



ALPINE
SHIRE COUNCIL



Economic Development Strategy



Authors

The Alpine Shire Economic Development Strategy was prepared by Urban Enterprise in collaboration with Alpine Shire Council.

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Glossary of Terms

Overnight Visitor

People aged 15 years and over who undertake an overnight trip of one night or more and at least 40 kilometres away from home are referred to as overnight visitors. Only those trips where the respondent is away from home for less than 12 months are in scope of the NVS.

Regional Exports

Represents the value (\$) of goods and services exported outside of the defined region that have been generated by businesses / organisations in each of the industry sectors within the region.

Daytrip Visitor

Those who travel for a round trip distance of at least 50 kilometres, are away from home for at least 4 hours, and who do not spend a night away from home as part of their travel. Same day travel as part of overnight travel is excluded.

Gross Regional Product

The total value of final goods and services produced in the region over the period of one year.

High Country

The High Country is a defined tourism region in Victoria's north-east, which includes seven shires – Alpine, Benalla, Indigo, Mansfield, Murrindindi, Towong and Wangaratta – and the three major alpine resorts of Falls Creek, Mt Buller and Mt Hotham. The region is represented by a regional tourism board (Tourism North East), charged with the long-term and overarching strategic vision and direction for the High Country region, ensuring a platform for future tourism growth.

International Visitor

A person is defined as an international visitor to Australia if they are currently a resident overseas, have been in Australia for less than one year and are aged 15 years or over.

Output

Represents the gross revenue generated by businesses/organisations in each of the industry sectors in a defined region. Gross revenue is also referred to as total sales or total income.

SEIFA

The Socio-Economic Index for Areas Index, developed by the ABS, measures the relative level of socio-economic advantage and disadvantage for a defined area. The index score is based on a weighted combination of census variables that reflect disadvantage (e.g. income, education, employment, etc.), which is then standardised around the national average score of 1,000. A higher score on the index reflects a lower level of disadvantage. Therefore, a score above 1,000 indicates a lower level of disadvantage relative to the national average, while a score below 1,000 indicates a higher level of disadvantage relative to the national average.

Sustainability

Sustainable economic development considers the impact on the economy, the community and the environment. Therefore, sustainable growth strikes a balance between economic, community and environmental outcomes.

Value-Added

Represents the marginal economic value that is added by each industry sector in a defined region. Value-Added can be calculated by subtracting local expenditure and expenditure on regional imports from the output generated by an industry sector, or alternatively, by adding the Wages and Salaries paid to local employees, the gross operating surplus and taxes on products and production.

Acronyms

AAGR

Average Annual Growth Rate

ABS

Australian Bureau of Statistics

EDS

Economic Development Strategy

ERP

Estimated Resident Population

IVS

International Visitor Survey

LGA

Local Government Area

NVS

National Visitor Survey

TRA

Tourism Research Australia

SEIFA

Socio-Economic Index for Areas

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Executive Summary

Introduction and Background

Alpine Shire Council (Council) commissioned Urban Enterprise to prepare the Alpine Shire Economic Development Strategy (EDS), which provides strategic direction to maintain and develop a thriving and resilient local economy into the future.

This report is informed by independent research and analysis, as well as consultation with representatives of community groups, organisations, businesses and Government stakeholders.

Drawing on the Alpine Shire's comparative advantages, the EDS focuses on ways to support, grow and stabilise existing businesses in key sectors such as tourism, agriculture, manufacturing, education and health as well as attract new businesses that are suited to the values and attributes of the Alpine Shire.

The impacts of the COVID-19 pandemic, as well as the recent bushfires, will require a significant effort from Council to support business recovery. This report will identify relevant initiatives to support short term local business recovery and improve business resilience within the Alpine Shire economy.

Alpine Shire

The Alpine Shire is located in Victoria's north-east, approximately 300km north-east of Melbourne, and proximate to the Regional Centres of Wodonga (50km to the north) and Wangaratta (40km to the north-east). It is accessible via key transport routes including the Kiewa Valley Highway and the Great Alpine Road.

It includes significant natural assets, most notably Alpine National Park and Mount Buffalo National Park, which drives visitation and contributes to the natural amenity that makes Alpine Shire popular for residential lifestyle attraction.

There are several key towns and population nodes within the region that drive residential, employment and economic growth, including Bright (administrative centre), Mount Beauty, Myrtleford and Dinner Plain (service centres). These towns represent distinct regional areas, each of which has unique strengths, specific community needs and economic priorities. Therefore, this EDS provides analysis and strategic direction at a sub-regional or district level, which helps develop overarching strategies and clear direction for the regional economy.

Demographic and Economic Context

An analysis of the demographic and economic characteristic of the Alpine Shire identified a number of key issues and opportunities to help drive future economic development.

Population Attraction and Retention

Whilst the Alpine Shire has experienced a relatively low rate of population growth, this rate of growth varies across the townships. In particular, the Bright region and surrounding areas has experienced much higher population growth than elsewhere in the Alpine Shire over the past 10 years. This demonstrates the need to develop population attraction and retention strategies that are targeted to meet the specific needs of each township and surrounding area. These strategies will help the Alpine Shire compete with surrounding regional destinations for population (and workforce) attraction, particularly by leveraging the high level of amenity, which makes the region favourable to lifestyle residential attraction and young families.

Attracting Young Families and Growing the Workforce

The Alpine Shire has a considerably older age profile, with a median age of 49 (compared to Victorian average of 37). This has implications on demand for specific services including aged care, health care and social assistance. However, there is evidence that the age profile is shifting to a younger demographic, evidenced by the high growth in school enrolments.

Executive Summary (cont.)

As such, Council should focus on continuing to attract young/mid-life families, helping to sustain the economy over time and drive longer term growth. This will require suitable job opportunities, provision of education services to meet demand, as well as improvements in amenity.

Housing Affordability and Availability

There is an issue with housing availability and affordability within the Alpine Shire, reflected by the low rates of dwelling growth, low density stock, low rates of permanent occupancy and higher than average property prices. There is also a high degree of variability in housing stock, with some townships (such as Bright) driving the sprawl of residents to other towns/municipalities due to housing prices.

The provision of high-quality and affordable housing is critical to resident and workforce attraction and should be a key focus for Council, taking into account the differences in housing stock across the Shire and resident needs.

Importance of the Visitor Economy

Alpine Shire is the highest performing municipality within the High-Country Region in terms of its visitor economy. This is reflected in terms of visitation and total visitor expenditure. The impact of tourism flows through the Alpine Shire economy, impacting economic output and job creation across the accommodation, food and beverage, retail, services, transport and property sectors. The visitor economy is also a major contributor of Council rates on residential and commercial property through holiday homes, visitor accommodation and retail and food premises.

Striking a sustainable balance in tourism will be important for Alpine Shire to maintain high levels of amenity and liveability and a healthy economy.

Diversification in Agriculture and Forestry

The agricultural and forestry sectors are key drivers of the regional economy. These key sectors have potential for growth over the long-term, which will expand the Alpine Shire's key industries and consolidate areas of strength.

In particular, the continued diversification, innovation and productivity within the agricultural sector – through the production of raw materials – is linked to the growth of the manufacturing sub-sectors, including timber-related production and food and beverage processing.

Disaster Recovery

The economic impacts of COVID-19 (as well as the 2020 bushfires) have been substantial, with the Alpine Shire's tourism industry acutely impacted by losses in business revenue, economic output and increases in unemployment. In addition, the forestry sector was significantly impacted by the bushfires, which decimated around 10% of plantation forest.

To facilitate economic recovery, Council should support businesses and encourage resilience by providing training, mentoring and networking opportunities. Another important factor for economic resilience is to promote industry diversification and expand the jobs base so that it is less reliant on tourism and agriculture, ensuring the economy is less volatile to external impacts.

Economic Development Framework

Vision

The outcomes of this Economic Development Strategy will align with Council's 2030 Community Vision:

The Alpine Shire provides outstanding opportunities for its residents and visitors through sustainable growth in balance with the natural environment.

Economic Development Objectives

The overarching economic development objectives include:

Achieve a More Productive and Sustainable Economic Base

Leverage greater economic output and employment outcomes from industries of competitive advantage and balance economic outcomes with local community and environmental values to ensure sustainable economic development.

Develop a Resilient and Diversified Business Base

Support the business community to generate industry resilience, diversity and achieve successful economic outcomes.

Maintain and Improve Liveability

Identify strategies and investments that will improve liveability for existing residents and drive population retention and attraction, as well as business attraction.

Executive Summary (cont.)

Framework Overview

The Economic Development Framework, summarised in the table below, includes five key themes. These provide the areas of focus for ongoing growth and enhancement of the economy of Alpine Shire.

<i>Theme</i>	<i>Strategies</i>
1. A Sustainable Visitor Economy: Support and manage ongoing and sustainable growth in tourism to achieve positive economic, community and environmental outcomes for the Alpine Shire.	1.1 Create a sustainable tourism industry in the Alpine Shire 1.2 Increase geographic and seasonal visitor dispersal
2. Growing and Diversifying Agriculture: Develop and enhance the agricultural and forestry sectors and promote diversity of uses to increase its contribution to economic growth.	2.1 Increase the value of agricultural production 2.2 Future proof and protect the agricultural and forestry sectors 2.3 Maintain and grow jobs in agriculture 2.4 Support food and beverage manufacturing
3. Enhanced Liveability and Resident Attraction: Generate economic and social wellbeing outcomes through supporting liveable communities to promote population attraction and retention.	3.1 Maintain and improve the amenity of the Alpine Shire 3.2 Increase the population growth rate across the Alpine Shire 3.3 Support for an ageing population
4. Attracting New Industry and Investment: Leverage greater economic growth and employment outcomes from a wide range of industry sectors and strategic investments	4.1 Increase industry diversification and expand the jobs base 4.2 Strategic investment in public sector infrastructure projects
5. Supporting Businesses: Support and encourage a wide business community, including promotion of business resilience, to generate successful employment and economic outcomes.	5.1 Upskill the workforce to meet industry needs 5.2 Create a connected and well-informed business base 5.3 Promote business resilience (disaster recovery assistance)

Introduction

Overview

Alpine Shire Council (Council) commissioned Urban Enterprise to prepare the Alpine Shire Economic Development Strategy (EDS), which provides strategic direction to maintain and develop a thriving and resilient local economy into the future.

This report is informed by independent research and analysis, as well as consultation with representatives of community groups, organisations, businesses and Government stakeholders.

The EDS will support the future economic development of the Alpine Shire by analysing the industries that currently drive economic growth and those that have potential for long term growth. It will also focus on Council's role for business support; industry attraction and resident attraction.

