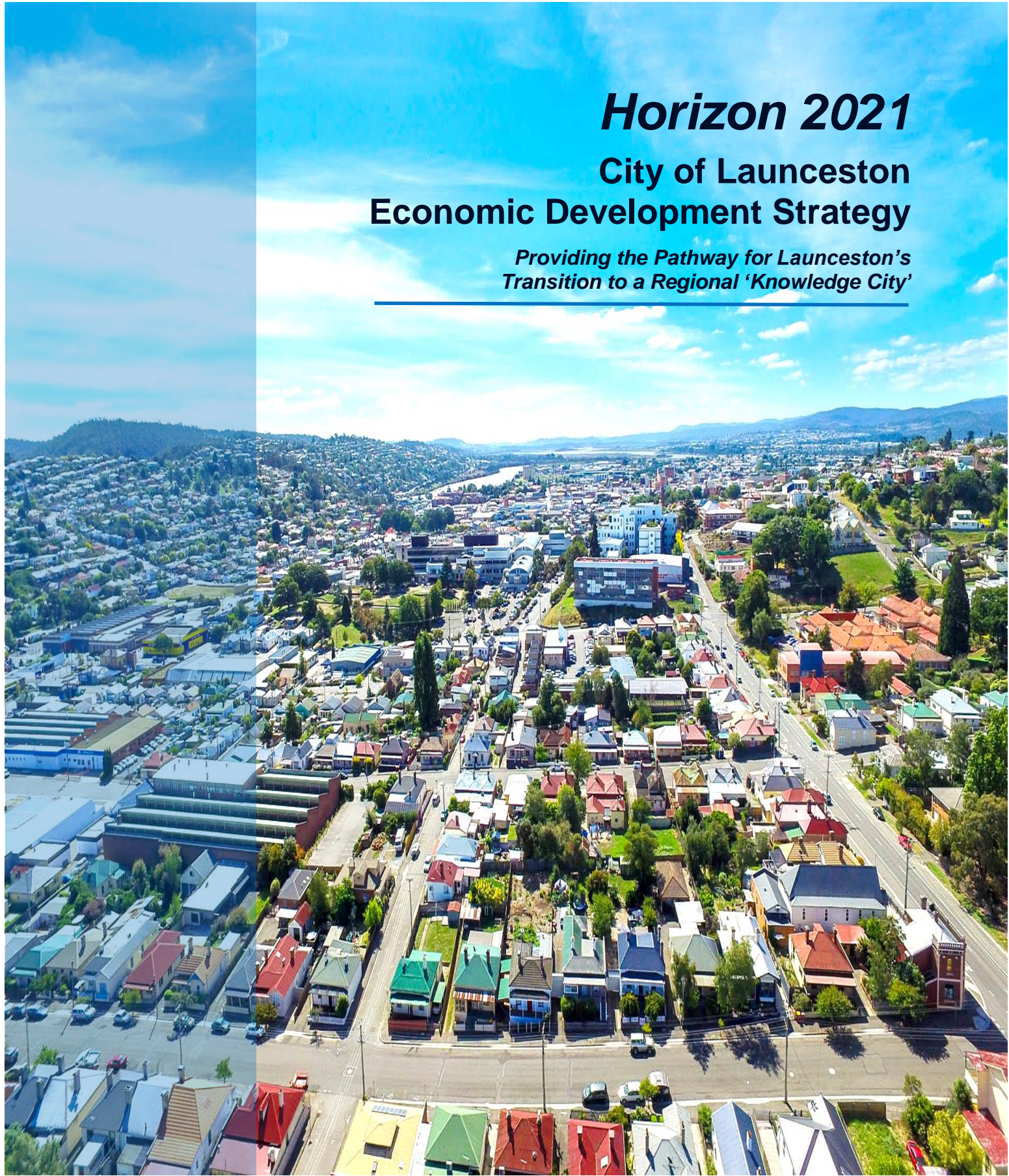


Horizon 2021

City of Launceston Economic Development Strategy

*Providing the Pathway for Launceston's
Transition to a Regional 'Knowledge City'*



City of
LAUNCESTON

Horizon 2021: City of Launceston Economic Development Strategy has been prepared on behalf of:



It has been prepared by:



ABN 52 003 963 755

Suite 114, 838 Collins Street Docklands VIC 3008

t. (03) 9629 1842

e. melbourne@hillpda.com

w. www.hillpda.com

In partnership with:



SC Lennon & Associates Pty Ltd

ACN 109 471 936

Offices in Brisbane and Melbourne

PO Box 45

The Gap Queensland Australia 4061

p: (07) 3312 2375

m: 0410 550 272

e: sasha@sashalennon.com.au

w: www.sashalennon.com.au

Disclaimer

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TABLE OF CONTENTS

1. Introduction	1
1.1 Strategy Purpose and Planning Framework	1
1.2 The Economic Development Vision	2
1.3 City of Launceston’s Economic Development Charter	2
1.4 Providing the Foundations for Prosperity	3
1.5 A Strategic and Informed Approach	4
1.6 A Whole-of-Council Strategy	5
1.7 Collaboration for Sustainable Outcomes	5
2. Informing a Strategic Approach	6
2.1 Launceston’s Economic Development Opportunity	6
2.2 Launceston’s Economic Development Strengths and Attributes	6
2.3 Launceston’s Evolution into a Regional ‘Knowledge City’	8
3. Strategy Themes and Actions	10
3.1 Economic Development Strategy Themes	10
3.2 Economic Development Action Plan	12
Theme 1: Cultivate Launceston as a Regional Knowledge City	12
Theme 2: Support Launceston’s Evolution into a Learning City	15
Theme 3: Promote Launceston as an Internationally-recognised Visitor Destination	16
Theme 4: Grow Launceston’s Regional Retail and Services Sector	18
4. Implementing the Economic Development Strategy	20
4.1 Strategic Alignment	20
4.2 Project Prioritisation	20
4.3 Priorities for Action – Informing a Year 1 Work Plan	24
4.4 Cultivating Regional Partnerships for Effective Implementation	25
4.5 Monitoring Economic Development Strategy Progress	25

1. Introduction

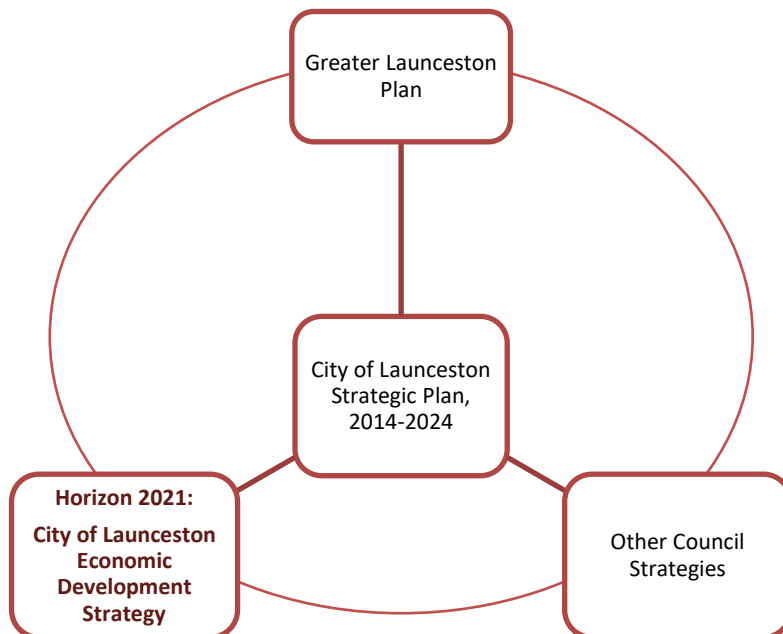
1.1 Strategy Purpose and Planning Framework

Horizon 2021: City of Launceston Economic Development Strategy provides the framework and directions to facilitate and promote Launceston’s economic development over the next five years.

‘Economic development’ refers to the continuous process of growing Launceston’s level of income and capital (wealth) and distributing that wealth (through local expenditure and jobs) to the community. The Strategy’s focus is on the mutually-reinforcing and complementary relationship between improvements in economic activity, community wellbeing, cultural diversity, a sense of ‘place’ and the environment.

Horizon 2021 is aligned with Council’s Corporate Planning Framework and has been prepared in the context of the City’s broader program of work and strategic objectives. It also aligns with wider regional goals as articulated in the Greater Launceston Plan. Figure 1 illustrates the planning framework in which the City of Launceston Economic Development Strategy operates.

