RDA Tasmania
Regional Plan
July 2013– June 2016
*Updated: July 2014*

<table>
<thead>
<tr>
<th>Version</th>
<th>Approved</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Version 1</td>
<td>Approved</td>
<td>October 2013</td>
</tr>
<tr>
<td>Version 2</td>
<td>Approved</td>
<td>August 2014</td>
</tr>
</tbody>
</table>

*Prepared for:*
RDA Tasmania Committee and
Department of Infrastructure and Regional Development
# Contents

1. Message from the RDA Chair ............................................................................................................. 6
2. Executive Summary .......................................................................................................................... 7
   Purpose .............................................................................................................................................. 7
   RDA Tasmania in 2014-2015 ........................................................................................................... 8
3. Key issues and strengths .................................................................................................................. 8
   Economy ........................................................................................................................................... 8
   Population ......................................................................................................................................... 8
   Natural Assets ................................................................................................................................. 8
   Art and Culture ............................................................................................................................... 8
   Government Investment and Stimulus ............................................................................................. 8
4. Challenges ......................................................................................................................................... 9
5. Vision for the region ........................................................................................................................10
6. Role of the RDA .............................................................................................................................11
7. Analysis of the region .....................................................................................................................13
   5.1 Human capital ........................................................................................................................... 13
      Strengths and Opportunities ........................................................................................................ 13
      Needs and Challenges .................................................................................................................. 13
   5.2 Sustainable communities and population growth: ................................................................. 14
      Economic - Strengths and Opportunities ..................................................................................... 14
      Economic - Needs and Challenges ............................................................................................... 15
      Environmental - Strengths and Opportunities ............................................................................ 15
      Environmental - Needs and Challenges ..................................................................................... 16
      Social - Strengths and Opportunities .......................................................................................... 16
      Social - Needs and Challenges .................................................................................................... 16
      Population - Strengths and Opportunities .................................................................................. 17
      Population - Needs and Challenges ............................................................................................ 17
   5.3 Access to international, national and regional markets: ........................................................... 17
6. Regional priorities ............................................................................................................................ 18
7. Implementation of RDA priorities ................................................................................................... 18
7.1 Expand and grow economic activity in Tasmania ..............................................23
7.2 Increase collaboration and efficiencies between federal, state and local government ......24
7.3 Support investment in enabling infrastructure that improves economic productivity ......24
7.4 Improve literacy, numeracy and education levels within the Tasmanian community ......24
7.5 Facilitate placed-based solutions for local communities ........................................25
7.6 Address the needs of Tasmania’s changing demographic and health profile .............26

REGIONAL PROFILE ........................................................................................................27

1. Human capital ...............................................................................................................28
1.1 Regional workforce challenges and workforce development priorities ...................28
1.1.1 Unemployment ......................................................................................................28
1.1.2 Hours Worked ........................................................................................................28
1.1.3 Participation rate ...................................................................................................28
1.1.4 Ageing workforce ..................................................................................................29
1.1.5 Skill Shortages .......................................................................................................29
1.2 Education Profile of the Workforce ..........................................................................30
1.2.1 Highest year of school completed .......................................................................30
1.2.3 Tertiary education and research ..........................................................................31
1.3 Skills, training and education challenges ...................................................................32
1.3.1 Education attainment ...........................................................................................32
1.3.2 School attendance and retention rates ...................................................................34
1.3.4 Literacy Challenges ...............................................................................................35
1.4 Factors affecting demand and skill profile ..................................................................35
1.4.1 Changes in industry activity ................................................................................35

2. Sustainable communities and population growth: .........................................................36
2.1 Economic ...................................................................................................................36
2.1.1 Socio economic profile ..........................................................................................36
2.1.2 Changes in industry composition and challenges these present ................................38
2.1.3 Priorities and opportunities ...................................................................................39
2.2 Environment ...............................................................................................................40
2.2.1 Natural resource management (NRM)s ..................................................................41
2.2.2 Clean Energy ..........................................................................................................42
2.2.3 Tasmanian biosecurity and wildlife .........................................................................42
2.2.4  Tasmania’s environmental future ................................................................. 42
2.3  Social .................................................................................................................... 43
  2.3.1  Urban growth pressures (including housing, land and water management issues) .... 43
  2.3.2  Cultural diversity ............................................................................................ 44
  2.3.3  Health and ageing ........................................................................................ 45
  2.3.4  Quality of life issues (including desirability to live in the region) .................... 46
2.4  Population ........................................................................................................... 48
  2.4.1  Population growth ......................................................................................... 48
  2.4.3  Demographic change ..................................................................................... 50
3.  Access to international, national and regional markets: ........................................... 51
  3.1  Infrastructure .................................................................................................... 52
4.  Comparative advantage and business competitiveness ............................................. 57
  4.1  Regional economic strengths ............................................................................ 57
    4.1.1  Food & Agriculture ..................................................................................... 57
    4.1.2  Mining & Mineral processing ...................................................................... 59
    4.1.3  Forestry and related products ...................................................................... 59
    4.1.4  Specialist manufacturing ........................................................................... 60
    4.1.5  Science and research .................................................................................. 60
    4.1.6  Antarctic Tasmania ..................................................................................... 60
    4.1.7  Renewable energy ...................................................................................... 61
    4.1.8  Information communication technology ..................................................... 61
    4.1.9  Tourism ........................................................................................................ 61
  4.2  Regional comparative advantages and regional economic opportunities .............. 62
    4.2.1  People: .......................................................................................................... 62
    4.2.2  Place ............................................................................................................ 62
    4.2.3  Business Competitiveness and Innovation .................................................... 64
    4.2.4  Clusters ....................................................................................................... 64
  4.3  Regional arts, creative and sporting industries (including infrastructure, participation and priorities) ................................................................. 65
    4.3.1  Arts and Creative Industries ....................................................................... 65
    4.3.2  Sport and Recreation.................................................................................... 66
STAKEHOLDER CONSULTATION ............................................................................. 67
1. Partnerships – Intergovernmental and integrated regional planning ........................................... 67
   1.1 Tasmanian Government ........................................................................................................ 67
   1.2 Local Government, Industry and Community ........................................................................ 67
2. Stakeholder Engagement – Conferences and Workshops .......................................................... 68
3. Development of the RDA Tasmania Regional Plan – Consultation with Stakeholders ............. 69
   3.1 Ongoing consultation and review of the RDA Tasmania Regional Priorities ...................... 69
1. Message from the RDA Chair

In the last twelve months there have been changes in both Australian and Tasmanian Government. These changes have enabled the introduction of fresh initiatives aimed at supporting Tasmania through tough economic times. The introduction of the Joint Economic Council, consisting of the Prime Minister and Federal Treasurer and their respective State counterparts along with selected community and industry representatives, will assist in redefining how government can support an economic recovery in our state.

Initiatives including the Major Projects Approvals Unit (Federal), Co-ordinator General and Infrastructure Tasmania (State) are examples of a concerted effort to streamline government decision-making and infrastructure investment to derive long term employment and productivity outcomes.

The RDA Tasmania committee will continue to play an important role in facilitating collaboration across government, industry and community throughout our state to deliver long term regional solutions. Our continuing support of government in its efforts to reinvigorate our economy will form a major component of our ongoing activities.

Tasmania continues to suffer from high unemployment, low skill development and lower than average job participation rates, yet our industry sectors remain deprived of suitably skilled employees. Our committee will remain determined in its efforts to create linkages between industry, education providers and community to ensure that education and skill attainment for our region is achievable and valued.