The impacts of the COVID-19 pandemic will require a significant effort from Council to support business recovery. This report will identify relevant initiatives to support short term local business recovery and longer-term investment and industry attraction strategies.

Unless otherwise indicated, all information collected relating to the Alpine Shire's economy reflects pre-COVID-19 economic conditions.

Project Methodology

The following tasks were undertaken in the delivery of the Economic Development Strategy:

1. Assess background reports and existing strategies that are relevant to economic development in the region.
2. Consult with relevant stakeholders to identify the barriers to growth and opportunities for economic development in the Alpine Shire.
3. Assess the macroeconomic conditions at the state and national level to understand the current outlook for the economy.
4. Profile Alpine Shire's demographics, identifying historical and forecast trends that may impact the local economy.
5. Profile Alpine Shire's economy using a range of economic indicators (e.g. growth in output, employment, business), identifying historical and forecast trends that may have implications on the local economy.
6. Provide an overview of the visitor economy and the growing role of tourism and related activities.
7. Develop an Economic Development Framework for the Alpine Shire economy, which outlines the objectives, themes and strategies (for Council consideration) to support sustained economic growth.

Local Government's Role in Economic Development

At a high-level, the purpose of economic development at a Local Government level is:

"To build up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which public, business and non-government sector partners work collectively to create better conditions for economic growth and employment generation".

Local Government plays an important role in facilitating economic growth within their municipalities. Typically, Council's role in economic development includes business engagement and support, business and investment attraction, promoting liveability initiatives and undertaking advocacy efforts.

In terms of investment attraction, it is important for Local Governments to provide and encourage an economic environment that is conducive to attracting private investment. Council can assist private investment by providing leadership, creating a consistent and streamlined regulatory environment, conducting market and industry research, and business case development. Common objectives adopted for economic development across Local Government include:

- Supporting the existing business base (promoting growth within the existing business base);
- Attracting new businesses and jobs (promoting growth by attracting new investment and businesses);
- Promoting liveability and sustainable communities; and undertaking advocacy efforts.

F1. Alpine Shire Context Map



Strategic Context

About Alpine Shire

Alpine Shire Local Government Area (LGA) covers around 4,788 square kilometres and is located in Victoria's north-east, approximately 300km north-east of Melbourne, 50km south of Albury-Wodonga and 40km south-west of Wangaratta. The Alpine Shire is accessible via key transport routes including the Kiewa Valley Highway and the Great Alpine Road.

It includes significant natural assets, most notably Alpine National Park and Mount Buffalo National Park. This is in addition to two major alpine resorts – Falls Creek and Mount Hotham – that are located within the municipal borders (but managed under their own Resort Management Boards). These natural assets drive extensive visitation to the Alpine Shire and contribute to the natural amenity that makes Alpine Shire popular for residential lifestyle attraction.

There are several key towns within the region that drive residential, employment and economic growth, including Bright (administrative centre), Mount Beauty, Myrtleford and Dinner Plain (service centres).

The Ovens and Kiewa Valleys are key to the economic prosperity of Alpine Shire. All major towns are located in these valleys and contain highly productive agricultural land.

The regional and local context of the Alpine Shire is illustrated in on page 2.

Sub-Regional Approach

The Alpine Shire consists of several distinct and unique population nodes (Bright, Mount Beauty, Myrtleford), as well as a diverse topography and natural assets (inc. national parks, agricultural land and snow). Therefore, it is necessary to provide analysis and strategic direction at a **sub-regional or district level**, as the priorities and needs of the community (and economy) are likely to vary across the municipality.

Using the available data, the Alpine Shire can be disaggregated into the following key districts:

Within the Ovens Valley:

1. Bright;
2. Myrtleford;
3. Harrietville - Porepunkah and District (inc. Dinner Plain); and
4. Buffalo River - Gapsted and District.

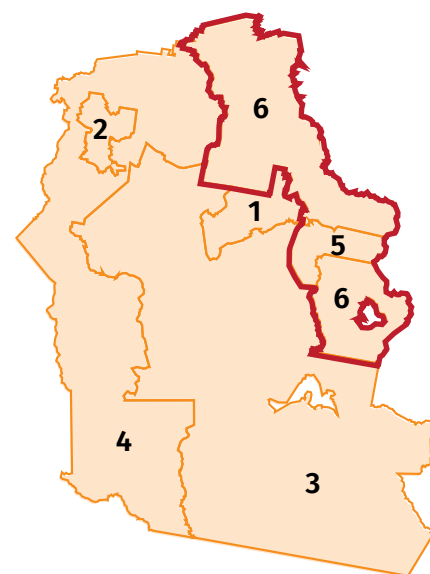
Within the Kiewa Valley (outlined in red in Figure 2 opposite):

5. Mount Beauty - Tawonga South;
6. Tawonga and Kiewa Valley.

These districts are illustrated in the figure opposite.

Where relevant, data and strategic considerations are provided at the sub-regional level. However, the report will primarily focus on a holistic approach that provides overarching strategies and clear direction for the regional (i.e. Alpine Shire) economy.

F2. Alpine Shire Districts



Policy Context

The following assessment builds off the findings from the previous Economic Development Strategy.

Numerous strategies and policies have been developed at a local and regional level to facilitate economic growth in the Alpine municipality.

At the local level, Council's 2030 Community Vision outlines a series of economic development pathways with a focus on tourism, energy and technology infrastructure, as well as high value agriculture and horticulture.

Other relevant outcomes within the local policy framework, in the context of the Economic Development Strategy, include sustainability, community, opportunity and connectivity.

In terms of regional policy, a range of priority projects relevant to Alpine Shire are identified as important for future economic growth in the Hume region. A number of these projects are focused on the tourism industry as well as technology and infrastructure improvements.

At the State and Federal level, a number of relevant policies and strategies have been prepared to support regional economic growth.

Regional development policy at the Federal level currently has four main pillars that include regional funding programs, regional deals, Regional Development Australia and Regional Australia Impact Statements. These pillars aim to increase investment in enabling infrastructure and impact connectivity as well as strengthen support for regional universities.

Key plans and policy documents relevant to the economic development strategy include:

- Agriculture Victoria Strategy 2017
- Victorian Visitor Economy Strategy 2016-2020
- Victoria's 30-Year Infrastructure Strategy 2016
- Hume Regional Growth Plan 2014
- Ovens Murray Regional Partnership Roadmap
- Victoria's High Country Destination Management Plan 2013-2023
- Alpine Shire 2030 Community Vision
- Alpine Shire Council Plan 2017 to 2021
- Alpine Liveability Plan 2013-2017.

External Economic Influences

COVID-19 and Tourism

COVID-19 has already had a significant impact on the global economy and restrictions on business and travel have already had major impacts on the Alpine Shire's business base.

Some sectors have been affected to a larger degree than others and Alpine Shire's economy which is heavily weighted towards the tourism sector has been impacted more than other rural municipalities which have a traditional industry base connected to primary industry.

International tourism will be affected for a number of years. This may have positive impacts on visitor demand in Alpine Shire given the large proportion of visitors that are domestic. Restrictions on international travel may also see more Victorians holidaying within Victoria and lead to a short term revival in the visitor economy within Alpine Shire when restrictions on travel are lifted.

Bushfires and Climate Change

Alpine Shire's economy and community has been impacted many times over the past 20 years by bushfires. The bushfires of 2019-20 were particularly devastating in Australia and Alpine Shire was once again affected. This caused significant damage to agricultural and residential land, property and lives, with severe flow on effects to the economy and particularly the tourism industry in 2020. The summer months are a popular period for tourism and the 2020 bushfires impacted trade in the March quarter substantially.

The Alpine Shire will continue to suffer from the ongoing impacts of climate change as global warming creates more extreme weather events and gradual drying of the climate. This includes changes to agricultural patterns, infrastructure maintenance requirements to mitigate the effects of adverse weather, as well as increased pressure on the health sector as residents' health is impacted by these weather events.

Remote Working

Whilst remote working is not a new concept and many residents within Alpine Shire already work remotely using technology, restrictions enforced by COVID19 has demonstrated to businesses that workers can be productive working remotely. One of the likely impacts from COVID19 is the potential for workers to have greater flexibility in working away from a traditional office environment. This may have long term benefits for lifestyle residential locations such as Alpine Shire. This may lead to the attraction of new residents to the Alpine Shire.

Global Trends in Manufacturing

There has been an ongoing decline in manufacturing in Victoria for more than 40 years. Globalisation has seen the shift of production to lower cost labour destinations around the world.

One area of manufacturing which has maintained strength in Victoria is food processing. Due partly to automation and the link between food processing and agriculture this industry has been maintained and in some instances grown and developed further.

Food processing is an import sector for Alpine Shire. The two key sectors are dairy and wine production.

COVID-19 has also demonstrated the importance of local production in order to secure access to food and other goods.

Alpine Shire is well placed to continue to expand food processing and potential to leverage from its brand for high quality production.

The Victorian Economy is Diversifying...

The Victorian economy is diversifying away from an industrial economy to a more innovative, knowledge and service-based economy. In addition, the sectors forecast to drive future economic growth in Victoria, which are relevant to the Alpine Shire, are health care, agribusiness and tourism.

Small to Medium Enterprise

The importance of small to medium enterprise (SME), which are crucial to the health of the Alpine economy as almost all businesses in the Alpine Shire (98%) are SMEs (i.e. non-employing or less than 20 employees).

The Gig Economy

The gig economy (i.e. contract, temporary and free-lance work) is growing across Australia and extending into multiple industry sectors, particularly administration and hospitality. This is largely driven by the younger cohorts entering the labour force who typically seek flexibility over stability. The Alpine Shire should recognise its growing popularity and understand the work implications, which may extend to a rise in home-based businesses and subsequent decreases in permanent business space due to the ability to work remotely.

Co-working Spaces

Co-working spaces provide critical support infrastructure often required for small businesses. Demand for co-working spaces is growing, driven by tech and creative industries, as well as professional and financial service industries. This will become more important to the Alpine Shire as the role of temporary business space and remote working facilities expands, particularly in response to COVID-19 (which will decrease the importance of permanent business spaces).

Retail

Retail spending is an important component of the economy, particularly Alpine Shire, as it is the second highest employing industry which is attributed to tourism spend (as well as local spend). Retail spend can provide economic stimulus through direct expenditure and is critical to economic growth. However, with the prevalence of online retailing, in-store retail is declining state-wide, which has seen a decrease in the retail sector over the past few years. Therefore, the Alpine Shire needs to respond to this shift to generate more retail spend and flow-on employment opportunities.

Growing Demand for Health Care

There is growing demand for health care across Alpine Shire and Victoria, as the population ages, with significant increases in the '65 years and over' cohort. This will significantly increase healthcare spending and demand for services.

