boats, yachts and cruisers.
- Further development of the Bulk Liquids Precinct within the port's Mayfield Precinct, will meet the region's increasing need for fuel imports.

While coal operations dominate the port's activities, there is the potential to extend general cargo operations and to develop container facilities and other logistics operations on the port land. The former BHP Steelworks site has been identified as suitable for development for supporting cargo handling infrastructure. This would develop Newcastle as a major national logistics hub.

E.5 Visitor Economy

The visitor economy is a significant and growing market for Newcastle and offers prospects for continued growth.

Visitor Economy

"According to the Visitor Economy Taskforce, the term "visitor economy" takes into account "broader economic activity than what has been historically defined as tourism and events". It encompasses the direct and indirect contributions to the economy resulting from a person (a 'visitor') travelling outside their usual environment for holiday, leisure and events and festivals, business, conventions and exhibitions, education, to visit friends and relatives and for employment in NSW.

This new focus forces a broad strategic focus beyond marketing to every facet of experience creation and capacity building that contributes to the creation and sustaining of a viable and growth oriented visitor experience. Foci such as transport infrastructure, place management, cultural development, information technology, broadband, sports, human resource availability and skills, are all brought into the mix and create challenges and opportunities that need to be addressed by a coalition of stakeholders."

Source: Newcastle Destination Management Plan- Final Report June 2013 P6

Visitor data indicates that it is a $722 million market for Newcastle LGA. This is based on a total of around 3.6 million visitors (2.6 million day visitors, 962,000 domestic overnight visitors, 75,300 international visitors) in 2012. These Newcastle visitors equate to 44% of domestic overnight, 49% of domestic daytrip and 66% of total international visitors to the greater Hunter Region in 2012.[1]

1 Newcastle Destination Management Plan- Final Report June 2013

Table J. Newcastle LGA Visitor Data 2012

Newcastle Visitor Data Summary	
Total Visitors to Newcastle in 2012	1,048,636
<2.6 million day visitors, 962,000 domestic overnight visitors, 75,300 international visitors>	3.6 million
Total Number of Nights in Newcastle in 2012	3.9 million
Domestic Overnight Visitors - Average Length of Stay	2.6 nights
Value of the visitor economy to Newcastle	$722 million
Newcastle and the Hunter's Rank in Australia's Top 20 Tourism Regions	No. 12

Source: Newcastle Destination Management Plan- Final Report June 2013 P24 (IVS/NVS (2012) Tourism Research Australia)

Some recent estimates indicate that direct jobs servicing the visitor economy total almost 5800, with indirect the multiplier effects of these jobs contributing another 1450 jobs (for a total of 7250 visitor economy linked jobs).[1]

Table K. Estimated Visitor Economy Jobs – Newcastle LGA 2011

Sectors	Estimated Visitor Economy Direct Jobs 2011	Share of Total Jobs in the Industry
Accommodation	666	95%
Food Service	1276	25%
Transport (Passenger)	352	35% <of passenger transport jobs>
Travel & Tour Operators	483	100%
Education & Training	605	15% <of tertiary education jobs>
Retail Trade	1319	16%
Arts & Recreation Services	399	40%
Other Industries	661	40%
Total Visitor Economy Jobs	**5761**	

1 MCa estimates based on ABS Census 2011 data and tourism sector information. Based on these estimates every $100.000 of visitor spending creates one FTE job.

The Newcastle Destination Management Plan has set development priorities for the sector. There are four strategic priorities: a unified voice for the businesses engaged in the Visitor Economy (formation of the industry group); getting the industry connected for major events; engage the global social and community networks; and create signature experiences in the city.[1]

Newcastle Tourism Industry Group (NTIG) is Newcastle's peak tourism industry body (NTIG is part funded by Newcastle City Council).

The focus of the new Destination Management Plan is on emerging markets including: international education, visiting friends and relatives (VFR), events, sports, cruise ships, medical and overnight short breaks.