Figure 1 – City of Launceston Economic Development Planning Framework



Horizon 2021 identifies specific activities for which the City of Launceston can take the lead and others where Council will play a support role to other agencies and organisations driving the initiatives concerned. Delivering actions to support the foundations for growth, *Horizon 2021* provides a ‘blueprint’ for enhancing economic vibrancy, sustainability and liveability in the City of Launceston.

Importantly, *Horizon 2021* articulates a vision for the economic development of the City and Council’s economic development functions, operations, strategies and required resources to help realise the vision.

1.2 The Economic Development Vision

Horizon 2021 articulates a vision for economic development. The vision responds to the City of Launceston's strengths and attributes as well as the issues, challenges and identified opportunities to pursue a prosperous future.

The City of Launceston economic development vision statement, which encapsulates the City's desired economic future, is presented as follows:

Horizon 2021
City of Launceston Economic Development Vision

Growing its capacity and its reputation as a location to visit, work, study, live and invest in, Launceston will be a regional city of choice for 'smart' travellers, students, entrepreneurs and innovative 'knowledge-based' businesses seeking a family-friendly, sophisticated small-city lifestyle, supported by a rich and diverse hinterland.

The vision is supported by Council's commitment to sustainable growth as encapsulated in its economic development charter.

1.3 City of Launceston's Economic Development Charter

The economic development charter represents the City of Launceston's commitment to promoting and facilitating economic development. It is defined by a set of principles which guide the preparation and implementation of the economic development action plan contained in this Strategy.

The following guiding principles define the role and scope of Council's involvement in economic development facilitation. In essence, the City of Launceston:

1. Prioritises initiatives and activities that support the growth and development of the City's and the region's **key sectors in education, health and wellbeing, agriculture and forestry and tourism**, with an emphasis on new opportunities in value-added economic activities which target existing, new and emerging markets.
2. Prioritises activities that support **the growth of 'knowledge-based' industries** in education, health care, food and beverage production, agribusiness and knowledge-based business services.
3. Proactively promotes **a partnership approach to tourism development**, working in collaboration with other tiers of government and the industry to enhance City-region branding, marketing, product development, visitor servicing and support infrastructure.
4. Proactively **promotes Launceston to prospective investors**, using a strategic, informed and targeted approach consistent with the long-term vision for the City's economic development.
5. Focuses its energies and resources on activities where there are likely to be **positive and measurable outcomes** for the community and long-term strategic economic benefits for the City of Launceston and the region.

Guided by its economic development charter and the action plan presented in *Horizon 2021*, the City of Launceston will play its role in helping to influence the factors that facilitate the competitiveness and success of the City's businesses and industries across all sectors of the economy.

1.4 Providing the Foundations for Prosperity

While business and industry drives economic development, the City of Launceston influences the ‘enabling environment’ for prosperity, that is, the services, infrastructure and support mechanisms required to facilitate economic activity.

These enablers include the City’s transport networks, appropriately zoned land, as well as the form and function of the Launceston central business district and other activity centres. Also important to the City of Launceston’s economic development is its policy, planning and regulatory framework which supports business innovation, investment and industry growth.

Importantly, the enablers of economic development include Launceston’s ‘lifestyle’ attributes - its high-quality parks such as City Park and Royal Park, its tree-lined streets and pedestrian pathways, the City’s heritage buildings, its arts and cultural services and facilities such as Queen Victoria Museum and Art Gallery, community services and facilities such as the City’s libraries and aged care services and its recreation, leisure and entertainment facilities including University of Tasmania Stadium and Launceston Aquatic.

Other enablers Council is not directly responsible for, but which it can influence to varying degrees through collaborative partnerships with other tiers of government or institutions, include regional transport and communications infrastructure, health services, education infrastructure, research and innovation infrastructure and a supportive regional planning framework.

Figure 2 - The Enablers of Economic Development



Source: SC Lennon & Associates

1.5 A Strategic and Informed Approach

The City of Launceston undertakes a significant amount of work in respect of economic development within the municipality. A lot of what Council does is focussed on the physical enablers of growth (i.e. infrastructure) and the land use planning frameworks and regulations which guide business development.

Urban planning and development therefore, are fundamental components of Council's 'role' in economic development.

Complementing its urban planning and regulatory functions, there are many other things that the City of Launceston does to co-ordinate, facilitate and promote economic development in the municipality, including:

- Liaising with business and industry on local issues and opportunities;
- Facilitating access to small business networking and investment and forums, business training workshops;
- Providing a unified voice for communities and for local businesses when lobbying State and Federal Governments on key economic or infrastructure issues;
- Providing a conduit for State and Federal Government funding for bigger infrastructure projects like sporting, community and cultural facilities and health, education and transport infrastructure;
- Working with tourism bodies and the tourism industry to enhance the capabilities of the industry and to attract investment to Launceston and the wider region; and
- Investing in local and regional branding to market the City and the wider region.

To ensure the City of Launceston can continue to play a meaningful and effective role in economic development, *Horizon 2021* identifies and delivers workable, practical actions that Council can act on.

Importantly, *Horizon 2021* builds on the good work Council already undertakes - across all Departments - to co-ordinate, facilitate and promote economic development in the City of Launceston.

Prioritising where Council's resources can best be directed for the purpose of facilitating and promoting the economic development of Launceston is a key consideration of *Horizon 2021*.

By informing a strategic and targeted approach to economic development, *Horizon 2021* provides Council with the tools it needs to influence the factors that facilitate the resilience, competitiveness and ultimate success of local businesses.

In this way, *Horizon 2021* is helping to future-proof Launceston's economy against national and global economic trends and impacts.

1.6 A Whole-of-Council Strategy

Horizon 2021 is a Council-wide document. The actions, for which Council is responsible, will in a number of instances, require the participation of different Council departments, working in a collaborative, whole-of-organisation framework.

But while a 'whole-of-Council' approach to supporting and promoting Launceston's economic development is essential, there are a number of 'core' economic development activities which are 'owned' and resourced by a dedicated Economic Development Team.

While *Horizon 2021* has been prepared in the context of Council's broader program of work and strategic objectives, implementation will be led and implemented by a well-resourced Economic Development Team in concert with other areas of Council and in collaboration with Council's partner agencies and organisations.

1.7 Collaboration for Sustainable Outcomes

Horizon 2021 articulates and promotes a partnership approach between Council and other stakeholders in government, the non-government sector and industry.

This includes Federal Government agencies such as Regional Development Australia (RDA) Tasmania as well as State Government agencies including the Office of the Coordinator-General, the Department of State Growth, Arts Tasmania and Business Events Tasmania.

It also includes other important contributors to economic development including UTAS, TasTAFE, the Australian Maritime College, the Hawthorn Football Club, Northern Tasmania Development, Tourism Northern Tasmania and the Launceston Chamber of Commerce.

Through co-ordinated and collaborative strategic effort, and guided by the actions presented in this Strategy, Council and these other 'agents of change' are well-placed to influence the City's appeal as a place to visit, to invest in and in which to work, study and live.

For the City of Launceston to be effective in carrying out its economic development role requires a solid understanding of the City's socio-economic trends and characteristics, as well as the influences and impacts of broader social, cultural and economic trends taking place nationally and globally.

Building on the *City of Launceston Economic Profile 2016*, this Economic Development Strategy takes a strategic, informed and targeted approach to promoting and facilitating the City's (and region's) economic development.

2. Informing a Strategic Approach

2.1 Launceston's Economic Development Opportunity

The City of Launceston, with a population of around 67,000, is a regional city strategically located within Northern Tasmania. This has provided Launceston with natural advantages underpinning the development of a diverse and resilient economy and has helped the City weather the economic challenges it has faced over its history.

Launceston's resilience has been important in recent times when economic growth has been weighed down by a sustained decline in manufacturing, contraction of the timber industry, slow population growth and lower exports and tourism due to higher international exchange rates.

Underlying *Horizon 2021* is a desire to capitalise on Launceston's potential to grow in its role as a regional city. Many of the residents of Launceston are dependent on the industries of the wider region for jobs and income, either directly employed by or working in sectors servicing the industries of Northern Tasmania.

Horizon 2021 recognises and embraces the opportunity Launceston has to support sustainable economic development in the City and across the wider northern region. This includes:

- Utilising the skills base of the resident population in appropriate employment to maximise workforce productivity and labour force participation;
- Retaining a higher proportion of younger skilled people to contribute to Launceston's growing service sector and to play a role in the development of Launceston as a destination of choice for skilled workers; and
- Bringing together regional agencies and organisations to further the cause of economic development in the City and the wider region.