I invite readers of this plan to use and distribute the regional profile summaries and provide feedback to RDA Tasmania on our focus and priorities. Tasmania’s unique position in our national landscape does provide us with particular opportunities and challenges, yet we remain optimistic of the long term goals we can achieve.

Mr Tom Black
Chairman
2. Executive Summary

Purpose

The RDA Tasmania Regional Plan is reviewed annually to update profiling information and revise RDA Tasmania’s strategic direction and regional priorities. Priorities are developed through working with our wide range of stakeholders and the experience and expertise of the RDA Tasmania committee.

Six broad priorities have been identified by RDA Tasmania to focus project work and provide context and direction. These priorities reflect the RDA Tasmania committee’s view of the key challenges for the region as reflected by the profile and statistical overview. Tasmania currently records social and economic outcomes well below the national average. A more robust and growing economy with increased employment opportunities will create associated community benefits and improved social outcomes.

RDA Tasmania Priorities
2014 - 2015

- Expand and grow economic activity in Tasmania
- Increase collaboration and efficiencies between federal, state and local government
- Support investment in enabling infrastructure that improves economic productivity
- Improve literacy, numeracy and education levels within the Tasmanian community
- Facilitate place-based solutions for local communities
- Address the needs of Tasmania’s changing demographics and health profile

A core strength of RDA Tasmania is the ability to work with all levels of government and the diverse communities that make up our region. Education and health outcomes are seen as priorities due to the low statistical outcomes the state records and the importance of these aspects on long term community health and prosperity. RDA Tasmania has a limited ability to directly influence these health and educational outcomes, but have defined them as core priorities due to their importance.

Information throughout this document is ordered under the four key headings of:

1. Human capital;
2. Sustainable communities and population growth;
3. Access to international, national and regional markets; and
4. Comparative advantage and business competitiveness.
RDA Tasmania in 2014-2015

The RDA Tasmania Regional Plan 2014-15 will focus strongly on the factors that influence the health and success of the economy. An analysis of the region, including stakeholder feedback, has found that Tasmania’s slow economic performance is affecting all communities. There isn’t one solution to this, instead the regions must work together to improve decision making and address the region’s capacity to improve economic outcomes.

Key issues and strengths

Economy
Tasmania continues to record below average outcomes in key economic determinants such as employment, skills and education, and economic growth. Our community is often divided in its support for economic projects and being an island presents challenges in freight and transportation which are currently being reviewed by industry and government. Without business investment and growth, the state is highly dependent on government funding and administration.

Growth in employment opportunities will retain and attract talented people and enable wealth creation and distribution across the community.

Population
Tasmania’s population is ageing more rapidly than any other state in Australia. Increasing growth in population in other parts of the country could result in Tasmania holding a lower per cent share of the country’s population over time. However, our enviable lifestyle is attracting attention and could draw more people to reside in the region, particularly with the support of high speed broadband and the availability of flights in and out of the state.

Tasmania as a region is highly diverse, incorporating our capital city, other major urban centres and rural communities, through to the sparsely populated south west wilderness. Like many other regions across Australia, Tasmania is experiencing a migration of the existing population into urban centres. Local and state government are partnering to streamline and modernise planning and regulation.

Natural Assets
Our strengths lie in our natural assets including the availability of clean energy and water for agricultural expansion. Tasmania’s primary production sectors including agriculture, dairy, horticulture, viticulture and aquaculture are supporting growth in the Tasmanian economy.

Art and Culture
Tourism is growing and the success of MONA and seasonal festivals, supported by record passenger airlflights in and out of the state, are evidence of changing appreciation and support for Tasmania’s growing arts and cultural reputation. New creative hub developments and investment in arts and culture education and infrastructure reflect the growing interest in this sector.

Government Investment and Stimulus
The region has the benefit of commitments in infrastructure investment by Australian and
Tasmanian Governments including a major $400 million Midlands Highway upgrade and $100 million of economic diversification funding through the Tasmania Forestry Inter-Governmental Agreement. The Hobart International Airport will be expanded with a $38 million upgrade and an additional $24 million will establish a new Centre for Antarctic and Southern Ocean Research.

The economic stimulus these projects provide to the civil construction sector will have flow-on effects to the wider economy and community.

A "Joint Commonwealth and Tasmanian Economic Council" will be established that will include the Prime Minister, Treasurer and representatives of Tasmanian business and the State Government. In addition, a jobs program providing payment to Tasmanian businesses that hire long term unemployed job seekers will support increased employment opportunities in the region.

**Challenges**

Community division over major economic investment projects and industry growth is a constraint and creates discord and a disincentive to business. Government, industry and community all have a part to play in meeting the local challenges of providing employment and economic prosperity, balanced with lifestyle and sustainability values. Education and skills are increasingly linked to productivity and living standards. Developing a highly skilled and educated population can be the difference between a resilient region and one that struggles.

**Key message**

Collaboration between tiers of government, industry and community is the key to achieving a common understanding of regional issues and tailoring effective solutions. Partnerships are critical to the success of regional development efforts, as is a focus on place and valuing the unique aspects of every region and community.

RDA Tasmania is in the unique position of being a neutral organisation with relationships at every level of government as well as community and industry. We are able to utilise these relationships to facilitate dialogue and engagement with stakeholders, and help to identify gaps and duplication in existing services and policy.

RDA Tasmania activities for 2014-15 will include facilitating greater dialogue between stakeholders involved in economic development, education and skills, research and innovation, place-based solutions and health. Projects that contribute towards addressing this plan’s priorities will be supported by the committee and RDA Tasmania staff.
3. Vision for the region

RDA Tasmania’s vision for Tasmania is:

*To create an inclusive Tasmania centred on a strong and sustainable economy.*

RDA Tasmania's vision is broad to encompass the diversity of our state and reflect the balance between community and economic prosperity. Committee members have deliberated on and modified the vision to simplify the message and encompass aspirations for the future.
4. Role of the RDA

Regional Development Australia (RDA) is an Australian Government initiative established to encourage partnership between all levels of government to enhance the growth and development of Australia's regional communities. RDA committees operate under a national RDA Charter and report to the Australian Government on key outcomes. A national network of 55 RDA committees has been established and RDA Tasmania represents the entire state of Tasmania.

RDA Tasmania is a not-for-profit organisation that has a formal partnership between the Australian Government, Tasmanian Government, and the Local Government Association of Tasmania (LGAT).

Committee members of RDA Tasmania are committed volunteers who have been chosen by the Australian Government due to their understanding of, and experience in, a range of areas including their professional and industry background, community networks, skills and experience.