Identified opportunities are: attracting national and international sporting and cultural events through a focussed and funded events attraction strategy; building new markets including those from Asia, through better air service connections to key hubs and the education sector; growing visiting friends and relatives (VFR) travel both from interstate and overseas; leveraging the growth of the airport to access new domestic markets; continuing to strengthen the destination as a cruise port, including the potential to regain base porting operations; and building the business and conference market to support a future investment in a convention centre.[2]

Newcastle has a wide range of both active and passive experiences all of which contribute to its appeal as a destination. These experiences and activities include: nature-based, adventure, and water-based activities; sporting events; events and festivals; and culture and heritage. Newcastle has recently undergone a destination rebranding - See Change to capture the story of change from an industrial heritage to a vibrant city.[3]

A major focus for Council is assisting the industry with

1 Newcastle Destination Management Plan- Final Report June 2013 P3

2 Newcastle Destination Management Plan- Final Report June 2013

3 Newcastle Destination Management Plan- Final Report June 2013 P19

the implementation of the Destination Management Plan and providing ongoing support to the sector. Newcastle needs to continue to be a lead player in developing the visitor market.

E.6 Health Sector

Health is a major sector, with Hunter New England Health (HNEH) and its major hospitals and research centres based in Newcastle.[1] HNE Health is the largest employer in Newcastle LGA.

Hunter New England Health (HNE Health) provides a range of public health services to the Hunter, New England and Lower Mid North Coast Regions.

- A number of indicators show the scope of its operations: it provides services to around 850,000 people; employs 15,500 persons (10,646 full time equivalent staff) including 1500 medical officers; and covers 25 local government areas. HNE Health has an annual operations and capital budget of around $1.75 billion.
- The services comprise: 3 tertiary referral hospitals; 4 rural referral hospitals; 12 district hospitals; 10 community hospitals; 60 community health services; 3 mental health facilities and community mental health services; and 3 residential aged care facilities.
- In Newcastle HNE Health operates the John Hunter Hospital; John Hunter Children's Hospital; and the Calvary Mater Newcastle Hospital and a number of other health services. HNE Health is a partner with UON in the Hunter Medical Research Institute (HMRI).

E.7 Tertiary Education

Newcastle has two major educational institutions based in Newcastle. Both have large student numbers, are major regional employers and have strong linkages with business and the community.

E.7.1 University of Newcastle

The University of Newcastle is a research-intensive institution and is ranked among the top 3% of the world's universities, according to both the Times Higher Education (THE) World University and QS World University Rankings.[2] The University consistently ranks in the nation's top 10 for research, and is the only regional university to achieve this position. In May 2014 the University of Newcastle was ranked number 1 in Australia and number 28 in the world by the latest independent Times Higher Education's rankings of the world's top 100 universities under 50 years old.[3]

In Newcastle, UON operates at the Callaghan Campus (12kms from Newcastle CBD), and has two current sites in the city: School of Drama, Fine Art, and Music (incorporating the Conservatorium) and the Newcastle Legal Centre and the Newcastle Business School Postgraduate Program.

The University is the second largest employer in the Hunter region with 2444 full-time equivalent staff in ongoing or fixed term employment in 2011[4]. Total income was around $600million in 2012, and assets totalled $1.37 billion.

In its teaching, the university has a focus on fostering innovation and developing skills.

- UON has an enrolment of 35,998 students (EFTS=24,000) with around 24,500 enrolments at the Newcastle campuses.[5] Work Integrated Learning is embedded into 90% of undergraduate programs, ensuring that graduates developed workforce relevant skills. Provision of educational opportunities to students from low socio-economic status (low SES) backgrounds is also a key strategic priority.[6]
- The university has been through a growth period with student enrolments and EFTSL increasing by around 25-30% between 2007 and 2011 (from 19,000 to 24,000). Over this same period full time staff levels have increased from 2052 to 2444 (FTE). International students increased from around 3700 to 5000.
- Student enrolments comprise: Undergraduate (23,301); Postgraduate coursework (6706); Elicos (994); and Enabling (2,883).
  Enrolments by Faculty: Business & Law (6505); Education & Arts (8987); Engineering & Built Environment (3913); Health (6681); Science & Information Technology (5112); English Language & Foundation Studies (3877); and Non Award (884).
  In 2012 the university had almost 5000 on-shore international students (4,825 EFTSL),