By promoting opportunities for growth, *Horizon 2021* puts in place a plan of action for the City to leverage its economic development strengths and attributes.

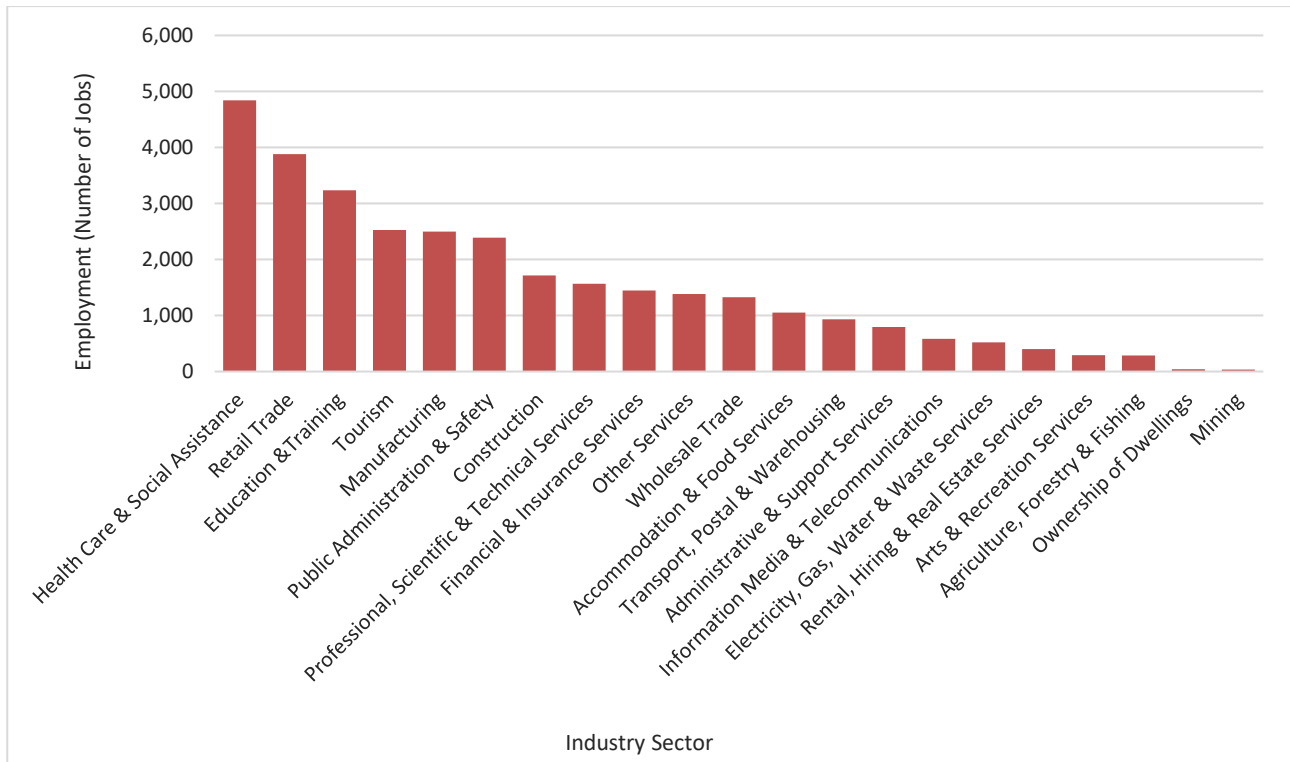
2.2 Launceston's Economic Development Strengths and Attributes

With a diverse economic base underlying its role as the service hub for Northern Tasmania, the City of Launceston's Gross Regional Product (GRP) is estimated at \$3.85 billion, which is approximately 15 per cent of Tasmania's Gross State Product.

A strength of the Launceston economy is the lifestyle appeal and amenity of the City, supporting its potential to develop as a regional city of choice in which to live and work, to invest in and visit. This is in part influenced by the appeal of the Launceston central business district (CBD). The large number of heritage properties in the City contributes to the lifestyle offering and plays a role in supporting Tasmania's tourism sector. The attractiveness of Northern Tasmania is enhanced by Launceston's cultural heritage, the region's natural assets and its food and beverage offerings, for which Tasmania has a global reputation for freshness and quality.

While the tourism industry is a driver of the regional economy, accounting for 6% of total regional gross value-added (GVA), other industry sectors that are important to Launceston's economy (and that of the wider region) include healthcare and social assistance, retail trade and the education and training sector. Collectively, these three industries account for over two-thirds (38%) of employment in Launceston, reflecting the City's role as a regional service centre.

Figure 3 – Employment by Industry, Launceston City, 2016



Source: REMPLAN, 2016

Northern Tasmania’s major hospitals (Launceston General Hospital and the Calvary Private Hospital located on two sites) are located in the City, as are the region’s major educational institutions - UTAS, and the Australian Maritime College.

The City’s education sector is a driver of the local and regional economies. With the planned delivery of the ‘Education-Driven Revitalisation of Northern Tasmania’, which is anchored by the consolidation and relocation of the teaching and research facilities of UTAS to Inveresk, the potential boost to regional economic output and employment is unprecedented in Northern Tasmania.

According to the *City of Launceston Economic Profile 2016*, Launceston’s economic outlook is improving, with GRP growing by 3 per cent per annum over the past two years, well above the 10-year growth rate of 1.1% per year. Employment in Launceston also grew by 1.7% in the last year underpinned by a long-term trend towards services and knowledge-intensive activities.

This positive outlook is supported by the Department of Employment which is forecasting stronger employment growth across a range of industries over the next five years, including: health care and social assistance; accommodation and food services, construction; education and training; and agriculture, forestry and fishing.

Launceston’s economic profile reflects the service hub role it plays for Northern Tasmania, with almost 70 per cent of the region’s service sector jobs located in the City of Launceston. This includes knowledge-intensive jobs in: financial and insurance services and information media and telecommunications (88% of Northern Tasmania jobs); professional, scientific and technical services jobs (77% of the region’s jobs); health care and social assistance jobs (76%); and education and training, public administration and safety and other services jobs (71%).

2.3 Launceston’s Evolution into a Regional ‘Knowledge City’

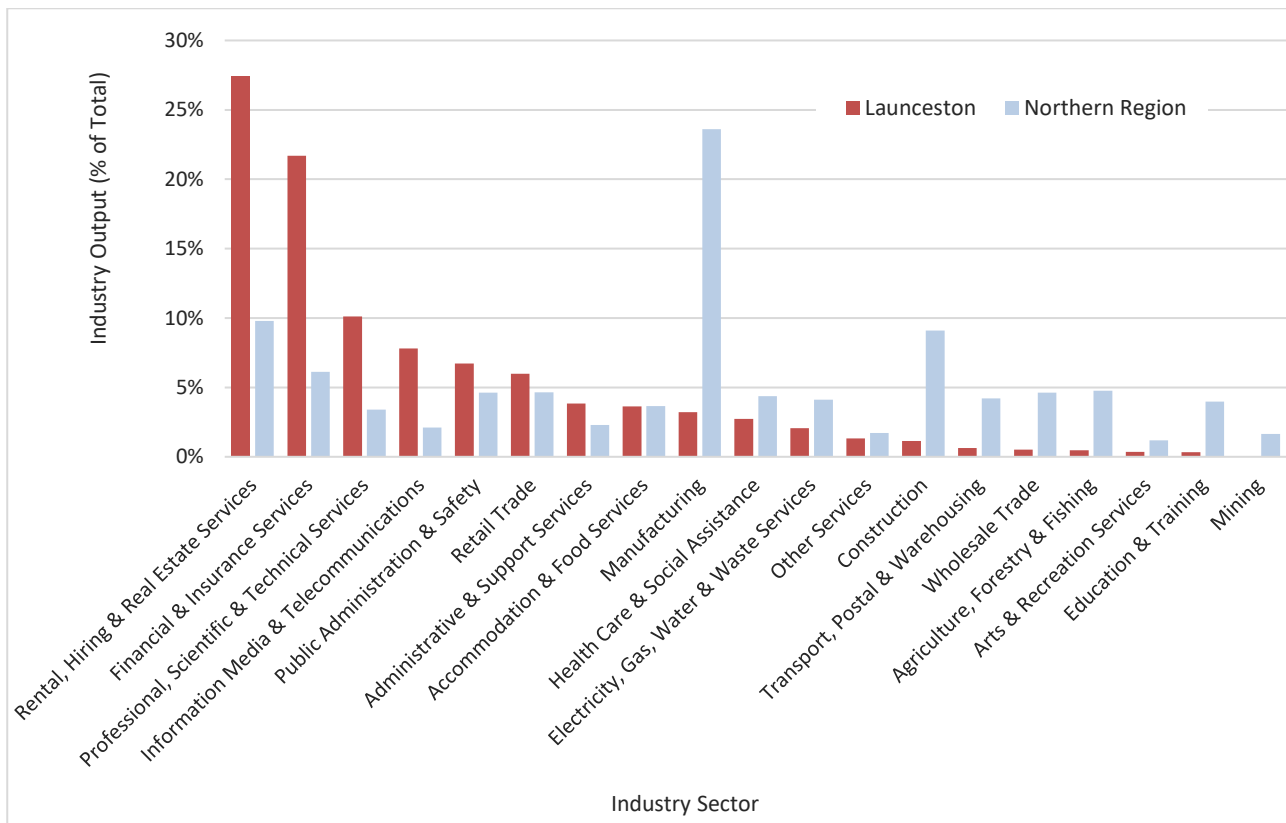
Australia’s economy is becoming increasingly reliant on the growth of knowledge-intensive jobs and industries. Launceston has followed this transition with employment growth in education, health, professional services and retail trade over the past decade. This is reflected in the profile of Launceston’s value of output by industry, with the professional and other services sectors accounting for the largest share (see Figure 4 below).

