



INVESTMENT ATTRACTION STRATEGY

2022 - 2027

June 2022

HAY
NSW

TABLE OF CONTENTS

Introduction.....	3
LGA of HAY.....	6
Results (Key Opportunities).....	8
Action Plan.....	10
Prospectuses.....	14

01

INTRODUCTION

FOCUS EFFORTS ON ATTRACTING THE INVESTMENT BEST SUITED TO THE AREA

SCOPE

Hay Shire Council has identified investment attraction as one of the key focus areas for economic development. It aligns with the community and stakeholder feedback that has revealed “a desire for Council to foster a strong local economy that sustains existing and attracts new business, industry and employment opportunities.”

Hay Shire Council engaged ID Population Experts and NDP Economics to assist in providing a strategic alignment with Federal, State and Local Government Plans, key industry direction, statistical evidence, investment trends and business insights.

This document outlines the key investment opportunities for industry and will be supported by an action plan for Council. This document is intended to encourage industry investment suited to the Hay LGA. A series of prospectus will be developed to promote key opportunities to potential investors.

The action plan will outline the investment, both human and financial, required by Council to encourage increased investment in the Hay Local Government Area.

INVESTMENT ATTRACTION STRATEGY

Investment attraction is an act of facilitating growth within the local community through:

- Encouraging the growth of existing businesses
- Attracting new business and the flow of capital from outside of the local area.

These are two of the key strategic economic development goals of local governments that work towards supporting economic development in their local area.

The purpose of an investment attraction strategy is to develop a plan of deliberate and thought-out actions designed to achieve a clear set of objectives for attracting business investment.

When planning for business investment, the community must understand the type of business best suited to the location and focus efforts on attracting the investment the area wants. Actions should be developed with a clear understanding of current trends, benchmarking against current competitors and knowledge of individual strategic advantages and value propositions.

A robust and systematic investment opportunities identification must be based on thorough data analysis and research, and expertise and knowledge of local businesses. Best-practice investment strategies understand what a prospective investor needs and wants and provide information and tools that helps in their location and investment decisions.



Australian Government
Department of Agriculture,
Water and the Environment

01

INTRODUCTION

COMMUNITY CLEARLY UNDERSTANDS ITS COMPETITIVE ADVANTAGE

BENEFITS OF UNDERTAKING AN INVESTMENT ATTRACTION STRATEGY

Attracting investment is an essential part of economic development as it leads to new employment opportunities, utilisation of local resources, creates a stronger local economy, improves the quality of life of local residents that in turn strengthens population growth.

The process of undertaking an Investment Attraction Strategy brings benefits in its own right. The process allows the community to clearly understand its competitive advantages and existing gaps that strengthens the unique community brand. It mobilises the resources towards common objectives. High-quality stakeholder engagement can build the skills, knowledge, networks and confidence of community members.

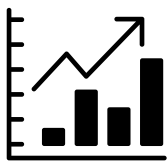
KEY OBJECTIVES



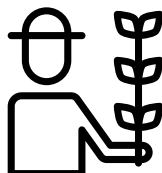
IDENTIFY of a series of investment opportunities



ENCOURAGE and engage private investors in progressing investment projects and opportunities in the region that will provide economic benefits such as employment



PROVIDE economic statistical analysis of LGA's population, demographics and profile



ENGAGE with local industry to identify opportunities for growth



WORK with key government agencies and stakeholders such Regional Development NSW, RDA Riverina , Department of Agriculture and Water, Department of Industry and Planning, Invest Regional NSW

01

INTRODUCTION

"HAY IS ON AN UPWARD TREJECTORY AND WE NEED TO BE READY"

THE PROCESS

A thorough desk top analysis was conducted reviewing the strategic direction of Council, NSW State Government and the Australian Government.

Hay Shire Council engaged ID Population experts to conduct an Opportunities analysis of the Hay economy. The report was used to identify investment attraction opportunities through data analysis. This included an analysis against the regional NSW LGAs known as the Riverina and Murray Joint Organisation of Councils.

A business survey was conducted by Hay Shire Council to identify the business conditions and sentiment. The survey also identified potential areas for investment attraction.

Hay Shire Council engaged NDP Economics to conduct industry focus groups to ground truth the statistical analysis, survey results and desktop analysis. The groups were representative of all industry sectors and stages of business. The groups provided invaluable insight into opportunities and challenges within the LGA.

The final list of opportunities is presented in the Strategy. The Strategy will need to be reviewed regularly to maintain relevance. A complete review should be conducted at the 4 year mark. This will be included in the Action Plan.



Hay Shire lies in the south west of NSW, approximately 8 hours drive from Sydney. Its proximity to the Victorian border (Hay is actually closer to Melbourne) means the region has historically benefited just as much from trade to the southern state as it has to NSW. The town of Hay is located on the juncture of the :

- Sturt Highway (the main east-west road transport route linking Sydney with Adelaide.)
- Mid Western Highway (connection between central western NSW and Riverina)
- Cobb Highway (will link Melbourne to Brisbane via sealed highway by end 2023)

The Shire lies within two natural catchments within the Murray– Darling Basin region, the Murrumbidgee (covering areas around Hay and Maude) and the Lachlan (covering Booligal area).