Education is delivered in fields that are of strategic importance to the Newcastle and the Hunter Region including: Business and Law; Engineering and Built Environment-architecture and built environment - computer sciences; engineering; Education and Arts - drama, fine art and music, education , social sciences; Health-medicine, nursing, health sciences, biomedical sciences; Science and Information Technology - design, communication and IT, environmental and life sciences, mathematical and physical sciences, psychology.

The University of Newcastle is developing a $95 million CBD education precinct - NeW Space, which will be a 10 storey 'vertical' campus.[7] The building (due to open in 2017) will provide facilities for all UON staff and students through digital library and information

1 http://www.hnehealth.nsw.gov.au/__data/assets/pdf_file/0007/102994/annual-report-11-12.pdf
2 http://www.newcastle.edu.au/about-UON/our-university/vision-and-strategic-direction/new-directions-strategic-plan-2013-15
3 The 100 under 50 2014, Times Higher Education May 1 2014

4 Total direct staffing comprised 967 academics and 1477 general staff.
5 Callaghan Campus in Newcastle LGA; Newcastle City Campus (Conservatorium; postgraduate business studies and legal studies).
6 In 2011 26.6 per cent of domestic students were low SES compared with a national average of 15.6 per cent (2010)
7 http://www.newcastle.edu.au/newsroom/featured-news/iconic-new-space-first-designs.It will accommodate (up to 2500 students and 100 staff).

services collaborative learning and research spaces; and will include the Faculty of Business and Law. [1]

E.7.2 Hunter TAFE

Hunter TAFE is Australia's largest Regional Training Organisation (RTO), delivering 450 job ready qualifications to about 60,000 annual enrolments.[2] It is also one of the Hunter Region's largest businesses with an operational budget of over $190 million in 2013 and around 2000 employees located across its 15 campuses.

Hunter TAFE has regional campuses and specialist training centres located in the Lower Hunter, Upper Hunter and the Central Coast. Operations in Newcastle LGA are the Hunter Street Campus and the main Tighes Hill Campus. Delivery covers all of the key sectors in the region including: mining, manufacturing, construction, health services, children's services, tourism, and emerging study areas in renewable energy.

E.8 Research and Innovation

Newcastle has a strong research and innovation "eco-system" which comprises the University of Newcastle, HMRI and CSIRO. The region has specialisations in energy and health and medical research and the university has developed an active defence industries cluster.

The expansion of research activities and the application of this knowledge via licensing and commercialisation in new ventures is an important part of Newcastle's long term future.

E.8.1 University of Newcastle

UON is an applied research focused university, with total research funding in 2011/12 of $85 million. The major areas were in Health ($43 million); Engineering and Built Environment ($20 million); Science and Information Technology ($10 million); Education and Arts ($4 million); and other research ($6million). It attracts funding from the NHMRC and from the ARC and has a major focus on partnerships and projects with industry. There are around 1400 enrolments in research higher degrees (RHD).

UON's major research facilities centres comprise:

- Hunter Medical Research Institute (HMRI) and its new $90 million Clinical Research Building, which houses health and medical researchers from the University its research partner Hunter New England Health.
- Newcastle Institute for Energy and Resources (NIER) is involved in national and international research collaborations for the University across key areas including smart grid technology research.
- Newcastle Innovation is the technology transfer company of UON, which facilitates the transfer of knowledge, technology and scientific research from the University to commercial partners.
- Priority Research Centres - the university hosts 15 centres of research across a wide range of disciplines.
- Research clusters have been developed including an active Defence Research Cluster defence industries cluster.[3]

E.8.2 Hunter Medical Research Institute (HMRI)

HMRI is a major translational medical research institute and is a partnership between the University of Newcastle and Hunter New England Health (established in 1998)[4].