Australia’s economy is becoming more dependent on ideas and problem-solving, with the largest increase in jobs in Australia being those that require higher-level qualifications.

The transition towards a ‘knowledge economy’ has been driven by globalisation and a re-organisation of business, with enterprises and individuals becoming specialised through the outsourcing of non-core business functions assisted by the use of new and constantly evolving digital technologies.

This trend will influence Launceston’s workforce requirements and its industry base, which will need to become increasingly oriented towards the professional services, health care and education if the City is to prosper in its role as a regional city.

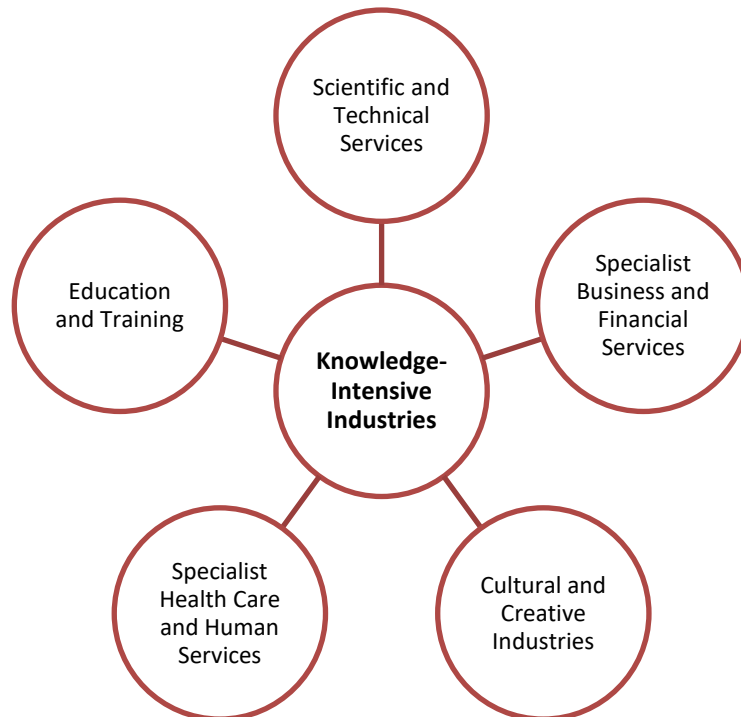
Figure 4 – Output by Industry (% of Total), Launceston City and Northern Tasmania, 2016



Source: REMPLAN, 2016

Those industries with a relatively high ‘knowledge content’ and which present opportunities for growth in Launceston, include for example, business services such as financial and legal services, education and training, specialist health care and wellbeing, scientific and technical services to agriculture and forestry including specialist agriculture-related research and technology industries, and the creative industries, particularly creative services like architecture and design, communications and marketing and digital content.

Figure 5 – Broad Categorisation of Knowledge-Intensive Industries



Source: SC Lennon & Associates

The City of Launceston has positioned itself as the capital city of Northern Tasmania offering a wide range of health, retail, education and business services. Its importance as an economic centre is clear, servicing a catchment of almost 145,000 people.

This role is supported by Launceston’s strategic location, air connections to the eastern seaboard, high quality infrastructure and technology, a strong reputation for its high quality of life, its low cost business environment, and a relatively young and talented workforce.

The tertiary education sector is at the frontier of the knowledge economy and Launceston is home to one of Australia’s leading tertiary education and research institutions in the University of Tasmania (UTAS). The planned investment in education and associated infrastructure and services at Inveresk will be a game-changer for Launceston’s economic development.

The ‘Education-Driven Revitalisation of Northern Tasmania’ will support Launceston’s potential to develop into a regional knowledge city, building local economic resilience and future-proofing the City and the region in the face of rapid global economic change.

3. Strategy Themes and Actions

3.1 Economic Development Strategy Themes

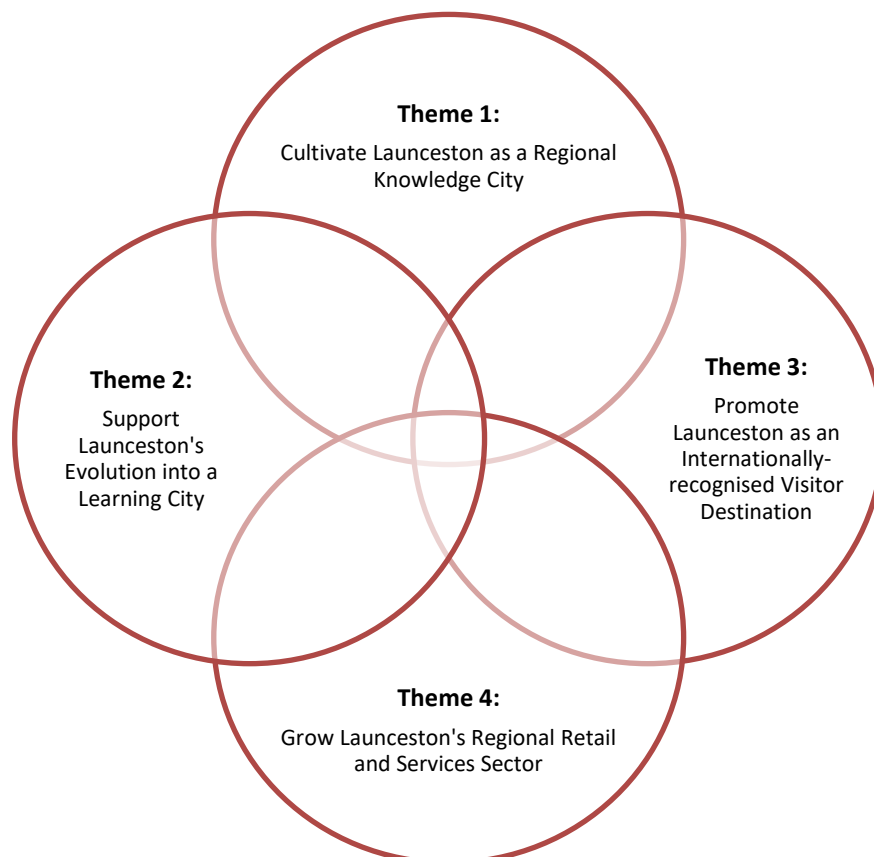
Horizon 2021: City of Launceston Economic Development Strategy documents a plan of action for Council and its partners in government, the non-government sector, industry and the community to facilitate change towards a prosperous future for Launceston and Northern Tasmania.

The actions are informed by the vision and the City of Launceston's 'economic development charter'. Prioritising where Council's resources can best be directed for the purpose of facilitating and promoting the economic development of Launceston is a key consideration of *Horizon 2021*.

Horizon 2021 contains four strategy themes or 'action areas'. They are:

1. Cultivate Launceston as a Regional Knowledge City;
2. Support Launceston's Evolution into a Learning City;
3. Promote Launceston as an Internationally-recognised Visitor Destination; and
4. Grow Launceston's Regional Retail and Services Sector.

Figure 6 – Economic Development Strategy Themes



Source: SC Lennon & Associates and HillPDA

A suite of 38 individual actions has been prepared and these are categorised under the four strategic themes accordingly.