Demographic Profile

The following provides an overview of the demographic characteristics and trends of Alpine Shire residents. This includes key demographic indicators such as population profile, housing profile and relevant socio-economic trends, which has implications for future economic development.

Results are provided for districts (where relevant) and benchmarked against the Hume Region and Regional Victoria (where applicable) to provide context.

Information relating to the Alpine Shire's population profile and forecasts was prepared prior to the onset of the COVID 19 pandemic, which is expected to have a significant impact on population movements. The nature of population growth and movement will change and there is expected to be a reduction in net overseas and interstate migration, at least in the short term. However, new opportunities are also being created for regional and rural areas to attract population from metropolitan areas in particular, particularly due to the increased prevalence of remote work which provides more flexibility in choosing a place of residence, along with the health and lifestyle advantages associated with living in a more sparsely regional environment.

Population Growth

In 2019, the Estimated Resident Population of Alpine Shire was 12,814, with the population concentrated in the Ovens Valley areas of Myrtleford (26%), Harrietville-Porepunkah and District (20%) and Bright (19%).

Between 2012-19, the Alpine Shire experienced relatively low rates of population growth, increasing by +631 residents (or 0.7% p.a.). However, growth was significantly higher in the Harrietville-Porepunkah and District (+238 or 1.4% p.a.) and Bright (+192 or 1.2% p.a.) areas. Conversely, the areas of Myrtleford (+78 or 0.3% p.a.) and Tawonga and Kiewa Valley (-23 or -0.3% p.a.) experienced stagnant or negative growth over this period.

In addition, future population growth is projected to be low, increasing to 13,521 by 2036, representing growth of +707 residents (0.3% p.a.). This is a relatively slow rate of growth compared to the Hume Region (1.1% p.a.) and Regional Victoria (1.3% p.a.). However, it is likely that growth will also be variable across different districts and townships, with higher rates of growth expected for the historically faster growing areas (note: population projections are likely to change due to the impact of COVID-19).

The variable rate of growth across the Alpine Shire will impact the rate of demand for services across different districts, in particular the Bright region and surrounding areas had experienced much higher population growth than elsewhere in the Alpine Shire over the past 10 years. Whilst the overall low rate of population growth demonstrates the need for the Alpine Shire to develop population attraction and retention strategies, this should be targeted to meet the specific needs of the district (or township). These strategies will help the region compete

with surrounding regional destinations for population attraction, particularly by leveraging the high level of amenity, which makes the region favourable to lifestyle residential attraction.

Age Profile

The Alpine Shire's age profile is relatively old, with a median age of 49 (compared to Victorian average of 37). This is attributed to a large proportion of Shire residents (24%) aged 65 years and over, driven by an older age profile in the districts of Bright (29% of residents aged 65 years and over), Mount Beauty-Tawonga South (28%) and Myrtleford (27%).

The Alpine Shire's population is expected to continue to age over time, with the number of residents aged 65 years and over forecast to increase by +753 residents (+25%) between 2016-36. However, there is also projected growth within the 'young workforce and family' bracket (i.e. aged 20 to 49 years), which is expected to increase by +814 residents (+23%) over the same period.

This represents a shifting age profile to a younger demographic, which is also evidenced by the relatively high growth in government school enrolments. Between 2015 and 2020, enrolments in the Alpine Shire grew by +194 (or 2.9% p.a.). This rate of growth is greater than the Victorian average (2.3% growth p.a.) as well as the combined High Country municipalities¹ (which experienced a decrease in enrolments by 1% p.a.)

The current rate of growth in older age brackets will have implications on demand for specific services including aged care, health care and social assistance. While the Alpine Shire should ensure suitable service provision to cater to (and attract) these markets, an area of focus should be on continuing to attract a younger

workforce and young/mid-life families to Alpine Shire, as this will help sustain the economy over time and drive longer term growth. This will require suitable job opportunities, provision of education services to meet demand, as well as improvements in amenity.

Housing and Dwelling Profile

The housing stock is primarily low-density separate houses (90%), which caters to both the family market and incoming retirees from high-density urban areas. However, housing density varies across the Alpine Shire, with Buffalo River - Gapsted and District (97%), Tawonga and Kiewa Valley (98%) and Mount Beauty – Tawonga South (94%) consisting almost entirely of low density separate houses.

Housing stock is of higher (medium) density within the areas of Bright (82%) and Harrietville – Porepunkah and District (87%), which has more units and townhouses due to the higher rates of population growth within these districts.

Occupancy rates in the Alpine Shire (75%) are lower than the Hume Region and Regional Victoria (89%), which reflects a higher prevalence of holiday homes. This is particularly acute for Bright (occupancy of 68%), with almost a third of dwellings unoccupied and utilised for holiday home/holiday rental purposes. As such, whilst Bright has a high-level of housing stock, the occupancy rate indicates a lack of availability for potential residents (compared to other regions inc. Myrtleford).

Overall, private dwellings are projected to increase by +815 (0.5% p.a.) between 2016-36. This again reflects relatively slow growth compared to the Hume Region (+1.3% p.a.) and Regional Victoria (+1.5% p.a.).

In terms of the property market, demand for low density housing is high, with housing sales averaging 188 p.a. (between 2010-19), followed by average apartment sales of 45 p.a. Due to this demand, property prices have substantially increased. Between 2010-19, median housing prices grew to \$440k (+\$198k or 82%), while apartment/unit prices grew to \$407k (+\$155k or 61%). These price increases – which can be attributed to the demand for holiday homes – have decreased the affordability of property, with both average house and apartment prices greater than the Regional Victoria average. This is a significant barrier to population growth, as a key attractor for urban/metropolitan residents to regional areas is typically the availability of affordable housing.

There is an issue with housing availability and affordability within the Alpine Shire, reflected by the low rates of dwelling growth, low density stock, low rates of occupancy and higher than average property prices. There is also a high degree of variability in housing stock, with some townships offering more attractive housing options to meet resident needs. The provision of high-quality and affordable housing is critical to resident and workforce attraction (and retention) and should be a key focus for Council, taking into account the differences in housing stock across the Shire.

Socio-Economic Profile

The Alpine Shire has a SEIFA ranking of 35 (out of 79 Victorian municipalities). With a SEIFA score of 970 – below the national average of 1,000 – Alpine Shire is considered to have a relatively higher level of disadvantage. However, when disaggregated by township, there are variable levels of disadvantage across the Alpine Shire which will influence the core needs of each community.

The districts of Bright (986) and Harrietville – Porepunkah and District (992) have relatively higher levels of advantage; conversely, the towns of Myrtleford (910) and Mount Beauty (908) have lower levels of advantage.

The Alpine Shire also has a low unemployment rate of 2.6% (Mar 2020) – compared to the Regional Victoria average of 3.9% – and has consistently decreased over time.

47% of residents (aged 15+ years) have a higher education qualification, which represents growth of +646 residents with a qualification between 2011-16. This is a higher proportion than the Hume Region and Regional Victoria and plays an important role in improving employment and income outcomes for residents.

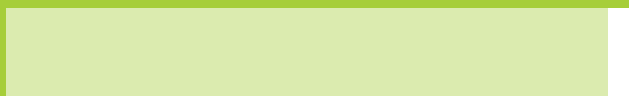
The low unemployment rate has implications for businesses attracting labour. Whilst unemployment has increased during COVID-19, long term skilled and unskilled worker attraction will be a continued focus for economic development in Alpine Shire.

Alpine Shire Demographic Snapshot

POPULATION

Current Population
2019

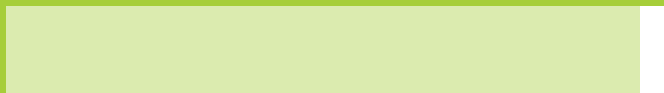
12,814



Change 2012 - 2019
+631 0.7% p.a.

Projected Population
2036

13,521

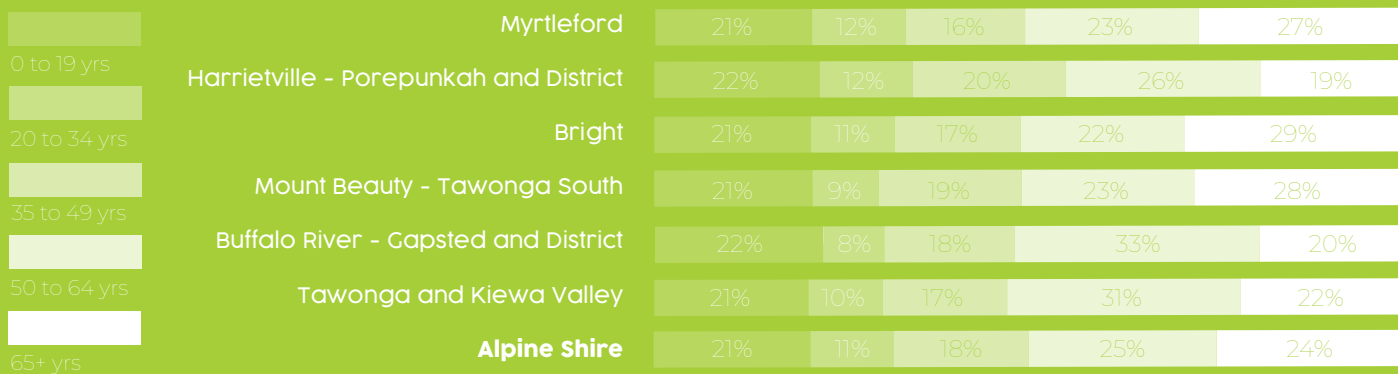


Change 2019 - 2036
+707 0.3% p.a.