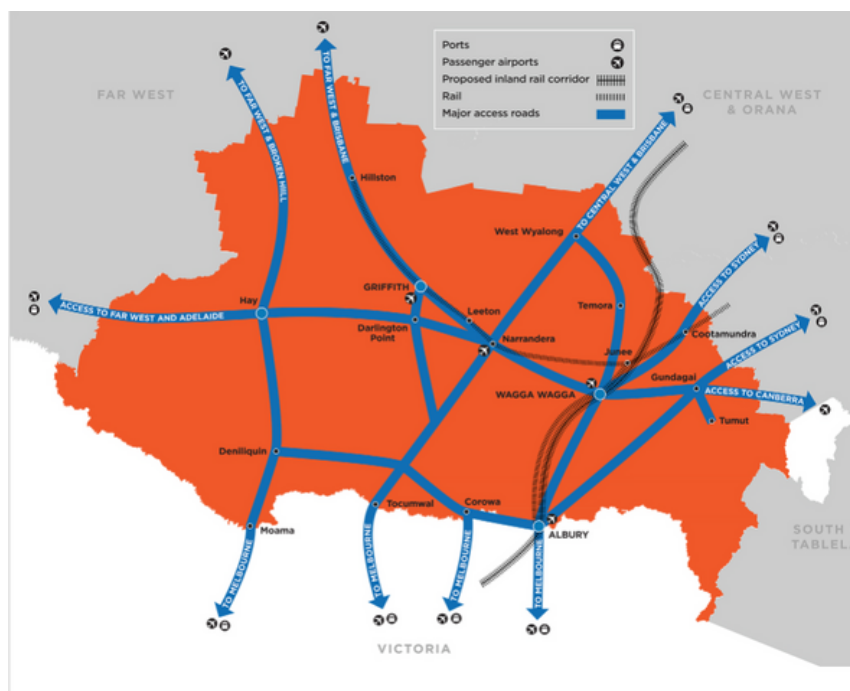


Figure 1.1 National Freight Corridors Supporting Hay (Regional NSW)

RECENT PERFORMANCE

Hay is recognised as a centre for agriculture and has attracted significant long term foreign investment to the region. The Shire has an obvious comparative advantage in Agriculture compared to regional NSW as whole. In 2019/20 the industry in Hay Shire supported more than 3 times the regional NSW average share of jobs and generated almost 7 times the average share of value added.

The Hay Shire generated over \$208 million in GRP in 2019/20 and supported almost 1,500 jobs. It is the 59th largest economy (out of 71) outside metropolitan Sydney.

The economy is heavily influenced by Agriculture which supports more than 1 in 5 jobs and nearly 40% of all value added. Tourism and hospitality's contribution to the economy is also above average.

The Shire has a diversified agricultural production with dryland (sheep and cattle livestock and irrigated activities (cotton, rice, fruit and vegetables) both prominent.

Cotton production has grown so strongly that Auscott built and opened Australia's largest Cotton Gin south of Hay in 2014/2015.

LGA of HAY 02

In 2020, the Shire had a population of 2,943. Traditional agricultural industries still dominate the economy but the Shire also has a small but strong tourism element built off the back of the attractiveness of the Murrumbidgee River and international attractions such as, Shear Outback - Australian Shearers Hall of Fame and The Dunera Museum.

New economic opportunities provide a path for a return to growth for the region which is already being realised in an extremely strong Agricultural Sector (agricultural land prices have increased by 26.5%) in 2019/2020.

Hay Shire lies in the middle of the NSW State Government's nominated South West Renewable Energy Zone. Hay is centrally located to the EnergyConnect project with a strong pipe line of construction within or in close proximity to the LGA. This presents additional opportunities for growth. The South West Renewable Energy Zone (together with the Central and Orana Zones) is expected to unlock **\$20 billion** of private sector investment into the regions by 2030.

The opportunities outlined in the Results Table align to the vision and the perception of Hay as 'Agricultural at heart, but ready to take advantage of our location, people and skills to expand home grown and embrace new'.

Priority opportunities strike the right balance between growth, retaining unique character, environment and lifestyle.



03

RESULTS

Following the process outlined in the introduction the final Results Table (below) identifies 4 opportunity groups.

Within these groups 17 individual opportunities are outlined reflecting a mix of aspirational opportunities and existing strengths within the LGA.