<table>
<thead>
<tr>
<th>Committee Members</th>
<th>Staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr Tom Black – Chair</td>
<td><strong>Chief Executive Officer</strong> Craig Perkins</td>
</tr>
<tr>
<td>Ms Lou Clark – Deputy Chair</td>
<td><a href="mailto:craig.perkins@rdatastasmania.org.au">craig.perkins@rdatastasmania.org.au</a> 0409 395 195</td>
</tr>
<tr>
<td>Mr Tim Hess – Secretary</td>
<td><strong>Community and Strategic Development</strong></td>
</tr>
<tr>
<td>Mr Bob Frost – Treasurer</td>
<td>South – Jen Newman <a href="mailto:jen.newman@rdatastasmania.org.au">jen.newman@rdatastasmania.org.au</a> 0439 615 947</td>
</tr>
<tr>
<td>Ms Phyllis Pitchford</td>
<td>North – Kevin Turner <a href="mailto:kevin.turner@rdatastasmania.org.au">kevin.turner@rdatastasmania.org.au</a> 0419 395 178</td>
</tr>
<tr>
<td>Ms Madeleine Skerritt</td>
<td>North West – Mike Brindley <a href="mailto:mike.brindley@rdatastasmania.org.au">mike.brindley@rdatastasmania.org.au</a> 0448 876 615</td>
</tr>
<tr>
<td>Mr Andrew Morgan</td>
<td><strong>Executive Assistant to the CEO</strong> Gale Singline <a href="mailto:gale.singline@rdatastasmania.org.au">gale.singline@rdatastasmania.org.au</a> (03) 6334 9822</td>
</tr>
<tr>
<td>Prof. Janelle Allison</td>
<td></td>
</tr>
<tr>
<td>Mr Paul Kregor</td>
<td></td>
</tr>
<tr>
<td>Dr Christine Mucha</td>
<td></td>
</tr>
<tr>
<td>Prof. Sue Kilpatrick</td>
<td></td>
</tr>
<tr>
<td>Dr Bruce Williams</td>
<td></td>
</tr>
<tr>
<td>Bios for Committee members can be</td>
<td></td>
</tr>
<tr>
<td>found at: <a href="http://www.rdatastasmania.org.au">www.rdatastasmania.org.au</a></td>
<td></td>
</tr>
</tbody>
</table>

The purpose of this Regional Plan is to clearly state RDA Tasmania’s priorities in the context of the Tasmanian and Australian Government policy landscape and the profile of Tasmania as a region. Priorities are informed through the statistical data in the regional profile (Attachment One), Australian and State Government policy imperatives and stakeholder consultation.
The Australian Government will refer to the Plan to inform policy development, as well as support decision making and investment in the region.

Building a comprehensive picture of local economic and social conditions is an integral part of regional economic development planning. It is important that priorities and activities are supported by statistical evidence, coupled with a sound understanding of local conditions. RDA Tasmania committee members are representative of this diverse region and the organisation’s priorities and activities have been developed and informed by the committee with input from stakeholders.

In addition to this Regional Plan, RDA Tasmania has an annual Business Plan that outlines internal actions, goals and measures that relate back to the priorities. At regular meetings, committee members are invited to provide feedback on staff project activities and to participate further outside of formal meeting times.
5. Analysis of the region

This analysis of the region has been developed in reference to; Attachment 1 – Regional Profile, and; Attachment 2 – Stakeholder Consultation and Partnerships. The Regional Profile in Attachment 1 is a comprehensive summary of the statistics and data that define our region. The analysis includes issues which are not within Regional Development Australia Tasmania’s direct influence but which are significant to the region.

Regional strengths, opportunities, needs and challenges have been identified in relation to:

- Human capital
- Sustainable (economic, environmental and social) communities and population growth
- Access to international, national and regional markets, and
- Comparative advantage and business competitiveness

5.1 Human capital

Strengths and Opportunities

Educational attainment is improving with more people completing Year 12 and at a rate higher than the national average\(^1\). The new Liberal State Government has released a plan to invest in education\(^2\). This plan includes extending 21 high schools in rural and regional communities from year 10 to year 12 and including flexible learning methods such as online course and the ability to attend classes at other campuses. Tasmania was the fourth state to sign up to the National Education Reform Agreement (Gonski), securing extra funding for its state schools under the Government’s Better Schools Plan over the next four years.

The University of Tasmania (UTAS) is the only university in the state and several world-class research and educational institutions are based in Tasmania, including the Menzies Centre; CSIRO Marine and Atmospheric Research Centre; Antarctic Climate and Ecosystems Cooperative Research Centre; the Australian Antarctic Division; the Australasian Furnishing Research and Development Institute; and the Australian Maritime College\(^3\). A new Antarctic and Southern Ocean Research Centre (Antarctic Gateway Partnership) has been announced that will bring together to institutions working in this sector\(^4\).

Needs and Challenges

The Department of Employment’s Regional Education, Skills and Jobs (RESJ) Plan for Tasmania 2012-2014 reflects community priorities and includes goals and local strategies to achieve the community’s objectives based on four key themes: early childhood education and care; school education; tertiary education and training; and jobs, skills and workforce development.

The plan builds on the range of services and programs already offered by Department of Education Employment and the strategies draw on the programs of other government agencies.

---

\(^1\) Source ABS 6227.0 Education and Work, Australia, May 2012


\(^3\) http://www.development.tas.gov.au/__data/assets/pdf_file/0007/46996/Industry_Summary_science_and_research_Update.pdf

The Tasmania RESJ Plan complements the existing goals and strategies of the RDA Tasmania Plan. The Department of Employment have identified the following challenges for the region:

- An ageing population
- Lower levels of literacy
- Lower levels of Year 10 and Year 12 completion
- A lower percentage of the population with tertiary qualifications
- High levels of unemployment and low participation rates
- Reliance on a small number of industries, some of which are undergoing restructure which is resulting in entrenchments
- Transportation

The largest employing industries are: construction; education and training; health care and social assistance; manufacturing; and retail. The state’s reliance on the manufacturing, construction and retail industries is challenging as those industries are vulnerable to downturns in the economy.

The Department of Employment data shows that national employment in the health care and social assistance and construction industries is expected to grow, while employment in the agriculture, forestry and fishing and manufacturing industries, which account for a large share of Tasmania’s economy, is expected to decrease. This creates a significant challenge for the development and deployment of human capital in the region.

Tasmania has the lowest levels of literacy and school retention in the country, and year 7 to 9 students are performing below the minimum national standards across all disciplines in national testing (NAPLAN). The Adult Literacy Action Plan 2010-2015 provides a framework to address low literacy and numeracy outcomes in Tasmania.

Tasmania has a low level of economic diversity, when compared to the national average, and jobs in the future will require workers with higher level skills than are currently necessary.

### 5.2 Sustainable communities and population growth:

**Economic - Strengths and Opportunities**

The importance of Tasmania’s economic growth and issues affecting Tasmania’s competitiveness will be given national prominence by the establishment of a joint State and Australian Government Tasmanian Economic Council jointly Chaired by the Prime Minister and Mr Dale Elphinstone. Other members include the Tasmanian Premier, the Australian Government Treasurer and Minister for Industry, and the Chair of the Tasmanian Major Projects Approval Agency.

The Tasmanian Economic Council will consider the type of competitive reforms needed to boost Tasmania’s long-term growth. It will also develop definitive, agreed plans and lines of accountability to implement these reforms.

---

1 Regional Education, Skills and Job Plan for Tasmania 2012-2014, Department of Education, Employment and Workplace Relations
3 Tasmanian Employment by Industry - Five Year Time Series. Source: ABS Labour Force Data, four quarter average
Investment in infrastructure will provide an economic stimulus and have flow-on effects in supporting business growth and investment.

Industry growth has been experienced in the agriculture, aquaculture, specialist manufacturing and tourism sectors. Jobs growth has been experienced particularly in service sectors such as health and retail.

**Economic - Needs and Challenges**
The Tasmanian economy displays slow or no growth and while employment and the participation rate have slightly increased, both continue to be below the national rate. The unemployment rate as at April 2014 was 7.5 percent, the same as it was in April 2013, compared to a national unemployment rate of 5.9 per cent. The Tasmanian Treasury information paper on Structural Change in the Tasmanian economy summarises the issues as:

- Tasmania has been largely detached from the resource boom,
- few industries benefiting from growth in Asian markets,
- strong Australian dollar reduced the competitiveness of Tasmanian exports,
- commodity prices falling,
- low consumer and business confidence,
- weak retail and construction sectors,
- reduced State Government GST receipts,
- decreased private investment,
- reduced public spending,
- forestry in decline,
- high unemployment and overall decrease in aggregate hours worked,
- net out-migration and population stagnation.