Population Summary By District*	Population 2019	% of Total Population	Growth 2012 to 2019	Growth (% per annum)
Myrtleford	3,302	26%	+192	+1.2%
Harrietville - Porepunkah and District	2,619	20%	+238	+1.4%
Bright	2,475	19%	+192	+1.2%
Mount Beauty - Tawonga South	1,774	14%	+82	+0.7%
Buffalo River - Gapsted and District	1,333	10%	+75	+0.8%
Tawonga and Kiewa Valley	1,300	10%	-23	-0.3%

AGE PROFILE

Age Distribution By District 2016

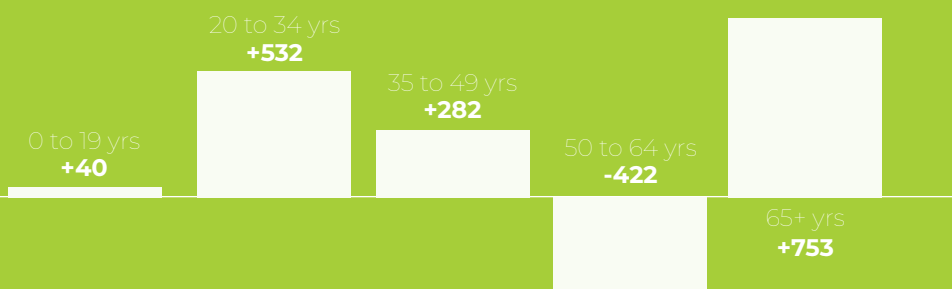


Median Age
2016

49

Age Profile Projections 2016

(no. of residents)



Note: the information compiled in this section is sourced from a combination of Profile id, ABS Census data, Victoria in Future, and the Victorian Valuer-General. *May not equal due to rounding

Alpine Shire Demographic Snapshot

HOUSING and DWELLING PROFILE



Dwelling Count

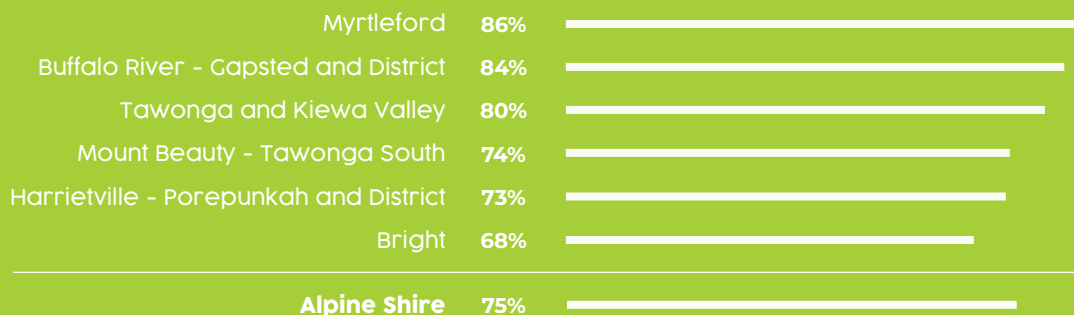


Household Composition



1 Adult Couple (29.4%)
2 Families with Dependants (28.5%)

Average Occupancy Rate By District 2016



90%
Separate House
2016

SOCIO-ECONOMIC PROFILE



2.6%
Unemployment Rate



Top Occupations

1 Managers (18%)
2 Technicians/Trade Workers (16%)
3 Professionals (15%)

35 SEIFA Rank

35th Most Disadvantaged LGA in Victoria (out of 80)

PROPERTY MARKET INDICATORS

Property Sales 2019 (10 year average)



213
Houses
(188p.a)



42
Units/
Apartments
(45p.a)

Median Property Prices 2019 (10 year growth)



\$440k
Houses
(\$198k or
82%)



\$407k
Units/
Apartments
(\$154k or 62%)

Note: the information compiled in this section is sourced from a combination of Profile id, ABS Census data, Victoria in Future, and the Victorian Valuer-General

Economic Profile

The following details the economic profile for Alpine Shire, including the key drivers of economic output, employment and industry growth. This data includes high-level and short-term impacts of the COVID-19 pandemic.

Economic Profile by Industry

As of 2019, the Alpine Shire generated total economic output of \$1.5 billion, regional export value of \$379 million and total value-add of \$683 million.

The Alpine Shire economy, in terms of economic output, is driven by the following five industry sectors:

- Manufacturing (\$222m or 15%);
- Agriculture, Forestry and Fishing (\$200m or 14%), which is driven by both the agricultural (Sheep, Grains, Beef and Dairy Cattle) – \$83m or 6% – and Forestry and Logging (\$48m or 3%) sub-sectors.
- Rental, Hiring and Real Estate Services (\$189m or 13%);
- Construction (\$181m or 12%); and
- Accommodation and Food Services (\$128m or 9%).

These key sectors have potential for growth over the long-term, particularly if population and visitation growth continues within Alpine Shire. In addition, continued diversification, innovation and productivity within the agricultural sector – through the production of raw materials – is linked to the growth of the manufacturing sub-sectors, including timber-related production and food and beverage processing. This presents the opportunity to expand the Alpine Shire's key industries and consolidate areas of strength.

Business Profile

In 2019, there were 1,568 businesses registered in the Alpine Shire. The majority of businesses are non-employing (61%) or small businesses (37%).

Businesses are primarily in the Agricultural sector (24%), followed by Construction (16%) and Accommodation and Food Services (10%).

Employment by Industry

Between 2006 and 2019, the number of jobs within the Alpine Shire decreased by an average of 0.7% p.a. (compared to growth across Regional Victoria of 2.3% p.a.).

The industries that have experienced the largest rate of job loss are Retail Trade (-96), Public Administration and Safety (-53) and Accommodation and Food Services (-42).

Conversely, Administrative and Support Services (+45), Professional, Scientific and Technical Services (+30) and Health Care and Social Assistance (+26) are the largest growing employment sectors.

As of 2019, the Alpine Shire supported 4,743 jobs, with the five largest employing sectors as follows:

- Accommodation and Food Services (691 jobs or 15%);
- Retail Trade (552 jobs or 12%);
- Health Care and Social Assistance (516 jobs or 11%);
- Agriculture, Forestry and Fishing (510 jobs or 11%); and
- Manufacturing (466 jobs or 10%).

These are also the largest sectors by employment in the Hume Region. However, Accommodation and Food Services generates a significantly larger proportion of jobs in Alpine Shire (15%) compared to the Hume Region (8%).

This is attributed to the size of the Alpine Shire's tourism industry.

The job containment rate in the Alpine Shire (people who both live and work in the area) is relatively high at 88.1%.

The economic profile reinforces the important role of the visitor economy in Alpine Shire, with 15% of jobs being recorded in Accommodation and Food Services. Retail Trade is also likely to be impacted by the strength of the tourism industry with 12% of jobs. Primary industry remains an important contributor to jobs as well as total output to Alpine Shire.

Visitor Economy Profile

In 2019, Alpine Shire received 852,063 visitors, driven by domestic overnight (60%) and daytrip (39%) visitors. This represents 16% of total visitation to the High Country. Due to the small proportion of international visitation, the Alpine Shire is less impacted by the decline of international tourism – due to COVID-19 – and domestic tourism will, therefore, be the primary focus for the industry in the short to medium term.

Between 2010-19, visitation to the Alpine Shire grew by +344,123 visitors (6% p.a.).

The visitor economy generated \$379 million in direct expenditure for 2019, driven by domestic overnight visitors (81%). This represents 22% of total visitor expenditure in the High Country.

The Alpine Shire attracts a large proportion of 'holiday/leisure' visitors for daytrip (72%) and domestic overnight (75%) markets, compared to the regional average of around 50%. This is a strength for Alpine Shire as holiday visitors are more desirable as they have a higher propensity to engage in leisure and entertainment



activities and generate higher yield. Key activities undertaken by domestic visitors include eating out at a café/restaurant (62%), followed by nature-based and outdoor recreation involving sightseeing (36%), bushwalking (31%) and visit national parks (29%). This reflects the Alpine Shire's strengths in nature-based and outdoor experiences.

There has also been significant growth in cycle tourism, which has been a major factor for recent growth in the regional visitor economy (and is a heavily marketed component of the High Country). Between 2010-19, growth in this market has reached an average of 9% p.a., which exceeds the overall visitor growth rate. As such, cycle tourism plays an important role in attracting visitors and increasing the value of tourism.

Alpine Shire is the highest performing Local Government Area within the High-Country Region in terms of its visitor economy. This is reflected in total direct visitor expenditure of \$379 million. The impact of tourism flows through the Alpine Shire economy with indirect effects on retail, service sectors, transport sectors and construction and property sectors. The visitor economy is also a major contributor of Council rates on residential and commercial property through holiday homes, visitor accommodation, retail and food premises.

Striking a sustainable balance in tourism will be important for Alpine Shire to maintain high levels of amenity and liveability and a healthy economy.

Economic Impact of COVID-19

Based on estimated impact in output, employment and business turnover between March 2020 (i.e. pre-COVID) and December 2020, the short-term impacts to the Alpine Shire economy includes:

- A decrease in economic output of \$4.1 million or 3.4%, driven by losses in the Construction, Accommodation and Food Services and Manufacturing sectors;
- An employment decrease of 104 jobs or 2.2%, driven by losses in the Accommodation and Food Services and Retail Trade sectors;
- A total of 672 residents (8.8% of working age population) applying for JobSeeker payments in December 2020, representing an increase of +339 or 102% from March 2020. This increase is significantly higher than Regional Victoria, which increased by 54% over the same period; and
- The Alpine Shire is the 34th highest ranked LGA (across Australia) with businesses on the JobKeeper scheme, with almost 29% of

businesses applying for support (as of December 2020). This demonstrates that the COVID-19 pandemic (in combination with the 2020 bushfires) has had a significant impact on local businesses, with almost one-third experiencing a decline in revenue of at least 30%. As such, much of the business base within the Alpine Shire will benefit from some form of ongoing support/recovery assistance from Council and other levels of government.

Although the impacts of COVID-19 (as well as the 2020 bushfires) on the Alpine Shire economy have been substantial, the economic decline has lessened over the past few months. Following the easing of restrictions and return of domestic visitors, the economy has experienced a period of incremental economic recovery from the peak of the downturn in August 2020. It is expected that, given the right recovery strategies and further easing of restrictions, the economy could return to pre-COVID levels in the medium-term.

Alpine Shire Economic Snapshot

OUTPUT

TOTAL OUTPUT 2019



VALUE-ADD 2019



EXPORTS 2019



BUSINESSES AND EMPLOYMENT



4,743
Local Jobs 2019

Employment Trend 2006 - 2019

Alpine Shire

-0.7%

Job loss
per annum

Regional VIC

+2.3%

Job growth
per annum



1,568
Businesses 2019



Non-employing
Businesses

TOP INDUSTRIES



BY OUTPUT

- 1 Manufacturing (15%)
- 2 Agriculture, Forestry and Fishing (14%)
- 3 Rental, Hiring and Real Estate Services (13%)



BY EMPLOYMENT

- 1 Accommodation and Food Services (15%)
- 2 Retail Trade (12%)
- 3 Health Care and Social Assistance (11%)

VISITOR ECONOMY



852k

Total Visitors 2019
(16% of High Country)



\$379M

Visitor Expenditure 2019
(22% of High Country)

Economic Development Framework

Vision

The outcomes of this Economic Development Strategy will align with Council's 2030 Community Vision:

“ The Alpine Shire provides outstanding opportunities for its residents and visitors through sustainable growth in balance with the natural environment. ”

Economic Development Objectives

1

Achieve a More Productive and Sustainable Economic Base

Leverage greater economic output and employment outcomes from industries of competitive advantage, including growth industries and emerging industries such the visitor economy, agriculture and forestry, food processing, health care and education.