Each action area or theme includes:

- **Rationale** – this is a statement providing a set of reasons and a logical basis for the course of action proposed.
- **Objective** – this is a statement for each theme setting out what the target outcome is for that action area.
- **Actions** – these are the tasks to be carried out to realise the stated objective.
- **Performance Measures** – these are suggested measures particular to each action area that will be applied to monitor implementation progress over time.

The actions are prioritised, having regard for the anticipated benefits each action will deliver and Council’s capacity to act on it in a strategic fashion.

This Economic Development Strategy will be monitored as the City’s challenges and opportunities for economic development evolve. Set performance measures will be reported annually within the monitoring on the implementation of the Strategy. It is intended that *Horizon 2021* be reviewed every 12 months with an update anticipated in three years.

In this way, *Horizon 2021: City of Launceston Economic Development Strategy* delivers workable, practical actions that Council and its partners can act on. Actions are grounded in research and consultation and they are framed so they can be readily adopted and their success measured with appropriate and easy-to-interpret performance indicators.

3.2 Economic Development Action Plan

Theme 1: Cultivate Launceston as a Regional Knowledge City

Rationale

In an increasingly competitive global economy, access to knowledge and creativity are central to the abilities of businesses to deliver new cost savings or to add value through product differentiation. As a result, highly skilled 'knowledge workers' - people who are paid to solve problems and generate opportunity and wealth through the creation of new ideas - have become the new drivers of economic prosperity. Attracting and retaining these knowledge workers should therefore be a key component of the City of Launceston Economic Development Strategy.

Knowledge workers place a premium on an area's lifestyle attributes, including its urban amenity, its accessibility to employment, its recreation, leisure and entertainment facilities, and its community and cultural infrastructure. Many of these people must be well connected with the latest communications and information technology and be supported by the governance of the local area – including industry, institutional and local government support.



Launceston is the principal service centre to Northern Tasmania. Major health care facilities, education providers, professional services and the administrative functions of Northern Tasmania's major industries are located in or use services based in Launceston.

There is potential to build on the region's traditional economic strengths in agriculture, forestry and manufacturing such as food processing, for example, by consolidating Launceston as an employment location for scientific and technical services to agriculture and forestry, and as a location for 'agribusiness' education, research and innovation.

Northern Tasmania's manufacturing heritage and its clean and green image present opportunities for food and beverage processing, targeting national and international markets. Planned investments in regional irrigation infrastructure will support these opportunities for growth. There are also linkages between the region's food production sector and tourism.

Launceston is Northern Tasmania's principal retail and commercial centre servicing the employees of industry in the wider region. A Regional Australia Institute report recently ranked Launceston as the most family-friendly small city in Australia, citing low crime rates, low levels of congestion and the best health care, digital connectivity, access to housing and education. While Launceston is yet to establish a critical mass of high-value jobs, the City has many attributes which appeal to 'knowledge workers', something that needs to be explored as part of Launceston's approach to investment promotion.

Objective

Establish Launceston as a regional city of choice for ‘knowledge workers’, individual entrepreneurs and innovative businesses seeking a sophisticated small-city lifestyle, and build its status as location of choice in which to work, live and invest.

Actions

- 1.1 Establish and maintain a published register of commercial / industrial land for the information of prospective investors including details of all commercial / industrial land in the City, its location, zoning, dimensions, current status (i.e. use – retail, office, vacant) and relevant qualitative features.
- 1.2 Support the development of programs to increase home-based and micro-business capacity-building and innovation in Launceston. Provide information and referrals to existing business development and/or mentoring programs or networks available through Business Tasmania and RDA Tasmania.
- 1.3 Ensure the City’s local land use planning framework aligns strategic land with opportunities for the attraction and development of new industries in Launceston.
- 1.4 Collaborate with the Office of the Coordinator-General and Northern Tasmania Development to prepare a Launceston and region investor prospectus targeting selected industries and occupations to help grow Launceston’s status as a ‘regional knowledge city’.
- 1.5 Work with the Office of the Coordinator-General, Northern Tasmania Development and industry stakeholders in agriculture and food processing to develop a strategy to ‘brand’ and effectively develop Northern Tasmania as Australia’s leading producer and supplier of premium packaged food and beverage products.
- 1.6 Collaborate with UTAS and the Office of the Coordinator-General to design and implement an investment attraction strategy tailored to tertiary education industry professionals, researchers and academics to support the consolidation and growth of UTAS at Inveresk.
- 1.7 Work with key agencies including the Office of the Coordinator-General, Northern Tasmania Development and RDA Tasmania to promote Northern Tasmania’s competitive advantages such as its world-class communications infrastructure (the NBN), Launceston Airport and its strategic location to the rest of Tasmania, Melbourne and Australia’s eastern seaboard.
- 1.8 In partnership with Business Tasmania, promote the services available to small business through the State Government’s Enterprise Centres Tasmania program, a network of business advisors and mentors, created to assist small businesses develop and grow.
- 1.9 Promote and facilitate local small business access to Federal Government export market development programs through Austrade; host a local Launceston exporters forum to promote opportunities in key sectors and markets.
- 1.10 In partnership with RDA Tasmania and Business Tasmania, support and promote activities that advance the transition of businesses to optimise use of technology and take advantage of Launceston’s digital advantages in terms of NBN connectivity.

- 1.11 Undertake a regular (bi-annual) 'Launceston business needs and issues survey' and prepare a report for Council and relevant stakeholders, that summarises concerns and needs identified by local business; report back to business on Council's response and undertake supplementary investigations on verified priority issues.
- 1.12 Continue to work with State and Federal governments regarding Launceston's critical infrastructure needs. Particular attention should be paid to: energy infrastructure; freight and transport infrastructure, including public transport; tourism infrastructure; community infrastructure (e.g. sporting, recreation and cultural facilities); health; and education.
- 1.13 Explore and promote opportunities for local business and industry and investment associated with Launceston's planned sewerage improvement project.
- 1.14 Collaborate with UTAS to support the establishment of business incubators and entrepreneurship and innovation hubs linked to the region's industry strengths and capabilities in agriculture / agribusiness, forestry, manufacturing and services, to help grow knowledge-intensive micro and small businesses in existing and emerging new industries including food technology, marketing and design.
- 1.15 Continue to develop Launceston City's international city relationships and partnerships, focussed on opportunities to grow the Launceston and Northern Tasmania economies.

Performance Measures

- An investor prospectus targeting selected 'knowledge-based industries' complete within 12 months.
- An increase in the number of business support and business investment enquiries to Council in the next 12 months.
- A Launceston exporters forum held within the next 18 months.
- Increased employment in Launceston's scientific, technical and professional services sector over the next five years.
- Growth in the number of business start-ups or relocations to Launceston in the scientific, technical and professional services sector over the next five years.

Theme 2: Support Launceston's Evolution into a Learning City

Rationale

Launceston is the education centre of Tasmania's northern region. As well as building on its specialisation in the maritime sector, there is potential for the City to attract education industry professionals, researchers and students - including international students - to study in Launceston.

The planned consolidation and re-location of the University of Tasmania's teaching and research facilities at the Inveresk precinct will be a game-changer for the education-driven revitalisation of Northern Tasmania. It will grow the region's education sector and help attract international visitors to the City, with associated increases in visitor expenditure. The direct and flow-on economic benefits from the UTAS project will be unprecedented.



Objective

Collaborate with education industry stakeholders and government agencies to develop and promote Launceston as a city of choice in which to study, research, collaborate and innovate.

Actions

- 2.1 Support the planned consolidation and relocation of education and research facilities at Inveresk through commitments to critical infrastructure provision, strategic land reservations / allocations and planning provisions. Promote the benefits of the planned education-driven revitalisation of Northern Tasmania through the consolidation and relocation of tertiary teaching and research facilities at Inveresk.
- 2.2 Work in collaboration with UTAS to research, identify and encourage business and industry players to invest in collaborative approaches to innovation, R&D and investment in the City's existing and emerging industries.
- 2.3 Liaise with Hawthorn Football Club on opportunities to contribute to future investment in sports science facilities and programs at UTAS, as part of the planned Launceston Institute for Applied Science and Design.
- 2.4 Continue to work with the Beacon Foundation and Launceston Chamber of Commerce to equip school leavers for job-ready skills; promote and facilitate access to job search services available in Launceston.
- 2.5 Liaise with TasTAFE and UTAS on opportunities for co-location and integration at the planned Inveresk education precinct.
- 2.6 Facilitate development of student accommodation within the Launceston CBD.