Forestry is one of the most recognised Tasmanian industries and also the industry experiencing the most profound structural change. The forestry industry has shed over 3,500 jobs in recent years with regional communities most impacted.

The slowdown in the expected availability of broadband infrastructure has caused some frustration in the business community. Companies unable to connect expressing concern in being able to compete effectively with customers nationally and internationally.

**Environmental - Strengths and Opportunities**
Tasmania’s reputation as a ‘Clean Green State’ offers opportunities for the region including abundant water and a climate that supports a diversity of agricultural production and has some of the world’s most stringent quarantine regulations. Tasmania has extended indefinitely the state’s moratorium on genetically modified crops and animals to ensure that Tasmania’s status as a producer of safe, high quality produce is preserved and the majority of our energy is locally produced from renewable sources.

Tasmania’s natural beauty and wilderness has supported a growth in eco-tourism and these natural assets may support further growth in tourism investment.

---

9 Trends The Tasmanian Labour Market Review, April 2014
10 Structural Change in the Tasmanian Economy, Department of Treasury and Finance April 2013
11 Diversifying Tasmania’s Economy: Analysis and Options, Final Report – Revised October 2012; Australian Innovation Research Centre
Sense-T is creating the world’s first economy-wide intelligent sensor network that integrates different data sources to build a digital view of Tasmania. Sense-T will give business, governments and communities the tools and information that enable them to make better decisions\textsuperscript{13}.

**Environmental - Needs and Challenges**

Fifty per cent of Tasmania is under forest cover\textsuperscript{14} and twenty-five percent of land is protected inside reserves such as national parks. However, the challenge still remains of balancing our unique natural environment with a robust economy and diverse community opinions.

A specialist Biosecurity Division is being established to strengthen the State’s frontline against the threat of exotic weeds, pests and diseases. Biosecurity Tasmania, within the Department of Primary Industries, Parks, Water and Environment, aligns all the State’s biosecurity resources, from quarantine, to diagnostic services, community awareness and invasive species within the one section to protect Tasmania’s primary production, economy, natural environment and quality brand\textsuperscript{15}.

**Social - Strengths and Opportunities**

Tasmania is a remarkably liveable place with recent accolades including Launceston’s designation as Australia’s most family friendly city\textsuperscript{16} and Hobart’s becoming the travel guide Lonely Planet’s top place to visit\textsuperscript{17}. Although numbers of settling migrants are below the national average, there exists an opportunity to increase migration and international education in the state.

State and local Government are undertaking further regional planning reform working towards one state-wide planning scheme\textsuperscript{18}. Urban planning reform includes the Greater Launceston Plan, the Capital City Plan and Devonport’s Living City initiative.

The health of Tasmania is improving with longer life expectancy and generally good self-reported health. Tasmania achieved its best ever results in participation levels for sport, recreation and physical activity during 2011/12\textsuperscript{19}, showing a regular participation rate above the national average.

Opportunities to improve the health of the region include: A State Policy for Healthy Community Design; the Tamar Health Initiative; the National Partnership Agreement on Preventative Health; and the recent changes to the Medicare Local model.

**Social - Needs and Challenges**

Weekly household and personal income in Tasmania is below the Australian median and one third of Tasmanian households’ main source of income is from government pensions and allowances\textsuperscript{20}. Ten per cent of Tasmanians live below the poverty line\textsuperscript{21}.

Tasmania is characterised by a dispersed population in low density settlements. Tasmania had the highest proportion of the population residing outside of its greater capital city (58%)\textsuperscript{22} of any state, with low levels of population growth and industrial development forecast. Beyond the urban

---

\textsuperscript{13} Sense-T Website http://www.sense-t.org.au/
\textsuperscript{14} Australia’s Forests at a Glance 2007
\textsuperscript{16} Suncorp Bank Family Friendly City Report, 2013
\textsuperscript{17} Lonely Planet’s Best in Travel Top 10 Cities for 2013
\textsuperscript{18} Regional Land Use Strategy – Northern Tasmania, Northern Tasmania Development and JMG, September 2011
\textsuperscript{19} Perspectives in Sport: The State of Play 2013, Australian Bureau of Statistics Cat. No. 4156.0.55.001, June 2013
\textsuperscript{20} 2009-10 Australian Bureau of Statistics, 2011, *Household Income and distribution, Australia, 2009-10*, Cat No 6523.0
\textsuperscript{21} Cost of living indicators for Tasmania: Final Report, NATSEM modelling conducted for the Social Inclusion Unit, DPAC, 2011
\textsuperscript{22} Australian Bureau of Statistics, Cat No. 3218.0 Regional Population Growth, Australia, 2011-12, April 2013
communities, population decline in regional and remote areas has put pressure on the viability of service provision such as education\(^23\) and infrastructure.

Across most health measures Tasmania performs worse than all other states and territories except the Northern Territory. However, when compared to regional Australia rather than metropolitan areas, Tasmania is on a par\(^24\).

**Population - Strengths and Opportunities**

Tasmania has a relatively small, ageing and regionally dispersed population. Compared to national trends, Tasmania is a region without growth pressures of an increasing population with resulting infrastructure and capacity constraints. The population demographic is relatively consistent and employers in the State have the benefit of a loyal and stable workforce.

**Population - Needs and Challenges**

The national population grew fifteen times the rate for Tasmania in the year to September 2012, with the State continuing to have an almost static population of just over half a million people, with an increasing net outflow of interstate migration.

Tasmania's population is ageing more quickly than any other state. Half of Tasmania’s population was 40 or over in 2011, and in some local government areas, half the residents are aged 50 years or older\(^25\). The number of 60 to 65 year olds is increasing and Tasmania has a lower proportion of people aged 20 to 44 years than the national average.

### 5.3 Access to international, national and regional markets:

**Strengths and Opportunities**

Despite a high Australian dollar and freight challenges, Tasmanian exports were valued at $3 million $3,037 million in 2012-2013, a minor reduction of just on 5 per cent from last year. Mainland China remains as Tasmania’s largest export market with over $644 million in exports in 2011-2012, although this figure is over 12 per cent lower than in 2011-2012. The United States of America is the second largest export market followed by Taiwan, India, Japan and Malaysia\(^26\).

Air and sea access is integral to tourism and the broader economy. Around 89 per cent of all visitors to Tasmania travelled by air as at June 2013\(^27\) and a record 2 million passengers passed through Hobart's airport during the 12 months to June 2013\(^28\).

Tasmania has the benefit of commitments of infrastructure investment by Commonwealth and State Governments including a major $400 million Midlands Highway upgrade and a $38 million upgrade to expand the Hobart International Airport.

---

\(^23\) School Viability Reference Group Report to the Minister for Education and Skills, 31 January 2012

\(^24\) State of Public Health 2013, Department of Health and Human Services

\(^25\) Trends - The Tasmanian Labour Market Review August 2012


The Brighton Transport Hub is a modern road-rail facility and freight distribution hub to enable freight goods to be seamlessly transferred between road transport and rail and enable efficient movement of freight between southern and northern Tasmania's ports. Freight activities are moving from Macquarie Wharf on Hobart’s waterfront to the Brighton Hub, allowing the redevelopment of this large tract of land close to the capital city Central Business District (CBD).