Economic development in the Alpine Shire should also align with local community and environmental values to ensure the sustainable development of industry.

2

Develop a Resilient and Diversified Business Base

Support the business community to generate industry resilience, diversity and achieve successful economic outcomes.

This should focus on assistance for the existing business base and identification of business attraction opportunities to create a diverse and thriving business community.

3

Maintain and Improve Liveability

Identify strategies and investments that will improve liveability for existing residents and drive population retention and attraction, as well as business attraction. Liveability is driven by four main factors, including lifestyle (i.e. amenities and services), economy (i.e. jobs), environment (i.e. natural assets) and connections (i.e. social engagement and inclusion), each of which influences population growth.

This objective is designed to increase community engagement, achieve wellbeing outcomes and grow the employment base.

Framework Overview

The Economic Development Framework, summarised in the table below, includes five key themes and 14 strategies. These provide the areas of focus for economic development and help identify future actions and deliverables for Council to pursue ongoing economic growth. Several transformative projects are also presented and discussed – where relevant – to align with identified strategies.

Theme	Description	Strategies
A Sustainable Visitor Economy	Support and manage ongoing and sustainable growth in tourism to achieve positive economic, community and environmental outcomes for the Alpine Shire.	1.1 - Create a sustainable tourism industry in the Alpine Shire 1.2 - Increase geographic and seasonal visitor dispersal
Growing and Diversifying Agriculture	Develop and enhance the agricultural and forestry sectors and promote diversity of uses to increase its contribution to economic growth.	2.1 - Increase the value of agricultural production 2.2 - Future proof and protect the agricultural and forestry sector 2.3 - Maintain and grow jobs in agriculture 2.4 - Support food and beverage manufacturing
Enhanced Liveability and Resident Attraction	Generate economic and social wellbeing outcomes through supporting liveable communities to promote population attraction and retention.	3.1 - Maintain and improve the amenity of the Alpine Shire 3.2 - Increase the population growth rate across the Alpine Shire 3.3 - Support for an ageing population
Attracting New Industry and Investment	Leverage greater economic growth and employment outcomes from a wide range of industry sectors and strategic investments	4.1 - Increase industry diversification and expand the jobs base 4.2 - Strategic investment in public sector infrastructure projects
Supporting Businesses	Support and encourage a diverse business community, including promotion of business resilience, to generate successful employment and economic outcomes.	5.1 - Upskill the workforce to meet industry needs 5.2 - Create a connected and well-informed business base 5.3 - Promote business resilience (disaster recovery assistance)

Theme One

A Sustainable Visitor Economy

Support and manage ongoing and sustainable growth in tourism to achieve positive economic, community and environmental outcomes for the Alpine Shire.

The Alpine Shire has an opportunity to leverage greater economic outcomes from tourism by supporting sustainable growth in the visitor economy, including a focus on off-peak visitation and increasing visitor dispersal.

The regional economy is underpinned by the tourism industry, which predominantly includes the Accommodation and Food Services and Retail Trade sectors. While tourism includes elements of many other industries, these two industry sectors are the highest employing industries within the Alpine Shire.

Visitors are drawn to the region’s natural assets (e.g. Mount Buffalo National Park), cycling tourism product, snow resorts and other experiences in key townships. This includes a significant events calendar, which comprises an average of 107 events held across the Alpine Shire and attracts around 170,000 attendees p.a.

As of 2018/19, the tourism industry provided the largest contribution to the Alpine Shire economy, including:

- 984 jobs (21% of total);
- \$163 million in economic output (11% of total); and
- \$74 million in value-added (11% of total).

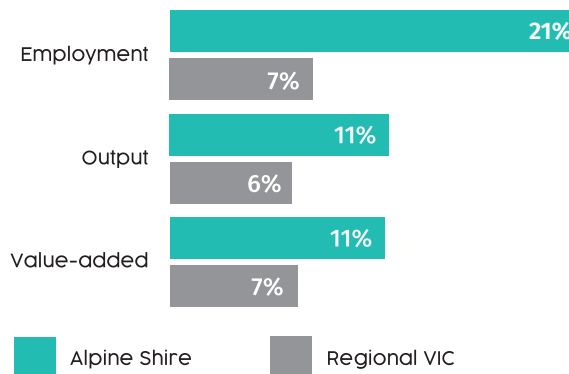
As shown in the opposite figure, the value of tourism to the Alpine Shire is significantly greater than the Victorian average across all economic variables.

Tourism’s contribution to the economy has consistently increased over the past ten years, with the number of tourism-related jobs (+1.3% p.a.), output (+3.4% p.a.) and value-add (2.6% p.a.) all increasing between 2009-10 and 2018-19.

This aligns with recent growth in tourism, with visitation increasing by +344,123 visitors between 2010 and 2019 (+6% p.a.).

F3. Value of Alpine Shire Tourism 2018-19 (% of Total)

Source: Economy Id, 2020



Theme One Strategies

- 1.1 Create a sustainable tourism industry in the Alpine Shire
- 1.2 Increase geographic and seasonal visitor dispersal

STRATEGY 1.1

Create a Sustainable Tourism Industry in the Alpine Shire

Discussions with industry and community stakeholders has highlighted the need to strike a balance between tourism, resident liveability and the environment, particularly in Bright. The large influx of visitors into Bright, whilst critically important for local businesses and jobs, can create significant traffic and pedestrian congestion leading to reduced amenity, and even safety issues associated with over-crowding.

Bright has an extensive events calendar which has been developed over many years. Many of the events in Bright historically have been supported and developed to mitigate downturns in visitation throughout the year. Bright has now become a product of its own success in events development, with peak seasons at capacity, creating the need to encourage visitor dispersal and/or schedule events during off-peak periods.

It is difficult to curb holiday leisure visitation to Bright, given the amenity, extensive tourism product and high awareness of the destination. However, Council could consider a range of actions that can improve sustainability of the tourism industry in Bright in order to maintain its environmental assets and improve amenity:

- Identify infrastructure improvements, such as an alternative route for traffic to bypass Bright, to alleviate traffic congestion and enhance the visitor experience (as well as resident liveability);
- Supporting policy and funding changes to the events calendar

to reduce congestion during peak visitor periods, which is a key objective included in the Alpine Shire Events Strategy;

- Focusing on minimising the impact of tourism on the environment and maintaining the nature-based assets as an ongoing tourism drawcard; and
- Focusing on ways to encourage higher yield tourism so that fewer visitors can provide high benefit to the town through improvement to the accommodation and product offer.

There are also opportunities to increase visitor expenditure in the Alpine Shire, which is currently at below average levels for overnight visitors (\$215 per night compared to \$220 in Regional Victoria). This can be partly explained (through discussions with stakeholders) by a lack of high-quality accommodation, as well as gaps in tourism product, particularly arts and culture product and indoor (all-weather) activities.

Maximising the level of yield generated by visitors will improve the economic outcomes from visitation, as it will increase local business activity and result in:

- More employment opportunities for local residents, particularly youth employment, which tends to have a high representation in the hospitality and retail industries;
- Revitalisation and activation of key destinations/town centres, which is facilitated by commercial activity generated by visitors; and
- Increases in private and public investment for tourism-related infrastructure, including high-quality accommodation, retail and food and beverage facilities.

Opportunities

- Continued investment in infrastructure to improve township amenity and reduce congestion;
 - Changes to events policy and funding to reduce congestion during peak visitor periods; and
 - Focus on attracting high-yielding visitor markets through the following opportunities:
 - Promote investment in quality food and wine experiences;
 - Supporting development in paid activities and attractions; and
 - Encourage operator packaging of product and activities.
-



Transformative Project: Iconic Experiential Accommodation

Bright is the premier visitor destination in North East Victoria. Whilst it has a large accommodation base, it lacks iconic branded accommodation suited to high yield markets. There is opportunity to explore the possibility of attracting investment in iconic accommodation that could improve the position of Bright to high yield markets.



Transformative Project: Arts and Culture Enhancement

Visitation to the Alpine Shire is driven by nature-based tourism, however, there is a need to strengthen the arts and cultural offering and position the region to high-yielding lifestyle leader markets and to drive off peak visitation.

As such, there is an opportunity to enhance the provision of Arts and Culture product across the Alpine Shire by reviewing the existing arts and culture offer across all townships and identifying a range of arts and culture product to appeal to visitors, including improvement to exhibition spaces, arts and cultural events, outdoor/public exhibitions, public sculpture, creative and immersive experiences, the role of artist studios and visiting artist programs.

The preparation of a tourism focused arts and culture strategy would support the enhancement of this sector in Alpine Shire and strengthen the product and experience mix.



Transformative Project: Sustainable Tourism Policy Framework

Develop a Sustainable Tourism Policy Framework for the Alpine Shire to minimise the impacts of visitation and promote its benefits for the industry and the community. This includes a focus on maintaining and preserving the Alpine Shire's assets, including (for example) environmental/nature-based product and cultural identify. These strategies are being considered for multiple tourism regions that are experiencing over-crowding and congestion due to tourism (e.g. Byron Bay).

This will help safeguard the Alpine Shire's unique nature-based assets, which is its key competitive advantage in driving tourism and achieving growth in the visitor economy.



STRATEGY 1.2

Increase Geographic and Seasonal Visitor Dispersal

To achieve a more sustainable visitor economy, there needs to be growth in the tourism industry of other destinations across the Alpine Shire, which can be achieved by encouraging off-peak visitation and visitor dispersal.

Visitation to Alpine Shire is relatively seasonal. As shown in the figure below, compared to the High Country, the Alpine Shire has higher peaks in visitation over summer months and a lower 'off-peak' season over winter. This can be attributed to the large proportion of nature-based and outdoor recreation visitors that visit the Alpine Shire during summer seasons, as well as the events held over school holidays. It also represents a lack of winter visitors, which travel through to the alpine resorts but have a lower impact across the Alpine Shire.

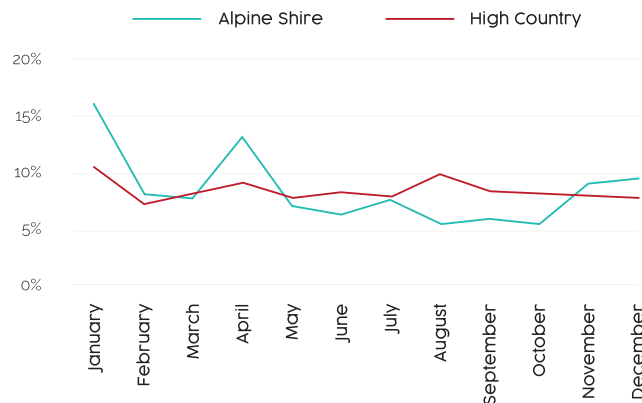
Discussions with local business owners also indicated that during 'off-peak' months there is limited commercial activity and subsequent employment opportunities available.