HMRI facilitates collaborations between researchers translating research into better clinical care, commercial products and improved health care processes.

More than 1200 clinical and biomedical researchers and support staff are employed across seven HMRI Research Programs: Brain and Mental Health; Cancer; Cardiovascular Health; Information Based Medicine; Pregnancy and Reproduction; Public Health; and Viruses, Infections/Immunity, Vaccines and Asthma (VIVA).

HMRI's researchers are from Hunter New England Health, the University of Newcastle and Calvary Mater Newcastle Hospital. Internationally-recognised research outcomes are being achieved in each of the research programs. Researchers are based at the new state-of-the-art HMRI Building.

E.8.3 Energy Research

Energy and resources research is a major specialisation in Newcastle.

- Newcastle Institute for Energy and Resources (NIER): The NIER is leading research in sustainable energy production. NIER's priorities include clean energy production, energy efficiency, and the minimisation of carbon emissions. It was established in 2010 with funding from the Australian Government and NSW Government. The University of Newcastle's clean coal research program has an emphasis on abatement of greenhouse gases, with scientific research underpinning technologies for carbon capture, such as oxyfuel, post-combustion

1 Newcastle Urban Renewal Strategy 2012, Department of Planning NSW P95
2 http://www.hunter.tafensw.edu.au/news/Pages/Right-outcomes-critical-for-regional-growth.aspx; 2013 Community and Industry Report, Hunter TAFE

3 http://www.newcastle.edu.au/research-and-innovation/innovation/clusters/defence/about .The cluster covers disciplines including: Applied Mathematics, Civil Engineering, Electrical and Electronic Engineering, Mechanical Engineering, Macromolecular and Materials Chemistry, Psychology and Cognitive Science, Neurosciences, Human Movement and Sports Science, Cardiovascular Medicine and Haematology. The University of Newcastle is a member of Hunter Defence, through the Hunter Business Chamber and HunterNet.
4 http://www.hmri.com.au/

capture, gasification and chemical looping.[1]

- CSIRO Energy Centre: The CSIRO Energy Centre is a national centre for energy research in Australia, specialising in renewable energy, energy efficiency, low emission fossil fuel research, and carbon capture.[2] It is the headquarters for both CSIRO Energy Technology and the Energy Transformed Flagship.

E.9 Business Services Sector

Newcastle is a growing regional centre for business and professional services with a total of 11,591 jobs in 2011 (13% of jobs in the LGA), up by almost 2000 jobs on 2006. The major sectors are Architectural, Engineering and Technical Services (2888); Legal and Accounting Services (2175); Financial Services (1632); Health and General Insurance (1167); Employment Services (976); and Computer Systems Services (821).

The major financial services and professional services businesses include: NIB, Newcastle Permanent Building Society, Major Banks, Pricewaterhouse Coopers, Sparke Helmore and GHD.

All of these businesses are servicing broader regional markets and in some cases national markets, with Newcastle as their base.

1 http://www.newcastleinnovationenergy.com.au/clean-coal-research#.U1xxK3yKCUk
2 http://www.csiro.au/Outcomes/Climate/Reducing-GHG/Newcastle.aspx

Growth prospects are strong for the sector, which is driven by population and the increase in the number of businesses in the region. Newcastle is the base for some specialist consultants and advisors that are servicing the major regional industries, including the coal sector.

As part of the city revitalisation it will be important to maintain these services businesses and to attract other new businesses into commercial space in the city centre.