In addition to the investment in freight and transport efficiencies, two further infrastructure projects are enhancing Tasmania’s access to markets:

- Irrigation - increases output and extends the periods when regional produce goes to its markets;
- National Broadband Network – it was planned that, by 2015, Tasmania will be the first fully connected state and has already begun to leverage from the benefits of high speed broadband\(^\text{29}\).

**Needs and Challenges**

By 2020, it is predicted that there will be capacity constraints at the major northern ports without further infrastructure investment. Within the Hobart ports precinct, strategic investment in infrastructure will generate economic benefits from servicing Antarctic vessels and expanding the successful cruise ship market\(^\text{30}\).

Creating efficiencies in freight forwarding and logistics remains one of the biggest challenges for Tasmania. The Productivity Commission review into Bass Strait Shipping will provide the Australian Government with recommendations to improve efficiencies, reduce freight costs and consolidate the Tasmanian Freight Equalisation Scheme (TFES)\(^\text{31}\).

### 5.4 Comparative advantage and business competitiveness

**Strengths and Opportunities**

Research undertaken by the department of economic development identifies priority sectors within the Tasmanian economy. These are: Advanced Manufacturing, Antarctic and Southern Ocean, Food and Agriculture (Dairy, Floriculture, Fruit and Vegetables, Poppies, Red and White Meat, Salmonid and Wine), Forestry, International education, Mining and Mineral Processing, Science and research and Tourism\(^\text{32}\).

These priority sectors represent traditional industries as well as new and emerging sectors. They all have the ability to export to off-island markets, attract investment and connect to opportunities in the Asia region.

---


\(^{30}\) Tasmanian Government Submissions, Infrastructure Australia  


\(^{32}\) Goal Two of the Economic Development Plan, Department of Economic Development, August 2011
Within these priority sectors Tasmania has the capability to produce a range of high quality products, services and experiences, some of which are global leaders. Tasmania’s comparative advantage is the result of the region’s inherent and acquired strengths:

- People – High levels of social and professional connectivity, a relatively skilled, stable and available workforce, good access to tertiary education and specialised research.

- Place - Tasmania receives nearly 13 per cent of Australia’s annual rainfall, strict biosecurity controls, favourable conditions for farming, a celebrated natural environment, well preserved built heritage and short distances between population areas and points of access.

- Business competitiveness and innovation – Tasmania has a business environment conducive to investment and a history of industry innovation with current examples including Sense T, advanced manufacturing and clean energy generation.

- Clusters – Established industry clusters for: advanced manufacturing, metal processing, Antarctic research, marine manufacturing, and viticulture.

- Dynamic Business Environment – due to its size Tasmania can adapt quickly to market demand and changing need. This is most evident in the primary production sector that includes the aquaculture, agriculture and horticulture sectors.

**Needs and challenges**

In 2014, the Tasmanian and Australian Governments will establish key organisations which will influence how the region maximises its comparative advantages and business competitiveness. Understanding the roles and responsibilities of these organisations may initially be a challenge, but the outcome from these new governing structures is a broader focus across government on the success of the Tasmanian economy.

Commonwealth organisations include the Joint Tasmania and Commonwealth Economic Council, Tasmanian Major Projects Approval Agency and a revised Infrastructure Australia and Entrepreneurs’ Infrastructure Program.

State organisations include the Department of State Growth, Office of the Coordinator General, Infrastructure Tasmania and a revised Tourism Tasmania.

**Tourism, events and the arts and cultural industries**

Tourism plays an important role in the Tasmanian economy and its success can be attributed to the attractiveness of products based on the region’s comparative advantages. Visitor numbers to the state in 2013 were 14 per cent higher than in 2012 and visitor spend in 2013 was 13 per cent more than in 2012. The actual number of visitors that came to the state in 2013 was 1,033,600 and the total spent by interstate and international visitors was around $1.58 billion.  

The region is hosting more regular major national and international sporting events: AFL matches; test and one-day cricket; V8s; Targa; and the Sydney to Hobart yacht race. The region is also taking a more strategic approach to participative sports, including adventure sports and mountain biking.

---

33 John Fitzgerald, CEO Tourism Tasmania, Tasmanian Tourism Snapshot for the year ending December 2013
which are attracting more international visitors to events like the Mark Webber Challenge.

Arts and creative industries are significant contributors to the regional economy. Tasmania has a range of world-class facilities and programs including; the Theatre Royal of Hobart, the Tasmanian Symphony Orchestra, Tasmanian Museum and Art Gallery in Hobart and the Queen Victoria Museum and Art Gallery in Launceston, the Museum of Old and New Art (MONA), and the Salamanca Art Centre. The University of Tasmania has received Commonwealth funding to develop an Academy of Creative Industries and Performing Arts in Hobart, and in Hobart alone there are six further arts and creative hubs being established or expanded.

Tasmania is host to national and international festivals, including, 10 Days on the Island, MONA FOMA and Dark MOFO, Junction Arts, the Tasmanian Arts and Craft Fair, Festival of Voices, and the Wooden Boat Festival. Tasmania is deeply resourced in cultural infrastructure but challenged by a high reliance on government funding to keep many museums, theatres and galleries operating.
6. Regional priorities

Tasmania has a number of challenges and opportunities that are unique as Australia’s only island state. Key policy areas and projects for Tasmania for 2014–15 include:

- Implement the whole of government Economic Development Plan through the actions identified by the Joint Commonwealth and Tasmanian Economic Council.
- Find solutions to Tasmania’s high freight and transport costs and to make commercial transport more competitive.
- Create a greater evidence base of infrastructure needs that can enhance the region’s economic competitiveness.
- Support further investment in irrigation infrastructure.
- Increase growth and productivity in the agricultural sector.
- Maximise the advantage of the NBN and the new digital economy including the progression of the Sense-T project.
- Encourage investment and value creation in the redefined forestry sector.
- Support the continuation of planning reform to improve consistency and cohesion of planning regulation.
- Understanding the changing demographic trends and the impact on future drivers of wealth and wellbeing, particularly within Tasmania’s rural communities.
- Support policies, programs and initiatives that focus Tasmania on being a healthy community.
- Continue to focus on improving literacy, numeracy and skill levels in the Tasmanian community.
- Promote better community strategic planning with all levels of government leading to a greater shared vision and sense of purpose for the region.
- Maintain and utilise Tasmania’s bio security advantage and strive for balance between use and preservation of our natural environmental assets.
- Remove regulatory constraints at all levels of government to promote innovation and investment.

In consideration of the current challenges and opportunities, the profile of the region and consultation with key stakeholders, RDA Tasmania has identified the following priorities:
RDA Tasmania Priorities

- Expand and grow economic activity in Tasmania
- Increase collaboration and efficiencies between federal, state and local government
- Support investment in enabling infrastructure that improves economic productivity
- Improve literacy, numeracy and education levels within the Tasmanian community
- Facilitate place-based solutions for local communities
- Address the needs of Tasmania’s changing demographics and health profile
7. Implementation of RDA priorities

This section outlines how regional priorities will be progressed through specific projects and initiatives.

While government and community can impact and guide future direction, there is no one ‘silver bullet’ that will solve the diversity of issues and challenges faced across the state. RDA Tasmania can play a role in facilitating discussion and fostering collaboration to reach common goals across all levels of government, community and business stakeholders.