In addition Bright receives the largest concentration of visitors of all destinations in the Alpine Shire. Its popularity as a destination is attributed to its amenity, food and retail sector, larger accommodation base and its proximity to other key destinations including Mount Hotham, Falls Creek and Mount Buffalo.

Council should, therefore, consider a range of opportunities to lessen fluctuations in visitation and promote increased visitor dispersal to other townships and areas, including Myrtleford, Mount Beauty, Dinner Plain and surrounding villages.

F4. Alpine Shire Seasonality 5 Year Avg. 2015 to 2019

Source: Tourism Research Australia, National and International Visitor Survey, 2015-19 (YE Dec)



Opportunities

- That Council applies the recommendations of the Events Strategy to encourage events to occur during off peak periods and in other destinations (inc. Mount Beauty, Dinner Plain and Myrtleford).
- Council prepares a marketing strategy that is coordinated with Tourism North East that helps market, position and differentiate other destinations across the Alpine Shire.
- Review contemporary approaches to visitor information services to support visitor knowledge of activities and attractions available across the Alpine Shire.
- Consider developing a Product Development Plan (or Tourism Investment Attraction Strategy) for the Alpine Shire to identify key tourism product and supporting infrastructure which will meet the needs of existing and future visitors to the region and support economic growth. Key product and investment potential includes the following:
 - Attracting investment in visitor accommodation in strategic locations to attract high-yielding visitors and promote dispersal across the municipality;
 - Leverage growth in cycle tourism and investigate the long term potential of mountain bike park investment across the Alpine Shire and further investment in shared trail networks;
 - Investigate the potential to enhance the rail trail through additional interpretation and/or provision of artworks along the trail;
 - Investigate the development of conference facilities in Alpine Shire to grow mid-week visitation and attract the high-yielding business market;
 - Identify opportunities for investment in agritourism (leveraging the strength of the Alpine Shire’s agricultural sector); and
 - Explore opportunities to invest in indoor (all-weather) products and experiences to drive visitation during off-peak winter months.

Theme Two

Growing and Diversifying Agriculture

Develop and enhance the agricultural and forestry sectors and promote diversity of uses to increase its contribution to economic growth.

The Agriculture, Forestry and Fishing industry is a key economic driver of the Alpine Shire, contributing almost 14% of total output (\$200 million), around one-third of regional exports (\$102 million) and provides 11% of local employment (510 jobs).

In addition, this industry comprises the highest number of businesses in the Alpine Shire, accounting for 24% of total businesses (372 businesses).

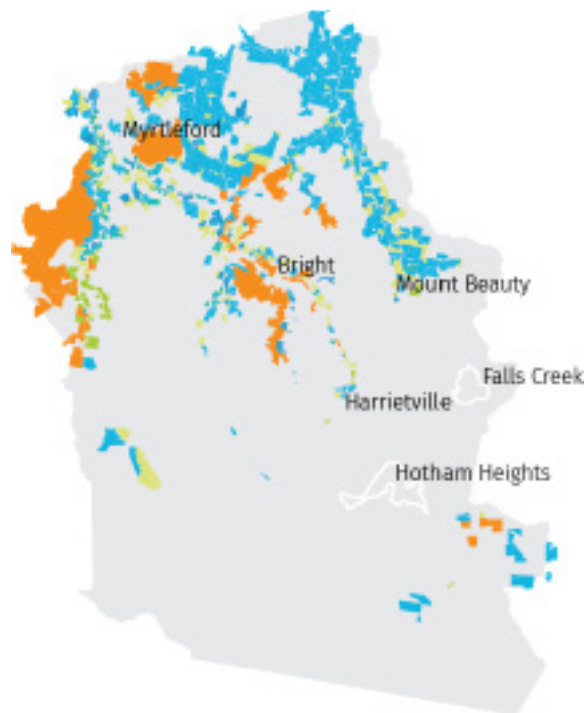
In terms of output, this industry is driven by the Sheep, Grains, Beef and Dairy Cattle (\$83 million) and Forestry and Logging (\$48 million) sub-sectors. The land data aligns with the agricultural land use, which is driven by Livestock Grazing (47% of agricultural land) and Commercial Timber Production (30%) (See figure to the right).

The strength of agriculture and producing raw materials in the Alpine Shire creates numerous downstream processing opportunities for other sectors, particularly the Manufacturing industry. For example, forestry and logging production also supports the Sawmill Product (\$47 million) and Other Wood Product (\$44 million) sub-sectors.








As such, the EDS should focus on strengthening the agricultural and forestry sectors and promoting innovation and diversity to support other industry sectors and facilitate economic growth.

F5. Alpine Shire Agricultural Land Use Types

Source: Agriculture Victoria, Land Use and Land Cover Data, 2017



Land Use Types

	Livestock Grazing 37,564 ha (47%)		Horticulture Fruit and Veg Crops 2,200 ha (3%)
	Commercial Timber Production 23,895 ha (30%)		Native Vegetation Grazing 1,757 ha (2%)
	Mixed Farming and Grazing 11,695 ha (15%)		Aquaculture 7 ha (Less than 1%)
	Agriculture Cropping 2,223 ha (3%)		

Agricultural Sector Trends

The agriculture industry across Victoria is experiencing change. Data shows that the number of agricultural businesses are in decline across the nation as a result of viability pressures placed on smaller land holdings, coupled with harnessing new technologies that are providing greater efficiencies within the industry.

Climate remains an ongoing challenge across the industry. A period of drought in Australia and volatile weather conditions are creating uncertainty for farmers. Strong residential demand in metropolitan Melbourne's growth areas and Victoria's peri-urban areas are placing increased pressures on the quality and productivity of rural land.

According to Agriculture Victoria (and confirmed by stakeholders), there are a number of common challenges for the agricultural sector, all of which are considered to be relevant to the industry in Alpine Shire:

- Infrastructure: Addressing supply chain inefficiencies including improving road and rail freight flows and maintaining airfreight capacity.
- Capability: Adapting to climate change, using new and emerging technologies, responding to the potential for increased land use conflict, managing agriculture's social license to operate and meeting rural health needs.
- Climate change: Becoming more susceptible to weather volatility and extreme weather events such as bushfires, floods, rainstorms and drought.
- Innovation: Opportunities exist in new and emerging technologies such as robotics, new packaging material, biotechnology and digital and wireless technologies for data measurement, weather monitoring, animal monitoring, geospatial monitoring and water management and chemicals.

It will be important to further understand the challenges faced by the agricultural sector, as well as promote market opportunities and other best case industry opportunities that could be realised. These may include:

- Road and transport issues;
- Export market opportunities;
- Domestic market opportunities (e.g. wholesalers, agritourism);
- Information around innovation and technology in the agriculture sector that could be harnessed locally;
- Off-farm income opportunities; and
- Value add/business diversification practices (e.g. produce to plate activities/food processing).

Theme Two Strategies

2.1 Increase the value of agricultural production

2.2 Future proof and protect the agricultural sector

2.3 Maintain and grow jobs in agriculture

2.4 Support food and beverage manufacturing

STRATEGY 2.1

Increase the Value of Agricultural Production

The agricultural and forestry sectors in the Alpine Shire are facing several issues that are constraining its value. The key issues, as identified through discussions with Council and industry, are outlined below:

- The sub-division of rural land decreases the scalability of agricultural businesses and reduces potential output;
- There is no succession planning for current agricultural land, which reduces land availability. As old/ unused farms remain dormant, there are limited opportunities for new businesses to invest, which reduces the level of output and value of the sector;
- The old tobacco farms are primarily grazing land and not being maximised to increase output; and
- The need to improve roads and other transport infrastructure to improve freight and supply chains.

Therefore, it will be critical for the EDS to support agricultural activities by addressing inefficiencies that may exist in the supply-chain (e.g. road, transport infrastructure) and the level of output, as well as promoting business investment and attraction.



Transformative Project: Agribusiness Brand

Alpine Shire has some of the most productive agricultural land in Victoria and a cool climate that is suited to growing the highest quality produce. Examples of niche quality goods include hops, chestnuts, apples, berries and dairy.

The development of an agribusiness brand for Alpine Shire could assist in extending yield from products and opening up broader market appeal including export markets. Collaboration under one brand may have significant benefits for producers.

There have been successful examples of regional promotional activities, such as the Alpine Valleys Dairy Pathways Project. However, this project would focus specifically on businesses within the Alpine Shire.

Opportunities

- Identify agricultural and forestry land use opportunities for Alpine Shire, particularly in relation to opportunities that will arise with climate change, to maximise the value of output.
 - Promote innovation in agriculture through expert education and training forums (including collaboration with higher education institutions).
 - Promote agritourism opportunities, as well as farm gate development, to diversify agriculture and increase value of production.
-





STRATEGY 2.2

Future Proof and Protect the Agricultural and Forestry Sectors

Council is currently working with industry to safeguard the agricultural and forestry sectors and ensure it contributes to economic growth, through the preparation of a **Land Development Strategy**. This should focus on protecting and optimising agricultural land across the Alpine Shire and, as such, opportunities recommended here could be implemented by the broader land-use document.

Consultation with industry identified issues with land affordability, which is crowding out agribusiness as land is increasingly being sold to investors/ developers for holiday homes and residential developments. The impact of this is a reduction in agricultural investment and production, as land is taken up by other landowners. In addition, there have been recent instances of urban encroachment reducing available agricultural land.

To overcome this, the Land Development Strategy could consider measures for Council to protect agricultural land, support new investment and guide its future development.

Another significant issue impacting the sector is resource security. Stakeholders identified several priorities to safeguard agricultural output and protect it from extreme weather events, particularly bushfires. This includes advocating and supporting better fire prevention and fire management policies.

Opportunities

- Through the preparation of a Land Development Strategy, focus on:
 - Protecting agriculture and forestry in land use planning and succession planning to ensure agricultural land is productive and provides economic and employment benefits to the Alpine Shire; and
 - Investigate the role of farming, forestry and interface with rural residential activity in areas such as Wandiligong and Freeburgh.
 - Advocate and support best practice fire prevention strategies to protect agricultural land use.
 - Consider the development of an Agricultural Investment Prospectus to attract new agricultural businesses to the area.
 - Promote agritourism investment and opportunities to retain farming land with a contemporary tourism element.
-

STRATEGY 2.3

Maintain and Grow Jobs in Agriculture

The research found that job growth has been difficult to maintain in the agricultural sector for several reasons:

Over three-quarters of agricultural businesses are ‘non-employing’;

- There is a lack of new growers or producers investing in the Alpine Shire;
- It is difficult to attract new employment (either permanent or transient), due to:
 - Poor recruitment drives by industry; and
 - Lack of housing or staff accommodation to support employees.