Table L. Business and Professional Services Jobs- Newcastle LGA - 2006-2011

Growth Sectors : Newcastle LGA - Jobs	2011 Number	% Total LGA Jobs	2006 Number	% Total LGA Jobs	Change 2006 to 2011	% Change
Business and Professional Services						
Depository Financial Intermediation	1632	1.9	1466	1.8	+166	11.3
Health and General Insurance	1167	1.3	977	1.2	+190	19.4
Architectural, Engineering and Technical Services	2888	3.3	1962	2.4	+926	47.2
Legal and Accounting Services	2175	2.5	2100	2.6	+75	3.6
Management and Related Consulting Services	511	0.6	418	0.5	+93	22.2
Veterinary Services	139	0.2	87	0.1	+52	59.8
Other Professional, Scientific and Technical Services	107	0.1	66	0.1	+41	62.1
Computer System Design and Related Services	821	0.9	669	0.8	+152	22.7
Employment Services	976	1.1	927	1.1	+49	5.3
Other Administrative Services	412	0.5	324	0.4	+88	27.2
Building Cleaning, Pest Control and Gardening Services	763	0.9	627	0.8	+136	21.7
Total	**11591**	**13.0**	**9623**	**12**	**1968**	**20.5**

Source: ABS Census 2006 & 2011, Working Population Data

E.10 Retail Sector

There have been major changes in the retail sector over the last 20 years with the introduction of new retail formats and changing consumer preferences, which have influenced the location of retail facilities.

For Newcastle major trends have been the development and expansion of out-of-centre or stand-alone retailing complexes such as the Westfield at Kotara and the adjacent homemaker centre; the development of discount department stores (Big W, Kmart and Target), and bulky goods retailers on the fringe of large shopping centres. New supermarkets such as ALDI are competing with the existing major supermarkets (Coles, IGA and Woolworths). Shoppers are also seeking a broader range of activities that provide both retail and options including cafes bars and cinemas.[1]

These trends have impacted on the Newcastle CBD as a retail centre, as has the loss of David Jones[2]. However at the same time some traditional smaller centres have reinvented themselves through theming, marketing and precinct improvement programs (eg. Darby Street 'eat street', Cooks Hill and Beaumont Street, Hamilton).

1 Local Planning Strategy, Working Paper: Centres and Employment Lands November 2013
2 Newcastle Urban Renewal Study – Economic Assessment Hill PDA 2012 P23

The retail market for Newcastle LGA (resident spending) is estimated at $2115 million (2011), with supermarkets and grocery stores comprising almost one third of this at $640 million. The tourist visitor market tourism is estimated to contribute an additional $240 million in food and drink food related expenditure; $240 million in accommodation expenditure and $73 million of shopping expenditure. Total retail spending (including tourists and residents from other LGAs) in Newcastle was estimated at $2.4 billion[3]. By 2031 resident retail spending is projected to increase to $3 billion (in 2009 dollars) and total retail spending in Newcastle LGA (including tourists and shoppers from other LGAs) would be $3.5 billion[4].

3 Local Planning Strategy, Working Paper: Centres and Employment Lands Newcastle City Council November 2013 P23
4 Local Planning Strategy, Working Paper: Centres and Employment Lands Newcastle City Council November 2013 P39

Table M. Estimated Retail Expenditure by Store Type - Newcastle LGA 2011

Store Type	$million
Supermarkets and Grocery Stores	643.9
Specialty Food Stores	222.5
Fast-Food Stores	108.1
Restaurants, Hotels and Clubs*	138.4
Department Stores	188.5
Clothing Stores	115.2
Bulky Goods Stores	320.8
Other Personal and Household Goods Retailing	324.0
Selected Personal Services**	53.9
Total Retailing	2115.4

Source: Local Planning Strategy, Working Paper: Centres and Employment Lands Newcastle City Council November 2013 P23. These estimates are based on a resident population of 157,169 in 2011.