Projects and initiatives are summarised below each priority. RDA Tasmania priorities reflect regular contributions from key stakeholder engagements and consultations. Detailed actions, dates, responsibilities and measures are outlined in our internal RDA Tasmania Business Plan and reported in our annual report.

7.1 Expand and grow economic activity in Tasmania

Increased economic activity and wealth creation raises the standard of living and provides job opportunities for younger Tasmanians who may otherwise move interstate for work. Tasmania has the highest unemployment rate in the country with low participation rates and a high level of part time employment that may mask higher unemployment levels than are currently measured. Education and skill rates vary considerably and are not always matched to job opportunities.

Tasmania has been impacted by factors including: being largely detached from the resource boom, few industries benefit from growth in Asian markets, a strong Australian dollar, reduced competitiveness of Tasmania’s exports, freight costs increasingly prohibitive, lower consumer and business confidence, weak retail and construction sectors, reduced State Government GST receipts, decreased private investment, reduced public spending, forestry in transition, net out migration, and population stagnation. Economic opportunities exist in Tasmania by building on the strength and reputation of research and innovation, connectivity through the NBN, and wealth generating industries.

Key focus to implement this priority:

7.1.1 Be a key participant in the development of infrastructure projects and investment through collaboration with all levels of government and the Tasmanian Economic Council.

7.1.2 Support the review and improvement of Tasmania’s transport and freight services.

7.1.3 Work with industry groups, local councils, businesses and regional bodies to formulate growth and development strategies.

7.1.4 Support structural improvements in key Tasmanian agricultural sectors through engagement in the Agricultural White Paper process.
7.1.5 Maximise the potential and benefit of the National Broadband Network for the Tasmanian economy including Sense-T.

7.1.6 Grow the knowledge base through innovation, research and development to enhance and support economic development within Tasmania.

7.2 Increase collaboration and efficiencies between federal, state and local government

Tasmania is a small, well connected region with the capacity for strong collaboration across government, industry and community. RDA Tasmania is in the unique position of being a neutral organisation with relationships at every level of government as well as community and industry. We are able to utilise these relationships to facilitate dialogue and engagement with stakeholders, and help to identify gaps and duplication in existing services and policy.

*Key focus to implement this priority:*

7.2.1 Facilitate regular dialogue and engagement with the three tiers of government as well as the Tasmanian Economic Council to identify opportunities for collaboration, identify inefficiencies and develop regional projects.

7.2.2 Engage with the Regulation Reduction Coordinator, Major Projects Approval Agency, Planning Reform Taskforce and other stakeholders to support the creation of a more streamlined and efficient regulatory environment.

7.3 Support investment in enabling infrastructure that improves economic productivity

Providing ongoing investment in roads, rail and port infrastructure is a clear objective of government to improve efficiencies and productivity, access to markets and to reduce transportation costs.

The Australian Government will provide priority infrastructure funding for the Midland Highway upgrade $400 million and to increase the length of the runway at Hobart Airport $38 million.\(^{34}\)

In addition the Australian Government will establish a Major Projects Approval Agency to assist in the co-ordination of major Tasmanian projects in order to minimise unnecessary delays in regulatory and compliance related assessments. This will be supported by the Joint Commonwealth and Tasmanian Economic Council.\(^{35}\)

The State Government have recognised this imperative through the introduction of Infrastructure Tasmania to provide a co-ordinated approach to planning and development of major Tasmanian infrastructure\(^{36}\) in addition to the establishment of an Office of the Coordinator General.\(^{37}\)

*Key focus to implement this priority:*

---


7.3.1 Work closely with the Joint Commonwealth and Tasmanian Economic Council, Infrastructure Tasmania, Office of the Coordinator General and local governments to identify and support infrastructure project development that leads to improved economic outcomes including increased productivity, employment and transport efficiencies.

7.4 Improve literacy, numeracy and education levels within the Tasmanian community

Literacy and numeracy levels are two important factors currently impeding Tasmania’s working age population from participating in regular employment and improving their skill levels. Educational attainment is positively linked to higher levels of employment and labour force participation higher wages and higher levels of productivity. There is also growing evidence that education has a positive causal effect on such social outcomes as better health, greater civic engagement and reduced crime.

*Key focus to implement this priority:*

7.4.1 Partner with education and skill providers across government, industry, and the community to better support education outcomes in Tasmania, produce a skilled workforce for the future and encourage a culture of valuing education.

7.5 Facilitate placed-based solutions for local communities

Understanding the comparative advantages of our regional areas is fundamental in enabling evidence based solutions to be implemented by communities in conjunction with local industry and the tiers of government.

Local communities can provide insight into the challenges and opportunities facing their regions and can formulate tailored local solutions.

*Key focus to implement this priority:*

7.5.1 Enable Tasmanian communities to develop place-based solutions for economic, social and environmental issues with support from all tiers of government.
7.6 Address the needs of Tasmania’s changing demographic and health profile

Tasmania faces the challenges of a rapidly ageing and low growth population. Older residents tend to participate in local events and volunteer activities, bringing knowledge and experience to their communities. However, an ageing population with increasing life expectancy will create demand for services including health and aged care. National trends of population movement towards urban centres and population decline in rural areas, is also apparent in Tasmania.

Tasmania continues to perform worse in most health measures when compared to other states, however when compared to regional Australia rather than metropolitan areas, Tasmania aligns with the national average.

Key focus to implement this priority:

7.6.1 Advocate for the collation and collection of demographic data to support effective decision making and future planning across all levels of government and community.

7.6.2 Assist health and wellbeing organisations, government, industry and communities to better support health and wellbeing outcomes in Tasmania and encourage a culture of healthy living.
REGIONAL PROFILE

Overview

Tasmania is Australia’s only island state, with a cool temperate climate and decentralised population. Tasmania has less than one per cent of Australia’s total land area, but captures almost 12 per cent of the nation’s total annual water run-off.³⁸

The area of the State, including the offshore islands, is 68,100 km² or about 0.9% of the total area of Australia. It is separated from the mainland by Bass Strait, which is about 240 kilometres in width.

The remaining coastline is bounded by the Southern Ocean on the south and west and the Tasman Sea on the east.

There are 29 local government municipalities divided into three regions (north, north west, and south). In 2013, water and sewerage amalgamated into one state-wide body to manage infrastructure and service provision. This organisation is a corporate body fully owned by the local councils.

1. Human capital

1.1 Regional workforce challenges and workforce development priorities

1.1.1 Unemployment
Tasmania continues to have the highest unemployment rate in the country and the gap is increasing. The unemployment rate as at April 2014 was 7.5 percent, the same as it was in April 2013, compared to a national unemployment rate of 5.9 per cent. Unemployment rates vary considerably across the state. In Kingston, an outer suburb of Hobart, the unemployment rate at December 2013 was 3.7 per cent, in contrast to George Town, an industrial town in the north of the state, which recorded an unemployment rate of 14.0 per cent.

The following graph compares employment trends in Tasmania to Australia over the last five years from 2008 to 2013. The red line represents Australia and uses the left-hand scale on the graph, while Tasmania is represented by the blue line and uses the right hand scale on the graph.

1.1.2 Hours Worked
Tasmania has a higher level of part-time work than the national average; it was 34.7 per cent in April 2014 compared to 30.5 per cent nationally. While full-time employment increased by 5.1 per cent over the year, part-time employment fell by 4.4 per cent, possible indicating a move from part-time to full-time work.

1.1.3 Participation rate
The participation rate in Tasmania for April 2014 was 60.9 per cent, up from the 60.2 per cent recorded a year ago. Both male and female participation increased over the twelve months from April 2013. The current national participation rate is 64.8 per cent.