Due to the strength of the agricultural sector, there are significant opportunities to support and increase employment in this area, which could be facilitated by industry with the assistance of Council.

Opportunities

- Undertake an employment attraction strategy for the agricultural and forestry sectors.
 - Promote agricultural education and training opportunities, in collaboration with industry and higher education institutions, to allow students to participate in industry and provide pathways to employment.
-

STRATEGY 2.4

Support Food and Beverage Manufacturing

Manufacturing is the strongest industry in the Alpine Shire in terms of output (\$222 million or 22% of total), which is driven by the Food and Beverage Manufacturing sub-sectors of Beer Manufacturing (\$40 million) and Wine and Spirits (\$33 million).

Food manufacturing is an emerging industry that can attract significant business investment and support domestic market opportunities, including tourism. Discussions with Council identified recent and unique agricultural opportunities that can support food manufacturing, including (for example) production of hops (beer), pumpkin seeds, fruit, truffle farms, nuts and green tea.

There is an opportunity to grow this sector further through targeted investment attraction. There may be an opportunity to undertake a targeted investment strategy for food manufacturers, targeting medium to large-scale food manufacturers to relocate from metropolitan Melbourne or surrounding regional centres.

The key focus should be to promote the advantages of relocating to the Alpine Shire, including:

- An emerging cluster of food and beverage manufacturers;
- Potential supply-chain advantages of being closer to primary producers;
- Affordable land prices compared with metropolitan Melbourne and regional centres; and
- Locational advantages, located in proximity to market opportunities in fast growing regional centres (e.g. Wangaratta, Wodonga).



Transformative Project: Alpine Food Processing Cluster

Alpine Shire has strengths in boutique food processing, this includes wine, beer and dairy production. The establishment of a food processing cluster group can allow businesses to share ideas and experiences, advocate for issues such as transport and support wholesale purchasing of inputs.

A feasibility into the establishment of a food processing cluster should be considered to strengthen and support this important sector.

Opportunities

- Develop an Investment Strategy for the Food Manufacturing industry, which can attract new businesses to the Alpine Shire and help existing businesses grow.
 - Identify other opportunities for downstream value-adding processing of agricultural production, leveraging the strengths of the agriculture and forestry industry, as well as food production.
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Theme Three

Enhancing Liveability and Resident Attraction

Generate economic and social wellbeing outcomes through supporting liveable communities to promote population attraction and retention.

The Alpine Shire has experienced relatively slow rates of population growth, increasing by 0.7% p.a. between 2012 and 2019 (+ 631 residents). Whilst some districts (Harrietville-Porepunkah and District 1.4% p.a. and Bright 1.2%) experienced higher levels of growth, overall the Alpine Shire's population is growing slower than both the Hume Region (+1.4% p.a.) and Regional Victoria (+1.3% p.a.) over the same period.

As a result, the Alpine Shire is also forecast to experience relatively low population growth to 2036, increasing by 707 residents (or 0.3% p.a.). However, these population forecasts are likely to change (i.e. increase) due to the new remote working opportunities created by COVID-19, as well as the health and lifestyle advantages associated with the area.

Population growth is critical to future economic growth as it supports local consumer spend, as well as workforce supply. Prioritising investment in initiatives that enhance liveability characteristics can be an effective way to attract and retain population (and achieve sustainable economic growth). Strong population growth can also create opportunities to develop high-quality infrastructure and provide key services in health, education, retail, hospitality, entertainment and community uses.



Theme Three Strategies

- 3.1** Maintain and improve amenity of the Alpine Shire
- 3.2** Increase the population growth rate across the Alpine Shire
- 3.3** Support for an ageing population



STRATEGY 3.1

Maintain and Improve Amenity of the Alpine Shire

Given that the majority of the population is concentrated to the townships of Bright, Myrtleford and Mount Beauty, prioritising township improvements should be encouraged. This includes smaller-scale projects such as streetscape, public realm and infrastructure upgrades that improve access, digital connectivity, amenity, wayfinding and safety. This can also include larger scale infrastructure opportunities that improve connectivity between townships and to nearby Regional Centres, as this was identified as a barrier by key stakeholders.

Although the Alpine Shire has many attributes that contribute to its liveability, such as its nature-based assets, its appeal as a residential location could be strengthened to encourage greater retention of population and attract prospective residents.

Improvements to amenity and local services not only serves to enhance resident attraction, but it will have positive effects for tourism, as visitors will be drawn to areas with high-quality amenities and services.

Opportunities

- Identify and advocate for streetscape and public realm improvements across the Alpine Shire.
- Prioritise transport infrastructure to alleviate congestion, improve access and enhance connectivity.
- Continue to fund and deliver the ‘Alpine Better Places’ projects, which are designed to improve resident amenity and liveability.
- Review and seek to improve provision of digital infrastructure, including internet connectivity and mobile coverage, which is critical to growing workforce supply (and facilitating remote working opportunities). This is already being undertaken by Council through preparation of an advocacy document that identifies opportunities to improve digital infrastructure and advocate for State/Federal funding.

STRATEGY 3.2

Increase the Population Growth Rate Across the Alpine Shire

Population growth across all districts and townships should be an ongoing priority for Council, as some areas are experiencing a higher rate of growth compared to others, which creates disparities in local economic development. This variability in population growth is due to several factors, including housing availability, affordability, employment opportunities, quality of services and amenity.

It is important for Council to promote consistent growth (and retention of residents) across the Alpine Shire, including increasing the population base of slower-growing districts (e.g. Myrtleford, Tawonga and Kiewa Valley, Buffalo River - Gapsted and District, Mount Beauty - Tawonga South) and maintaining the high-growth rates in other areas (e.g. Harrietville-Porepunkah and District, Bright).

In particular, this growth should be targeted towards young and mid-life families, which will support growth in skilled labour and provide for a more sustainable community and



economy. Although the Alpine Shire has an older age profile, there is recent evidence that the younger population is growing (reflected by increases in school enrolments) which should be maintained.

Increasing population growth and retention – particularly younger residents and families – is a significant factor for economic growth, as it can provide the following benefits:

- Increase the level of local consumer spend (i.e. retail spend) and business activity;
- High level of workforce supply, which increases employment outcomes for industry and can promote business investment; and
- Improve the quality and availability of key social services, including health, and education, by establishing a critical mass.

Based on the research and stakeholder consultation, there are several reasons that have been attributed to low rates of population growth and retention in the Alpine Shire. These include:

- **Housing affordability.** As outlined in the Economic Profile, housing is less affordable compared to the Regional Victoria average, particularly in the Bright township. This can be attributed to increased demand from the holiday home market, which is driving up prices. This has detracted prospective residents from relocating to the Alpine Shire, crowded out existing residents to other (more affordable) townships, such as Myrtleford and Porepunkah, and encouraged resident migration to other Shires.
- **Accessibility and transport.** The relative distance and access to nearby regional centres is a barrier to population growth, as it prevents residents from accessing services, facilities and even employment opportunities. To improve access there needs to be an improvement in transport infrastructure and connectivity both to and within the Alpine Shire.

- **Land and housing supply.** There is a low level of residential housing supply, coupled with a high demand for holiday homes (reflected by low occupancy rates), which prevents residents (and workers) from purchasing or renting housing and living in the Alpine Shire. Consultation revealed there are large waitlists for rental properties, with many families (and prospective workers) unable to live and work in the Alpine Shire due to lack of rental supply. The issue of housing supply and land availability should be considered as part of a Land Development Strategy to be delivered by Council.
- **Employment opportunities.** There has been an ongoing job decline since 2006, which coincides with the absence of the tobacco industry (further exacerbated in 2010 with the completion of the Bogong Power Station). In addition, there are no major employing businesses in the Alpine Shire, with only 2% of businesses employing over 20 people. Coupled with the low unemployment rates, there are fewer employment prospects in the Alpine Shire. As employment is one of the key drivers for resident attraction, there needs to be greater economic incentives for relocation.
- **Services.** The low rate of growth is also due to a lack of key services that support resident attraction, particularly the availability of childcare, health, education and training institutions and independent aged care facilities. This reduces the incentive for both young to midlife families, as well as retirees, from relocating to the Alpine Shire.

Therefore, Council should focus on resident attraction through enhancing liveability and creating economic incentives for prospective residents, including affordable housing and facilitating employment opportunities.



Transformative Project: Affordable Housing Strategy

Housing availability and affordability are critical issues for the Alpine Shire, particularly in relation to attracting new residents and workers to support the economy, as well as retaining existing residents. The data and consultation revealed that there are a range of issues with residential housing, including:

- Housing prices, which are higher than average levels across Regional Victoria;
- Variability in housing prices and availability across different townships;
- A large holiday home sector, particularly in Bright (which caters to the visitor base), lowering the availability for permanent residents as well as driving up prices;
- Lack of housing supply to support the resident workforce, which reduces the incentive for skilled workers to relocate; and
- Lack of vacant residential land to support development.

These issues relate not only to residential purchases but also to rental properties, with high rents and limited supply creating long waitlists for families and workers looking to rent in the area.

A comprehensive Housing Strategy will examine the issues relating to housing and investigate the solutions for delivering affordable housing within Alpine Shire to meet the needs of existing and future residents. This could also align with the recently announced State Government funding for social and affordable housing.

Opportunities

- Attract investment in high-quality and high-amenity housing targeted to resident needs, in proximity to key nodes including Bright, Mount Beauty and Myrtleford.
 - Explore the preparation of a Resident Attraction Strategy, which should:
 - Advocate for the delivery of accessible and quality services, including childcare, education, health and aged care, to ensure the needs of residents are met; and
 - Ensure the delivery of accessible and quality community, entertainment and recreational services and facilities that could enhance the Alpine Shire’s appeal to existing and prospective residents, particularly young people and families.
 - Ensure the current and future needs for education are met, including:
 - Planning for growth in school and childcare enrolments; and
 - Advocating for Higher Education facilities/satellite campuses to attract young working-age residents (as well as promote career development).
 - Retail business attraction and support, to enable the industry to better respond to structural changes (e.g. online retailing) and service the population base with an appropriate mix of retail. Council should ensure there is appropriate land available for retail development.
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STRATEGY 3.3

Support for an Ageing Population

The Alpine Shire has a large proportion of older residents, with a relatively high median age of 49 (compared to Victorian average of 37), as well as a lower proportion of children and young families (compared to the Hume Region and Regional Victoria). In addition, the population will continue to age, particularly amongst residents 70 years and over, which can place a strain on key social and health services and reduces the supply of available labour.