Performance Measures

- Consolidation and relocation of education and research facilities at Inveresk in line with planned milestones.
- An increase in the education sector's contribution to regional economic output over the next five years.
- Increased employment in Launceston's education and training sector over the next five years.
- An increase in the number of international students in Launceston over the next five years.

Theme 3: Promote Launceston as an Internationally-recognised Visitor Destination

Rationale

Tourism is a key component of the Tasmanian economy. Launceston and Tasmania's northern region have a significant tourism economy which accounts for \$350 million of output in Launceston alone. Visitor activity impacts on food and entertainment, retail, creative and cultural industries, transport and logistics, sporting and recreation facilities and events, and Launceston's accommodation sector.

Launceston acts as the focal point for visitors to the Cradle Mountain and to Tasmania's growing sports and recreation attractions. These include mountain biking trails such as Derby, Hollybank, North East Rail Trails and Trevallyn and golf facilities including Barnbougle and Lost Farm, Prospect Vale.



The area also has heritage attractions such as Clarendon House, and sightseeing opportunities including Cataract Gorge, and arts and cultural facilities - notably Queen Victoria Museum and Art Gallery.

Other attractions in the Launceston region include its food and drink offerings. Tasmania's food security and global reputation for fresh produce appeals to the growing Asian tourism market. Growth in food-based tourism can leverage and promote Northern Tasmania's agricultural and agribusinesses sectors. Farm gate tourism and tasting trails complement Launceston's heritage image, presenting opportunities for further development of tourism that targets interstate and international visitors. The region's 'food experience' can make a significant contribution to the tourism offering of Northern Tasmania and the Launceston area, reinforcing the potential for growth in agriculture and related sectors.

Another driver of visitor numbers is Hawthorn AFL fixtures played at University of Tasmania Stadium. These matches contribute an estimated \$17.5 million annually in direct expenditure to Tasmania, together with significant brand exposure for Tasmania, estimated to be in the order of \$12 million annually. Launceston might look for ways to better leverage this in its own branding and investment attraction.

A limitation of the local tourism offer is the relative lack of conference facilities. While there are venues such as University of Tasmania Stadium providing meeting venues, and workshop facilities, conference venues within the city are relatively limited. And while there is provision of mid-range hotels and B&B facilities, there is a relative shortage of boutique and 5-star accommodation and restaurant options in Launceston.

Adding to the City's visitor economy dynamic, there is likely to be a significant international student presence following the relocation of the UTAS campus to Inveresk and subsequent associated 'visiting friends and relatives' (VFR) tourism. The opportunities this presents for Launceston as a visitor destination - including opportunities to help better orient local retail traders to the City's visitor markets - need to be explored.

Objective

Identify, showcase and promote Launceston's diversity of tourism assets and experiences as an integral feature of the Tasmanian tourism offer, to facilitate sustained growth in visitation and spending.

Actions

- 3.1 Prepare a new three-year tourism action plan that defines Launceston and Northern Tasmania's tourism attractions and sectors; explore opportunities to renew development of bookable product through the Launceston Visitor Information Centre (VIC). This includes further consideration of new opportunities for retail experiences, tasting trails, parks, heritage attractions and sporting events.
- 3.2 Building on the Launceston City Heart Project, implement the heritage trail pilot project on Cameron Street as part of the City's Heritage Interpretation Strategy.
- 3.3 Collaborate with and support other agencies including Tourism Northern Tasmania (TNT) to help grow the City's tourism sector as part of a regional Destination Action Plan.
- 3.4 Through Destination Launceston, continue to work with Tourism Northern Tasmania and Business Events Tasmania to explore opportunities to develop the City's meetings, incentives, conferences and exhibition (or MICE) market. Continue to focus on particular events which the City can attract (e.g. Masters Games, Blooming Tasmania, National Band Championships, State and national junior / school sporting events).
- 3.5 Collaborate with Tourism Tasmania in exploring opportunities for a boutique / 5-star hotel and restaurant development in Launceston.
- 3.6 Support the work of Tourism Northern Tasmania to develop a Sydney and Brisbane-focused marketing initiative for Tasmania, ensuring opportunities to boost demand for air travel to increase flight potential to Launceston from these locations features as an integral component.
- 3.7 Collaborate with Tourism Northern Tasmania and neighbouring Councils to promote to national markets, tasting trails and farm gate tourism opportunities in Northern Tasmania.
- 3.8 Through Destination Launceston and the Visitor Information Centre, work in collaboration with Tourism Northern Tasmania to promote active leisure and outdoor activity opportunities available in Launceston and the region; support Tourism Northern Tasmania's promotion of nature-based tourism as part of the Tamar Destination Action Plan.
- 3.9 Building on the information from the Launceston creative and cultural industries (CCI) scan, identify opportunities for the potential role the City's creative and cultural industries can play in contributing to Launceston's tourism offer. Ensure these opportunities translate into workable actions as part of the Tamar Destination Action Plan.

Performance Measures

- New three-year tourism action plan completed within 18 months.
- Increased length of stay for visitors to Launceston.
- Steady growth in the tourism sector's contribution to Launceston's and Northern Tasmania's gross regional product (GRP) over the next five years.

Theme 4: Grow Launceston's Regional Retail and Services Sector

Rationale

Launceston is Northern Tasmania's major retail and service centre and the City's retail sector is a key employer of Launceston residents, accounting for almost 14% of local employment. Retail jobs provide for more fluid working arrangements, and are suitable for those people with a need for flexible hours, such as parents or carers seeking to enter the workforce. Retail employment also plays a role as an entry point into employment. Research in the United Kingdom suggests 43% of the adult population has been employed in retail at some point in their life. It also reveals that most retail-led regeneration schemes increase workforce participation by attracting employees who are otherwise inactive.



The food retail sector is a large and growing industry, and has grown in part due to diversification of food products and markets. It has also been boosted in recent times by more challenging economic conditions in which consumers focus more retail spending on food over other commodities. Household goods retailing as well as cafes and restaurants have shown growth over time, following shifts towards housing markets and the lifestyle economy, while department stores and fashion have been under pressure from new distribution channels including online retail.

In terms of physical property and new business entrants, the Australian market has experienced significant activity over the past decade. International brand retailers have entered Australia, setting up flagship stores in the capitals, with Melbourne being the main destination. These international brand retailers include the likes of H&M, UNIQLO and Zara. Temporary 'pop-up' stores have become a bigger part of the retail landscape in recent years, offering low cost options to target specific markets at particular times. Retail vacancy rates in the CBD have fallen in recent years, down from an estimated 14% in early 2014 to around 8% in 2016.

Associated with the success of the Launceston retail economy is its hospitality and night-time offerings. Improvements in this sector will facilitate investment in the broader economy. A recent survey of urban professionals conducted by the Economist Intelligence Unit shows that elements of 'liveability' - access to employment, cost of living, public transport and roads, safety and security and culture and nightlife - rank highly among the list of factors contributing to a city's attractiveness as a place to live and work. At the macro level, the night-time economy is a major source of employment and revenue, with reported income originating from Australia's night-time economy increasing by 13% from 2009 to 2013. The importance of this sector and its potential a driver of growth in Launceston needs to be embraced.

The strength of the night-time economy will also impact on Launceston's tourism potential; the provision of a range of cultural, entertainment and dining facilities typically enhances the potential to attract a more diverse population to urban centres later into the evening. This is recognised in Launceston's City Heart Project, with improvements in amenity planned for the city centre expected to influence visitor numbers, through the implementation of the proposed works on Civic Square and Brisbane Mall. This will lead to a diversification of business functions and growth in the night-time economy.

Objective

Develop Launceston's CBD as a premium regional shopping centre serving the needs of the local and regional population, and attracting visitors and tourists to the City.

Actions

- 4.1 Continue to implement the City Heart Project and other initiatives such as the North Bank redevelopment to boost the appeal and attraction of the Launceston CBD and surrounds.
- 4.2 Promote opportunities for retailers to occupy the City's laneways to encourage shopping arcades in Launceston and improve the CBD retail offer.
- 4.3 Promote night-time economy opportunities within Launceston's CBD to improve amenity and the appeal of Launceston as a destination for locals, residents from the wider region and interstate visitors.
- 4.4 Investigate opportunities to enhance the amenity of city laneways to improve safety, light and accessibility to enable night-time activation of laneways.
- 4.5 Collaborate with other agencies including Tourism Northern Tasmania (TNT) to help promote the City's retail sector to visitors.
- 4.6 Support events and festivals in Launceston (e.g. 'Winterlicious') to promote Launceston's CBD as a gathering place and an events space.
- 4.7 Provide online information to encourage the development of pop-ups to combat vacant commercial premises.
- 4.8 Continue to implement recommendations from the Launceston Retail Audit and Activity Centre Strategy to protect existing centres and consolidate retail activity into nominated centres.