Table N. Table Growth in Household Demand for Retail Floor space: Newcastle LGA 2011 – 2031

Year	Target Rate ($ per M2)	2011	2016	2020	2031	Net Change 2011-2031
Supermarkets and Grocery Stores	9,500	67,779	74,640	81,404	96,185	+ 28,406
Specialty Food Stores	7,500	29,670	32,673	35,634	42,104	+ 12,435
Fast-Food Stores	7,500	14,412	15,870	17,309	20,451	+ 6,040
Restaurants, Hotels and Clubs	4,000	34,609	38,112	41,566	49,114	+ 14,505
Department Stores	3,500	53,857	59,308	64,683	76,428	+ 22,571
Clothing Stores	5,000	23,042	25,374	27,674	32,698	+ 9,657
Bulky Goods Stores	3,300	97,215	107,055	116,758	137,957	+ 40,743
Other Personal and Household Goods	5,000	64,802	71,362	77,829	91,961	+ 27,159
Selected Personal Services	2,800	19,250	21,199	23,120	27,318	+ 8,068
Total Retailing	**5,228**	**404,635**	**445,593**	**485,978**	**574,217**	**+ 169,582**

Source: Local Planning Strategy, Working Paper: Centres and Employment Lands Newcastle City Council November 2013 P36

Part of the revitalisation of Newcastle city centre will involve new retail space, and this is included in the GPT proposals. Some growth in retail space will also occur in other precincts in the LGA.

Promotion of precincts has been undertaken by the Business Improvement Associations (including Newcastle Now) in order to attract visitors, shoppers and diners. These activities need to continue.

E.11 Sports Industry

Newcastle has international standard sports facilities for football, rugby and hockey and teams in two national competitions (NRL and A League).

- Hunter Venues comprise: Hunter Sports Stadium – a rectangular, multi-purpose outdoor stadium with a capacity of 33,000; Newcastle Hockey Centre (NIHC) with three internationally FIH accredited fields.
- In 2011 there were a total of 637 sports jobs – 497 in sports and physical recreation activities and 134 in horse racing. These jobs include: the players and other staff of the Newcastle Jets and Newcastle Knights; persons employed in other sports; and gym staff and trainers.

Table O. Jobs in Sports Industries Newcastle LGA 2011

Industry	No.	Share %
Sports and Recreation Activities, nfd	6	0.9
Sports and Physical Recreation Activities	497	78.0
Horse Racing Activities	134	21.0
Total Sport Jobs	**637**	**100.0**

Source: ABS Census 2011, Working Population Data

Newcastle has the Hunter Academy of Sports, which provides development for emerging players across a number of sports and the UON offers a course in Exercise and Sports Science (Bachelor of Exercise and Sport Science).[1] Hunter TAFE has established a High Performance Sports Hub at its Tighes Hill Campus, for the Newcastle Knights National Youth Cup team (16 to 20 years), which included Specialist Education Centre, training oval, study hub and lecture theatre[2].

As well as being an industry, sports are a major part of the visitor market, with people travelling into Newcastle for Newcastle Knights and Newcastle Jets home games. The destination management plan has sports events as part of its strategy to increase visitors to the city.

In 2015 Newcastle was showcased to domestic and international visitors and a global television audience, when it hosted four games of international football in AFC Asian Cup 2015 (as one of the five host Australian venues). Two qualifying games, a semi-final and the 3rd v 4th playoff game were held at Hunter Stadium[3]. Newcastle City Council is working with partners on maximising the benefits from the 2015 AFC Asian Cup.

With its venues Newcastle has the capacity of staging a range of future sports events.

Sports are a major industry for Newcastle and are a key component of the visitor market.

There is potentiaal for further expansion of the Hunter Venues site.

1 http://www.hunteracademy.org.au/about-the-academy/history-of-the-academy.html; http://www.newcastle.edu.au/degrees/bachelor-of-exercise-and-sport-science/

2 http://www.hunter.tafensw.edu.au/News/Pages/TAFE-Sports-Hub-is-new-home-for-young-Knights.aspx

3 http://www.newcastle.nsw.gov.au/about_newcastle/events/major_events/afc_asian_cup_australia_2015

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