---

39 Trends The Tasmanian Labour Market Review, April 2014
40 Small Area Labour Market - December Quarter 2013, statistical areas quoted are Kingborough (Part B) and George Town (Part A)
41 Source: ABS Labour Force Australia, cat. No. 6202.0
42 Source: ABS Labour Force Australia, cat. No. 6202.0 April 2014
43 Trends The Tasmanian Labour Market Review, April 2014
44 Trends The Tasmanian Labour Market Review, April 2014
45 ABS Cat. 6202.0 - Labour Force, Australia, April 2014
1.1.4 **Ageing workforce**

The workforce in Tasmania is ageing more rapidly than any other state in Australia with mature aged workers (over 40-59 year age group) close to 41.5 per cent of the workforce for all three regions of the state, compared with 38.3 per cent for Australia. Furthermore, nearly 40 per cent of employed 15- to 24-year-olds are concentrated in the two industries of retail trade, and accommodation and food services.

Below is a graph of the Tasmanian Population by Age Group - Five Year Time Series, illustrating the virtually flat population growth, with the exception of the 65 years and over age category that is showing significant increase.

1.1.5 **Skill Shortages**

Despite high unemployment, Tasmania still experiences skill shortages particularly in trades, health and education. The Australian Government Skills Shortage List Tasmania was updated in February 2014. The trend of skill shortages in the construction industry is continuing, with shortages in civil, electrical and mechanical engineers. Skill shortages or difficulty in recruiting was experienced in the automotive and engineering trades and shortages of child care workers, mid-wives and special needs workers were also recorded.

---


48 Source: ABS Labour Force Survey, three month average data.

1.2 Education Profile of the Workforce

The qualifications and educational attainment profile for workers in Tasmania differs significantly from the Australian average. For Tasmania as a whole there are a lower proportion of workers who have completed a non-school qualification than the national average (49.9 per cent for Tasmania and 53.9 per cent for Australia). There are also significant differences between qualifications and educational attainment profiles across individual regions in Tasmania. For instance, the share of employment for those with a bachelor degree or above is highest in Hobart (22.5 per cent, which is just below the Australian average of 22.8 per cent), followed by Launceston (16.3 per cent) and west and north west Tasmania (11.5 per cent).

The table below shows the growth in employment in Tasmania over the last five years has been negative; the only region to be so, except regional South Australia that fell only a small amount. Apart from that, Tasmania is fairly comparable to many other regions across Australia, although it is ageing much faster.

### Employment by Location

<table>
<thead>
<tr>
<th>Cities and Regions</th>
<th>Employment Nov 2013 '000</th>
<th>Change in employment 5 yrs to Nov 2013 %</th>
<th>Aged 45 years or older %</th>
<th>With a bachelor degree or higher qual %</th>
<th>With a cert III or higher VET qual %</th>
<th>Without a post-school qual %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sydney Regional NSW</td>
<td>2393.2</td>
<td>6.4</td>
<td>36</td>
<td>37</td>
<td>27</td>
<td>27</td>
</tr>
<tr>
<td>Melbourne Regional VIC</td>
<td>1269.8</td>
<td>6.3</td>
<td>44</td>
<td>19</td>
<td>36</td>
<td>38</td>
</tr>
<tr>
<td>Brisbane Regional QLD</td>
<td>2162.1</td>
<td>7.7</td>
<td>37</td>
<td>37</td>
<td>27</td>
<td>33</td>
</tr>
<tr>
<td>Adelaide Regional SA</td>
<td>741.7</td>
<td>8.7</td>
<td>43</td>
<td>19</td>
<td>38</td>
<td>38</td>
</tr>
<tr>
<td>Perth Regional WA</td>
<td>1081.0</td>
<td>5.1</td>
<td>36</td>
<td>32</td>
<td>31</td>
<td>34</td>
</tr>
<tr>
<td>Hobart Regional Tasmania</td>
<td>1279.1</td>
<td>7.1</td>
<td>40</td>
<td>17</td>
<td>36</td>
<td>43</td>
</tr>
<tr>
<td>Northern Territory</td>
<td>603.6</td>
<td>4.4</td>
<td>41</td>
<td>27</td>
<td>34</td>
<td>36</td>
</tr>
<tr>
<td>Australian Capital Territory</td>
<td>211.9</td>
<td>-0.4</td>
<td>46</td>
<td>15</td>
<td>37</td>
<td>43</td>
</tr>
<tr>
<td>Australia</td>
<td>998.2</td>
<td>14.0</td>
<td>37</td>
<td>29</td>
<td>32</td>
<td>35</td>
</tr>
<tr>
<td>Hobart</td>
<td>324.6</td>
<td>-0.4</td>
<td>40</td>
<td>16</td>
<td>36</td>
<td>43</td>
</tr>
<tr>
<td>Regional Tasmania</td>
<td>99.9</td>
<td>-3.2</td>
<td>43</td>
<td>28</td>
<td>31</td>
<td>37</td>
</tr>
<tr>
<td>Northern Territory</td>
<td>130.6</td>
<td>-2.0</td>
<td>47</td>
<td>15</td>
<td>39</td>
<td>40</td>
</tr>
<tr>
<td>Australian Capital Territory</td>
<td>129.1</td>
<td>12.4</td>
<td>37</td>
<td>26</td>
<td>30</td>
<td>38</td>
</tr>
<tr>
<td>Australia</td>
<td>208.9</td>
<td>4.8</td>
<td>35</td>
<td>43</td>
<td>24</td>
<td>30</td>
</tr>
</tbody>
</table>

1.2.1 Highest year of school completed

The 2011 Census shows an increase in the percentage of people in Tasmania who have completed year 12, from 31.3 per cent to 36.5 per cent over the five year period from the last census. This compares favourably to 20 per cent of the population nationally. There has also been a decrease in the percentages of people whose highest educational achievements were grade 10 or below. Given the amount of research linking higher educational achievements with better employment outcomes,
these figures show positive moves in the right direction.\textsuperscript{53}

The three main education providers are the Tasmanian Government (213 schools), Catholic Education (37) and the Independent schools sector (29). The number of students enrolled at non-government schools in Tasmania as a percentage of all school enrolments has increased from 33 per cent to 41 per cent over the last decade (2000 to 2010).

The Tasmanian education system has undergone significant reform over the last five years. The separation of vocational education and training provision to industry and individuals established through Tasmania Tomorrow ceased in 2013. The new TasTAFE independent statutory authority caters for all public vocational education and training, combining the Tasmanian Polytechnic and Tasmanian Skills Institute.

1.2.2 Adult literacy in Tasmania

The proportion of adult Tasmanians with low literacy skills is high. The 2006 Adult Literacy and Life Skills Survey by the Australian Bureau of Statistics found that around half of the Tasmanian population aged 15–74 years lack the literacy skills needed to cope with the demands of everyday life and work. For example, 49 per cent of adult Tasmanians do not have the basic skills needed to understand and use information from newspapers, magazines, books and brochures. Overall, at the time of the 2006 Census, Tasmania had the lowest level of adult literacy skills in the nation and there had been no improvement in adult literacy levels since they were last measured in 1996.

Results from the Programme for the International Assessment of Adult Competencies (PIAAC) and Australian Bureau of Statistics released in October 2013, show that on average older Australian’s have lower literacy levels. Literacy and Numeracy skills are presented on a sliding scale with Level 1 being the lowest and Level 5 the highest. While Tasmania’s literacy outcomes are low, they are comparable with other states.