Performance Measures

- Completion of the City Heart Project.
- Continued implementation of the recommendations of the Launceston Retail Audit and Activity Centre Strategy.
- An increase in night-time activity and retail trade in the Launceston CBD.

4. Implementing the Economic Development Strategy

4.1 Strategic Alignment

The City of Launceston is the lead agency for a range of local services and activities including local economic development activities. *Horizon 2021: City of Launceston Economic Development Strategy* will be implemented by Council in partnership with the Tasmanian Government, the Australian Government, key institutions, business and industry and supporting partners across the city and region.

Effective economic development requires leadership and the formation of partnerships between Council and other agencies. As Launceston and Northern Tasmania are economically co-dependent, issues that affect the wider region also impact on Launceston's economy.

To ensure effective outcome delivery, the actions presented in this Economic Development Strategy align with the strategic objectives articulated in Council's Strategic Planning Framework and the Greater Launceston Plan. To allow for effective implementation over time, the actions have been prioritised.

4.2 Project Prioritisation

While all actions contained in this Economic Development Strategy are valid and worth pursuing, resource constraints mean it is impractical for the City of Launceston and its partners to act on all recommended actions immediately.

This makes it necessary to prioritise opportunities for short to medium-term implementation. The prioritisation of actions is guided by two broad sets of assessment criteria – **benefit assessment** and **capacity to implement** as outlined below.

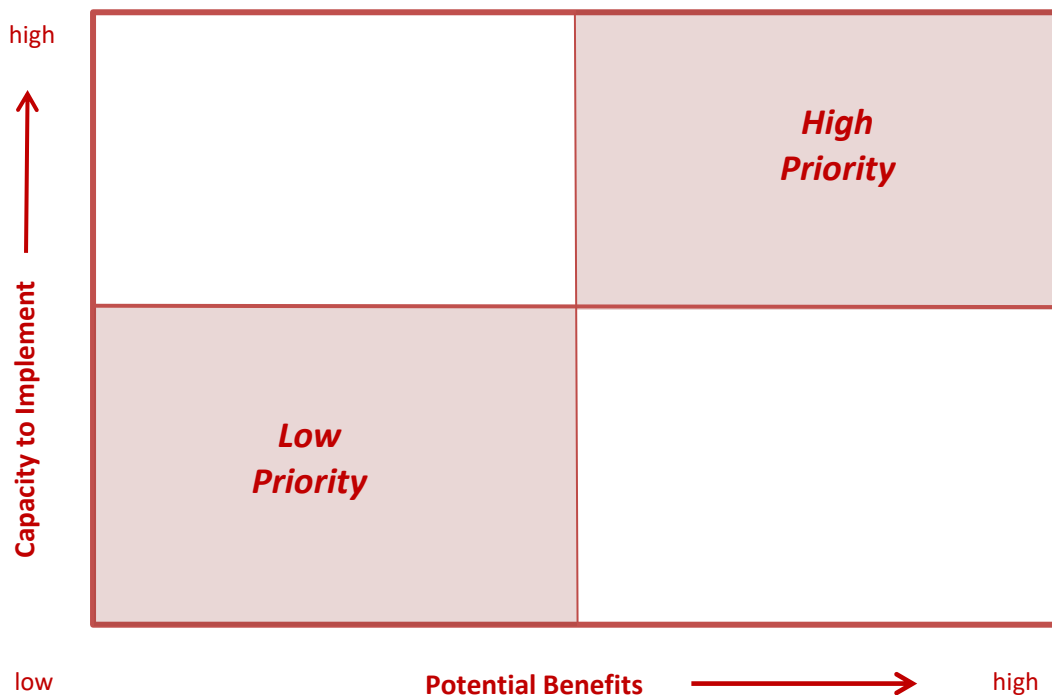
Benefit Assessment:

- What **benefits** will the project, program or activity deliver to the communities of the City of Launceston and Northern Tasmania, its residents and businesses if realised?
 - Will it bring more business investment to the City? Is it the sort of investment that Council and the community wants?
 - Does it build on Launceston's existing industry profile, capabilities and competitive advantages?
 - Will it help to create more jobs in key and emerging industry sectors such as the professional services, advanced agriculture and food processing, cultural and creative industries, health care, education and the visitor economy?
 - Will it help to reduce leakages and retain and re-circulate more income in the City (through local income and expenditure multipliers)?
 - Are there other potential impacts (e.g. social, environmental, cultural) to consider? For example:
 - Enhancing urban liveability;
 - Higher quality recreational and cultural facilities; or
 - Improving quality of social support services.

Capacity to Implement:

- What is Council’s **capacity to implement** the project or activity?
 - Does the opportunity align with the City of Launceston Strategic Plan and the Greater Launceston Plan?
 - Is it consistent with Council’s community planning, land use planning and corporate planning policy objectives?
 - Does Council have the programs in place to support the opportunity?
 - Is the necessary support infrastructure available (or can it be realistically built/accessed?)
 - Does Council have the organisational capacity to implement the project or activity?
 - Does Council have the financial resources?
 - Does Council have the human resources?
 - Does Council have the political and community support (i.e. will the community accept and support the project or activity)?
 - Implementation - who is best placed to drive the opportunity? Is it Council as the lead, as a partner or is it the responsibility of other organisations (e.g. State or Federal government) with support from Council?

Figure 7 – Opportunity Assessment Matrix



Source: SC Lennon & Associates

Priorities have been identified based on the application of the above broad set of assessment criteria, identifying to what extent the project or activity in question concerned is a high, medium or low priority. Applying the assessment criteria and effectively ‘rating’ and ‘ranking’ each action determines those actions which are considered the highest priority and which, as a result, are short-term actions to be progressed over the next one to three years.

The assessment outcomes are shown in the table below.

Table 1 – Summary of Action Assessment Outcomes

Action	Benefit Assessment	Capacity to Implement	Overall Assessment
Theme 1: Cultivate Launceston as a Regional Knowledge City			
1.1 Establish and maintain a published register of commercial / industrial land for the information of prospective investors	Medium	High	Medium/High
1.2 Support the development of programs to increase home-based and micro-business capacity-building and innovation in Launceston	High	Medium	Medium/High
1.3 Ensure the City’s local land use planning framework aligns strategic land with opportunities for the attraction and development of new industries in Launceston	Medium	High	High
1.4 Prepare a Launceston and region investor prospectus targeting selected industries and occupations to help grow Launceston’s status as a ‘regional knowledge city’	High	High	High
1.5 Develop a strategy to ‘brand’ and effectively develop Northern Tasmania as Australia’s leading producer and supplier of premium packaged food and beverage products	High	Medium	Medium
1.6 Design and implement an investment attraction strategy tailored to tertiary education industry professionals, researchers and academics to support the consolidation and growth of UTAS at Inveresk	High	Medium	Medium
1.7 Promote Northern Tasmania’s competitive advantages such as its world-class communications infrastructure (the NBN), Launceston Airport and its strategic location to the rest of Tasmania, Melbourne and Australia’s eastern seaboard	Medium	Medium	Medium
1.8 Promote to existing and prospective new businesses, the services available to small business through the State Government’s Enterprise Centres Tasmania program	Medium	Medium	Medium
1.9 Promote and facilitate local small business access to Federal Government export market development programs through Austrade; host a local Launceston exporters forum to promote opportunities in key sectors and markets	Medium	Medium	Medium
1.10 Support and promote activities that advance the transition of businesses to optimise use of technology and take advantage of Launceston’s digital advantages in terms of NBN connectivity	Medium	Low	Medium
1.11 Undertake a regular (bi-annual) ‘Launceston business needs and issues survey’ and prepare a report for Council and relevant stakeholders, that summarises concerns and needs identified by local business	Medium	Medium	Medium
1.12 Continue to work with State and Federal governments regarding Launceston’s critical infrastructure needs	High	Medium	Medium/High
1.13 Explore and promote opportunities for local business and industry and investment associated with Launceston’s planned sewerage improvement project	Medium	Medium	Medium
1.14 Collaborate with UTAS to support the establishment of business incubators and entrepreneurship and innovation hubs linked to the region’s industry strengths and capabilities	Medium	Medium	Medium
1.15 Continue to develop Launceston City’s international city relationships and partnerships, focussed on opportunities to grow the Launceston and Northern Tasmania economies	Medium	High	Medium