OPPORTUNITY GROUP	OPPORTUNITY	TYPE
AGRICULTURE	Sustainable Agriculture	Existing Strength
	Ag tech	Existing Strength
	Water Efficiency	Existing Strength
	Value Add R&D	Aspirational Opportunity
	Biodiversity Offsets	Aspirational Opportunity
RENEWABLE ENERGY	SW Renewable Energy Zone	Existing Strength
	Green Tech	Aspirational Opportunity
	Alternative Fuels	Aspirational Opportunity
	Training and Maintenance	Aspirational Opportunity
TOURISM	Cycle Hay	Existing Strength
	Tree Tops Adventure	Aspirational Opportunity
	Rail Trail	Aspirational Opportunity
	River Activities	Aspirational Opportunity
	Mad Max Experience	Aspirational Opportunity
TRANSPORT & LOGISTICS	Airport Precinct	Existing Strength
	Warehousing	Aspirational Opportunity
	Transport & Logistics Hub	Aspirational Opportunity

Action Plan 04

The role of Hay Council within the investment attraction and economic development process is to provide enablers and incentives.

It is important to recognise that Local Governments have a limited sphere of influence in shaping economic outcomes and must work within these limitations, such as available resources, to achieve targeted outcomes. The levers available to local government can be described under the following hierarchy:

Control

- Fiscal incentives such as cash grants, rebates, tax credits that positively impact the budget of potential investors
- Site, land and premises availability
- Infrastructure investments, such as attractive streetscapes, co-working spaces and common user infrastructure, roads and other major infrastructure
- Improved administrative and legal processes, such as fast-tracked approval and assessment and/or reduced reporting requirements

Influence

- Quality of life – for non-metropolitan regions such as Hay, it is critical that prospective investors/ workers can convince their families / dependents to relocate to the area
- Labour availability and quality, developed through targeted workforce training
- Facilitating the strengthening of networks that encourage the sharing of knowledge and creation of investment opportunities
- Communicating with State and Federal governments regarding the influence of wider policy, projects or funding decisions

Monitor

- Tracking economic performance indicators
- Collecting feedback from businesses regarding current issues or opportunities

Action	Opportunity	Partner	Timeframe	Budget
Engage Economic Development Manager	ALL		Short Term	TBA
Develop Housing Strategy to address ongoing housing shortage in the long term and short term market	ALL	Industry Planning NSW	Short Term	\$10 000
Ensure sufficient land stocks are available to accommodate new residential, industrial and commercial investment. Complete business cases for new industrial, commercial and/or residential land releases where deficiencies are identified.	ALL	Local Industry Planning NSW RAMJO	Short Term	-
Conduct LGA wide skills audit and identify job gaps in opportunity sectors	ALL	Local Industry TAFE Regional Development NSW RAMJO	Short Term	\$5000
Developing marketing material to support investment in key opportunities	ALL	Local Industry	Short Term	\$15 000
Provide useful data tools and insights on the Economic Development page of Council	ALL	ID Economy RDA Riverina DNSW Invest NSW	Short Term	-
Identify key investors/business to target in key opportunity sectors through databases, association memberships and networking activities	ALL	Industry representative bodies Invest NSW Regional Development NSW RDA Riverina	Short Term	-
Identify Business Sector Champions to join Business Project Taskforce	ALL	Local Industry	Short Term	-

Action	Opportunitiy	Partner	Timeframe	Budget
Develop infrastructure investment plan in consultation with Agriculture Sector	AGRICULTURE	Ag sector RMS Water NSW DPI DPE RDA Riverina	Long Term	-
Develop relationship with Invest NSW, Wagga Wagga Ag Tech Hub and Orange GATE	AGRICULTURE	Ag sector Invest NSW NSW Farmers	Medium Term	-
Develop relationship with Research Development Corps	AGRICULTURE	Ag Sector NSW Farmers Industry Bodies	Medium Term	-
Develop Biodiversity strategy for LGA	AGRICULTURE	Local Industry	Long Term	\$10 000
Continue to support SW Renewable Energy Zone	RENEWABLES	NSW Govt Energy Generators	Medium Term	-
Connect with government departments to advocate for Green Hydrogen development within the LGA	RENEWABLES	NSW Government Australian Government Private Industry	Long Term	-
Identify and develop training opportunities with Energy Industry and TAFE	RENEWABLES	Energy Generators TAFE NSW Govt	Long Term	-
Connect with Local and State Governments to advocate for Rail Trail development	TOURISM	LGA's NSW Govt DNSW	Long Term	-
Develop river access and amenities to encourage private investment in new tourism product	TOURISM	NSW Govt Australian Govt Industry	Medium Term	-
Develop Airport Precinct Plan to encourage establishment of Logistics Hub	TRANSPORT & LOGISTICS	Planning NSW Industry association CASA	Medium Term	\$100 000

Action	Opportunitiy	Partner	Timeframe	Budget
Identify suitable land for development as Logistics Hub	TRANSPORT & LOGISTICS	Planning NSW Industry association	Medium Term	-
Develop a Freight Priorities Strategy to encourage Government investment in transport infrastructure	TRANSPORT & LOGISTICS	Transport NSW Industry Associations	Long Term	\$50 000