However, this cohort – particularly retirees – can also promote community engagement and activities through volunteering and providing community services. It is important that Council provides support to the growing ageing population to attract new residents and ensure they are engaged, productive and contribute to social wellbeing.

Opportunities

- Advocate for suitable and sufficient aged care facilities and accommodation.
 - Ensure townships are accessible and include ‘age friendly’ infrastructure.
 - Provide community facilities and programs to support engagement of retirees and elderly residents.
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Theme Four

Attracting New Industry and Investment

Leverage greater economic growth and employment outcomes from a diverse range of industry sectors and strategic investments

The Alpine Shire economy is reliant on a few key industries, including Tourism (e.g. Accommodation and Food Services, Retail Trade), Agriculture and Forestry, as well as Manufacturing. Economic output and employment are concentrated within these areas, as they are the primary drivers of economic growth.

Combined, these industries comprise over 40% of total Shire output (\$614 million) and 47% of employment (2,219 jobs). As a result, the business mix is also concentrated with one-quarter of businesses within Agriculture and 10% in Accommodation and Food Services.

Therefore, to facilitate sustainable economic growth, the Alpine Shire should be less reliant on these few sectors and broaden the industry mix through business attraction and diversification.

This should be complemented by ongoing infrastructure investment in strategic projects to benefit the community, achieve business growth and generate employment opportunities.



Theme Four Strategies

4.1 Increase industry diversification and expand the jobs base

4.2 Strategic investment in public sector infrastructure projects



STRATEGY 4.1

Increase Industry Diversification and Expand the Jobs Base

Council has identified the need to attract new industry (and new businesses) to the Alpine Shire in order to diversify the industry mix and achieve workforce growth. Of particular importance is to be less reliant on tourism and attract new industries and new workers to achieve economic growth. This should include consideration of the business investment opportunities for the following industries:

- Professional service sector;
- Health;
- Education;
- Boutique manufacturing;
- Arts and culture;
- Sustainable energy production; and
- Freight and logistics.

These sectors have potential to succeed in the Alpine Shire under the right conditions, however, the pursuit of these industries should be based on a clear framework/process adopted by Council, including

- Identifying the relevant industries and businesses to target;
- Identifying optimal locations; and
- Identifying and promoting the competitive advantages of the Alpine Shire.

Once identified, businesses could be encouraged by Council to re-locate through a combination of measures (e.g. financial and planning assistance).

This will help with population attraction strategies as new industries opening up in the Alpine Shire will create opportunities to attract new workers that will re-locate to the area.

This could also be delivered in response to the COVID-19 impacts, which has seen a change in workforce patterns and increases in remote working. As such, there are opportunities to attract a mix industries and businesses that could work remotely in the Alpine Shire (and re-locate from nearby regional centres or Melbourne). Discussions with local chambers identified the recent emergence of a co-working space in Bright, which is a key vehicle used to attract new remote workers, small businesses and start-ups. This opportunity should be leveraged to attract more remote workers, as well as establishing new facilities in other townships.

Creating a more diverse mix of businesses and workers is an important priority for Council as it makes the economy less reliant on tourism and promotes sustainable economic growth

Opportunities

- Leverage off remote professional worker opportunities, as a result of COVID-19 impacts, which provides flexibility for businesses and employees to relocate out of regional centres or Melbourne.
 - Develop an Industry Attraction Strategy which identifies niche industries suited to Alpine Shire and can help attract a more diverse mix of businesses. This should include business attraction strategies, which promotes the Alpine Shire’s advantages and also identifies measures that encourages businesses to relocate
 - Ensure adequate zoned land supply to attract new industry in appropriate locations. This includes provision of sufficient commercial and/or industrial land, to ensure there is availability for potential businesses to invest. This could be considered as part of a future Land Development Strategy.
 - Streamline the planning process to improve efficiency and help businesses overcome planning barriers to support business investment.
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STRATEGY 4.2

Strategic Investment in Public Sector Infrastructure Projects

Ongoing infrastructure development is critical to achieve sustained economic growth through construction stimulus, business growth and employment opportunities. In addition, infrastructure that benefits communities (e.g. transport) is key in driving population growth and retaining residents within the Alpine Shire.

Council has delivered and is undertaking several infrastructure projects including:

Those recently completed:

- Myrtleford Indoor Sports Stadium Expansion
- Alpine Events Park
- Mount Beauty Skate Park Upgrade
- Alpine Better Places Bright, Porepunkah and Myrtleford

And under delivery:

- Mount Beauty Airport Upgrade
- Great Valley Trail
- Dinner Plain Activation
- Tawonga Caravan Park upgrade
- Buckland Bridge

Council should continue to identify priority infrastructure projects to generate economic and business activity and benefit the community.

As such, Council could commence ongoing research and analysis to identify infrastructure priorities, as well as the relevant funding opportunities (i.e. grants, private sector investment). This could be undertaken and updated on a regular basis as projects develop and further opportunities are identified.



Opportunities

- Identify and advocate for infrastructure investment that supports economic development.
 - Undertake ongoing research and analysis that prioritises infrastructure projects and identifies funding opportunities.
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Theme Five

Supporting Businesses

Support and encourage a diverse business community to generate successful employment and economic outcomes, including disaster recovery assistance to support business recovery from unforeseen events and environmental disasters.

A core function of economic development is the provision of business support services, typically enabled through regular and meaningful engagement, with a view to helping businesses overcome specific challenges they face and help identify opportunities that could be further leveraged to achieve positive business outcomes.

As demonstrated in the economic profile, majority of businesses in the Alpine Shire (98%) are non-employing or classified as SMEs (i.e. fewer than 20 employees). Smaller businesses typically require additional support as they lack the resources to maximise growth opportunities or generate employment outcomes. This support is particularly important in light of the recent impact of COVID-19 and bushfires on businesses and future recovery efforts to sustain business going forward.



Theme Five Strategies

- 5.1** Upskilling the workforce to meet industry needs
- 5.2** Create a connected and well-informed business base
- 5.3** Promote business resilience (disaster recovery assistance)

STRATEGY 5.1

Upskilling the Workforce to Meet Industry Needs

Although unemployment is relatively low, industry consultation indicated that a key challenge is finding suitable employees that are 'job ready'. This includes finding skilled employees (both permanent and transient) for businesses within the agriculture and manufacturing industries. In addition, tourism businesses, which rely on casual (seasonal) employees during peak seasons have difficulty in attracting skilled or experienced workers.

There is expressed demand for skilled employees, however, many potential employees lack the suitable skills and expertise required to meet the needs of businesses, which creates issues for staff recruitment.

Challenges in employing 'job ready' people can stymie business' capacity to operate effectively and can have implications on growth prospects. Council should, in collaboration with industry, education/training institutions and local chambers of commerce, identify and support programs that can: attract skilled employees; and ensure current employees have the relevant skills to meet industry needs.

Opportunities

- Collaborate with existing businesses and local employment providers, to
 - Identify the issues that are common across the labour force (including labour supply and skills shortages); and
 - Develop strategies to address these issues.
- Investigate training programs that could be initiated by the private sector to promote recruitment, up-skilling, including both public and 'in-house' training processes.

STRATEGY 5.2

Create a Connected and Well-Informed Business Base

Given that 98% of businesses in the Alpine Shire are considered small (i.e. non-employing or employing less than 20 people), developing more informed and capable industry is a key priority for Council to support business growth.

This could be delivered through training, mentorship and networking, in collaboration with industry bodies, to help local businesses develop in terms of:

- Marketing;
- Social media and digitalisation (e.g. website development and online presence);
- Business Planning;
- Financial Management; and
- Contracts and tenders.

Consultation with business local hospitality businesses revealed that industry advice is being delivered by

Tourism North East (as well as Council). Therefore, informing industry should be a joint effort provided by multiple organisations.

Business networking, in particular, is a key opportunity across industry sectors. It can help businesses collaborate and share information, as well as creating supply-chain/business to business opportunities.

There is a potential for Council to facilitate and support networking and training opportunities for businesses, targeting those businesses who are seeking to upskill in certain areas of business management. This opportunity could be facilitated and administered through a dedicated CRM.

Opportunities

- Provide mentoring and training opportunities to improve industry capability and support business growth, focussing on areas that businesses wish to upskill in (e.g. marketing, financial management, business planning etc.).
 - Develop or update Council's CRM database to target relevant businesses in need of training.
 - Promote business to business activity and connections through business networking, which can be facilitated by Council in collaboration with other industry bodies (e.g. Tourism North East, local chambers).
 - Promote online resources to the business community (e.g. website, social media) and provide access to information and opportunities that encourages business growth and development.
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STRATEGY 5.3

Promote Business Resilience (Disaster Recovery Assistance)

The COVID-19 pandemic and the summer bushfires has created a major downturn in Australia's economy, with a rising national unemployment rate of 7.1% in May and a forecast -8% drop in GDP in June 2020. Australian business confidence is low, with 29% of surveyed businesses in June predicting they will not survive for more than 3 months with current cashflow.

As a result, the Alpine Shire economy has experienced major economic losses in the first half of 2020. This includes significant losses in economic output (-9% by September 2020) and employment (-6% in September 2020), as well as substantial increases in JobKeeper (47% of businesses) and JobSeeker (11% of working population) applications. Overall, the Alpine Shire experienced heavier losses than most

municipalities, which can be attributed to the economy's reliance on tourism, which ground to a halt over 2020.

Therefore, there is a pressing need for Council to support businesses and the community through unforeseen events and environmental disasters (e.g. COVID-19, bushfires) via a recovery plan that helps return performance to normal. This should focus on the following:

- Minimise business revenue loss and a decline in JobKeeper payments;
- Minimise job loss and a decline in JobSeeker payments;
- Assist individual businesses to alter operating conditions for a 'with COVID' operating environment (e.g. contactless transactions, outdoor dining, etc.); and
- Support individual businesses to recover to 'pre COVID-19 and bushfires' turnover.

Opportunities

- Encourage business resilience by providing the specific skills, opportunities and information needed to respond to environmental disasters and achieve growth (e.g. access to grants, financial planning, business planning, etc.)
 - Develop employee retention strategies to combat increasing unemployment.
 - Assist businesses to make physical distancing alterations to improve business operation, including provision of outdoor dining permits and infrastructure.
 - Provide pathways to access to mental health support for business owners, operators and employees.
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