Action	Benefit Assessment	Capacity to Implement	Overall Assessment
Theme 2: Support Launceston's Evolution into a Learning City			
2.1 Support the planned consolidation and relocation of education and research facilities at Inveresk through commitments to critical infrastructure provision, strategic land reservations / allocations and planning provisions	High	High	High
2.2 Work with UTAS to research, identify and encourage business and industry players to invest in collaborative approaches to innovation, R&D and investment in the City's existing and emerging industries	High	Medium	Medium
2.3 Liaise with Hawthorn Football Club on opportunities to contribute to future investment in sports science facilities and programs at UTAS, as part of the planned Launceston Institute for Applied Science and Design	Medium	Medium	Medium
2.4 Continue to work with the Beacon Foundation and Launceston Chamber of Commerce to equip school leavers for job-ready skills; promote and facilitate access to job search services available in Launceston	Medium	Medium	Medium
2.5 Liaise with TasTAFE and UTAS on opportunities for co-location and integration at the planned Inveresk education precinct	Medium	Medium	Medium
2.6 Facilitate development of student accommodation in the Launceston CBD	Medium	Low	Low/Medium
Theme 3: Promote Launceston as an Internationally-recognised Visitor Destination			
3.1 Prepare a new three-year tourism action plan that defines Launceston and Northern Tasmania's tourism attractions and sectors	High	High	High
3.2 Building on the Launceston City Heart Project, implement the heritage trail pilot project on Cameron Street as part of the City's Heritage Interpretation Strategy	Medium	High	Medium
3.4 Collaborate with and support other agencies including Tourism Northern Tasmania (TNT) to help grow the City's tourism sector as part of a regional Destination Action Plan	Medium	Medium	Medium
3.5 Through Destination Launceston, continue to work with Tourism Northern Tasmania and Business Events Tasmania (BET) to explore new opportunities to develop and diversify the City's meetings, incentives, conferences and exhibition (or MICE) market	Medium	Medium	Medium
3.6 Collaborate with Tourism Tasmania in exploring opportunities for a boutique / 5-star hotel and restaurant development in Launceston	Medium	Low	Low/Medium
3.7 Support the work of Tourism Northern Tasmania to develop a Sydney and Brisbane-focused marketing initiative for Tasmania	Medium	Low	Low/Medium
3.8 Collaborate with Tourism Northern Tasmania and neighbouring Councils to promote to national markets, tasting trails and farm gate tourism opportunities in Northern Tasmania	Medium	Medium	Medium
3.9 Work in collaboration with Tourism Northern Tasmania to promote active leisure and outdoor activity opportunities available in Launceston and the region; support Tourism Northern Tasmania's promotion of nature-based tourism as part of the Tamar Destination Action Plan	Medium	Low	Low/Medium
3.10 Identify opportunities for the potential role the City's creative and cultural industries can play in contributing to Launceston's tourism offer	Low	Medium	Low/Medium

Action	Benefit Assessment	Capacity to Implement	Overall Assessment
Theme 4: Grow Launceston's Regional Retail and Services Sector			
4.1 Continue to implement the City Heart Project and other initiatives such as the North Bank redevelopment to boost the appeal and attraction of the Launceston CBD and surrounds	High	High	High
4.2 Promote opportunities for retailers to occupy the City's laneways to encourage shopping arcades in Launceston and improve the CBD retail offer	Medium	Medium	Medium
4.3 Promote night-time economy opportunities within Launceston's CBD to improve amenity and the appeal of Launceston as a destination for locals, residents from the wider region and interstate visitors	Medium	Medium	Medium
4.4 Investigate opportunities to enhance the amenity of city laneways to improve safety, light and accessibility to enable night-time activation of laneways	Medium	High	Medium/High
4.5 Collaborate with other agencies including Tourism Northern Tasmania (TNT) to help promote the City's retail sector to visitors	Medium	Medium	Medium
4.6 Support events and festivals in Launceston (e.g. 'Winterlicious') to promote Launceston's CBD as a gathering place and an events space	Medium	Medium	Medium
4.7 Provide online information to encourage the development of pop-ups to combat vacant commercial premises	Medium	High	Medium
4.8 Continue to implement recommendations from the Launceston Retail Audit and Activity Centre Strategy to protect existing centres and consolidate retail activity into nominated centres	High	High	High

Source: SC Lennon & Associates and HillPDA

4.3 Priorities for Action – Informing a Year 1 Work Plan

Priority projects and activities for implementation as part of a Year 1 economic development work plan are identified based on the application of the above broad set of assessment criteria. They reflect priorities that the City of Launceston will advance (in association with identified partners where relevant) as short-term priorities.

The Year 1 economic development promotion and facilitation priorities for the City of Launceston are:

1. Collaborate with the Office of the Coordinator-General and Northern Tasmania Development to **prepare a Launceston and region investor prospectus** targeting selected industries and occupations to help grow Launceston's status as a 'regional knowledge city'.
2. **Support the planned consolidation and relocation of education and research facilities at Inveresk** through commitments to critical infrastructure provision, strategic land reservations / allocations and planning provisions. Promote the benefits of the planned education-driven revitalisation of Northern Tasmania through the consolidation and relocation of tertiary teaching and research facilities at Inveresk.
3. **Prepare a new three-year tourism action plan** that defines Launceston and Northern Tasmania's tourism attractions and sectors; explore opportunities to renew development of bookable product through the Launceston Visitor Information Centre (VIC). This includes further consideration of new opportunities for retail experiences, tasting trails, parks, heritage attractions and sporting events.

4. **Continue to implement the City Heart Project** and other initiatives such as the North Bank redevelopment to boost the appeal and attraction of the Launceston CBD and surrounds.
5. **Continue to implement recommendations from the Launceston Retail Audit and Activity Centre Strategy** to protect existing centres and consolidate retail activity into nominated centres.

In progressing these priorities, and longer-term economic development activities, cultivating regional partnerships and monitoring progress will be key.

4.4 Cultivating Regional Partnerships for Effective Implementation

Collaborating to cultivate regional economic development partnerships is key to successful strategy implementation. Civic leadership and partnerships - what is otherwise known as 'collaborative governance' - is a theme underlying all matters concerning the City of Launceston's sustainable economic development.

Civic leadership - a fundamental enabler of economic development - is characterised by collaborative and cooperative approaches to research, community engagement, knowledge-sharing, planning, project design and implementation of strategies and activities for the good of the City and its communities. Promoting collaboration is fundamental to the successful implementation of *Horizon 2021*.

Horizon 2021 will be implemented by Council in partnership with the Tasmanian Government, the Australian Government, regional development bodies, business and industry and other supporting partners across the region. Internal and external reference groups and working committees will be established to ensure ownership of the Strategy and a commitment to its implementation.

To this end, the City of Launceston will:

- Continue to collaborate with RDA Tasmania, Northern Tasmania Development and other relevant state and federal agencies on a regular basis to gain support for and to help deliver *Horizon 2021: City of Launceston Economic Development Strategy*; and
- Establish a working group of economic development representatives to meet regularly to explore collaborative initiatives supporting Launceston's and Northern Tasmania's business and industry. This may include neighbouring Councils on relevant matters of mutual interest.

The City's businesses and residents will continue to be engaged at a partnership level to ensure effective collaboration for the Strategy's development and commitment to the delivery of the City of Launceston's economic development agenda.

4.5 Monitoring Economic Development Strategy Progress

Horizon 2021: City of Launceston Economic Development Strategy has been prepared in the context of the role of economic development in Council's broader program of work and strategic objectives, and wider regional priorities.

Led by the General Manager and Council's Economic Development Team, the City of Launceston will monitor the progress of the Economic Development Strategy in order to achieve the actions set out.

Set performance measures have been established using a range of indicators, including both 'output' indicators and 'outcome' measures.

Outcome measures refer to broad development outcomes at the regional level, such as industry output (gross revenue generated by the City's / region's businesses), business establishments growth and jobs.

Output indicators on the other hand, include, for example, levels of business confidence, community satisfaction, numbers of investment enquiries, strategy/action milestones and project progress and completion.

Targets set out in this Economic Development Strategy will be monitored through the following methods and sources:

- Business surveys;
- Customer / visitor satisfaction surveys;
- Subscription to regularly updated and tailored data sources; and
- Australian Bureau of Statistics (ABS) Business Register data and Labour Force Survey data.

The set performance measures will be reported annually within the performance monitoring on the implementation of the Economic Development Strategy.

Horizon 2021 will be reviewed annually with an update anticipated in three years.



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