Proportion at literacy Level 3 or above, By state/territory of usual residence and sex 2011–12\textsuperscript{54}

\begin{figure}
\centering
\includegraphics[width=\textwidth]{lit_level3_above.png}
\caption{Proportion at literacy Level 3 or above, By state/territory of usual residence and sex 2011–12\textsuperscript{54}}
\end{figure}

1.2.3 Tertiary education and research\textsuperscript{55}

\footnotesize{\textsuperscript{53} Trends The Tasmanian Labour Market Review, June 2012
\textsuperscript{54} http://abs.gov.au/ausstats/abs@.nsf/Main%20Features202011-12?opendocument&tabname=Summary&prodno=4228.0&issue=2011-12&num=&view=
\textsuperscript{55} http://www.development.tas.gov.au/__data/assets/pdf_file/0007/46996/Industry_Summary_science_and_research_Update.pdf}
Hobart has the highest number of scientists per capita of any city in Australia and is host to 65 per cent of all Australia’s Antarctic and Southern Oceans research scientists. The University of Tasmania (UTAS) is the only university in the state and has campuses in the south, north and north west of the region. The Menzies Research Institute, run by UTAS, is one example of a local institution known globally for its groundbreaking medical research.

Several world-class research and educational institutions are based in Tasmania, including the CSIRO Marine and Atmospheric Research Centre; Antarctic Climate and Ecosystems Cooperative Research Centre; the national Forestry Cooperative Research Centre; the Australian Maritime College; the Australasian Furnishing Research and Development Institute; and the Australian Antarctic Division.

1.3 Skills, training and education challenges

1.3.1 Education attainment

Educational attainment is positively linked to higher levels of employment and labour force participation, higher wages, and higher levels of productivity. Literacy and numeracy levels for students at age 14 are critical determinants of future achievement (particularly in terms of whether they continue at school, enter university, and secure high-status, well-paid jobs). There is also growing evidence that education has a positive causal effect on such social outcomes as better health, greater civic engagement and reduced crime 56.

The graph below shows the percentage of the population who have post-school qualifications, by level of qualification, and how these percentages have changed between 2001 and 2011 57.

The number of Tasmanians with post-school qualifications, as a percentage of the total population, increased across most levels of education in the 2011 census, with the biggest growth in bachelor degrees. The percentage of the population with a bachelor degree in Tasmania increased from 5.9 per cent of the population in 2001, to 8.4 per cent of the population in 2011, although this is still below the Australian average of 10.8 per cent.

The university sector is the only one that experienced growth between 2001 and 2011, with student

---

56 Improving Productivity Through Education, Price Waterhouse Coopers, November 2012
57 Trends The Tasmanian Labour Market Review, October 2012
numbers in pre-school, infant/primary, secondary, and technical and further education all falling\textsuperscript{58}.

The percentage of people with trade level qualifications at Certificate III and IV level increased in Tasmania from 10 per cent of the population in 2001, to 13.9 per cent in 2011, slightly above the national figure in 2011 of 12.2 per cent. However, as the graph below indicates, the number of Tasmanians in the labour force with educational attainment to year 10 or less is much higher than other states.

\textbf{Level of Highest Educational Attainment in the Labour Force}\textsuperscript{59}

The national rate of attainment of Year 12 or equivalent school or non-school qualification for young people aged 20–24 years has risen over the last decade from 78% to 85% in 2011. While still having one of the lowest attainment rates overall for 20–24 year olds, Tasmania has experienced the greatest increase, from 65% in 2001 to 77% in 2011\textsuperscript{60}.

\textsuperscript{58} Trends The Tasmanian Labour Market Review, October 2012  
\textsuperscript{59} ABS Education and Work Report, May 2012  
\textsuperscript{60} Source ABS 2071.0 Year 12 Achievement and Continuing Education
### 1.3.2 School attendance and retention rates

Tasmania’s Education Performance Report 2011 showed the trend of low retention rates from year 10 to year 12 continuing, with the retention rate for 2011 of students being 70.4 per cent.

The 2011 Census measured retention rates differently, being the percent of the population aged 20-24 who had completed year 12 or equivalent. Nationally, the year 12 achievement rate is 83 per cent, and under this measurement, Tasmania had a rate of 77 per cent in 2011. These figures are low compared to other international outcomes, for instance 88 per cent in the United States, 92 per cent in Canada and 98 per cent in South Korea.

The new Liberal State Government has a *Plan to invest in education* that includes strategies such as:

- Extending 21 high schools in rural and regional communities to year 12; and
- Improving retention rates so an extra 2000 young Tasmanians complete their year 11 and 12 studies.

Action on school retention will also be informed by the partnership with the University of Tasmania (UTAS), the Beyond the Compulsory Years in Rural, Regional and Disadvantaged Communities Project. This three-year collaborative project will inform the Department of Education on developing and implementing effective interventions in Tasmania to enhance student retention, attainment and completion.

Through the provision of a wide range of programs and delivery options including Guaranteeing Futures (pathway planning), Trade Training Centres and Australian school-based Apprenticeships, the state education department supports students to achieve a Year 12 qualification or equivalent. Tasmania’s target is for 81.6% of students to attain Year 12 or equivalent qualifications by 2015. This target represents Tasmania’s contribution to the national target of 90% Year 12 or equivalent attainment by 2015 set through the National Partnership Agreement on Youth Attainment and Transitions. Tasmania’s current attainment rate is 78.35%.

---

61 Source ABS 2071.0 Year 12 Achievement and Continuing Education
62 Improving Productivity Through Education, Price Waterhouse Coopers, November 2012
1.3.4 **Literacy Challenges**

Tasmania has the lowest levels of literacy and school retention in the country\(^6^6\), and year 7 to 9 students are performing below the minimum national standards across all disciplines in national testing (NAPLAN). The Adult Literacy Action Plan 2010-2015 provides a framework to address low literacy and numeracy outcomes in Tasmania.

The State Government has developed the Adult Literacy Action Plan 2010-2015 to provide a framework to address low literacy outcomes in Tasmania. The number of people participating across the Action Plan’s programs has increased by over 470% from 500 in 2010-11 to 2,866 in 2012-13. This number is comprised of clients of LINC Tasmania’s literacy coordinator network, and participants in LINC Tasmania’s Literacy Skills Development Program and the 26TEN Grants Program\(^6^7\).

Tasmania’s low levels of adult literacy are influenced by a range of factors including the higher prevalence of older persons in the population, and lower school retention rates and post-school qualifications. Information from the Australian Bureau of Statistics suggests that Tasmanians in regional municipalities tend to have lower literacy levels compared to those living in major metropolitan areas.\(^6^8\)

1.4 **Factors affecting demand and skill profile**

1.4.1 **Changes in industry activity**\(^6^9\)

Industries that employ a greater percentage of the Tasmanian workforce compared to nationally, include retail trade, agriculture, forestry and fishing, public administration and safety, and accommodation and food services. Industries where there is a lower percentage of Tasmanians employed compared to the national average are mining, financial and insurance, and the professional, scientific and technical services industry. Refer to the Tasmanian Employment by Industry Time Series graph below.

Employment growth over the last five years has occurred mainly in the service sector, while employment in more traditional industries has declined. Based on the number of people employed in the largest industries, Tasmania appears to have a lower level of economic diversity, when compared to the national average. Tourism directly and indirectly supports around 32,000 jobs in Tasmania or about 13.5 per cent of total Tasmanian employment; the highest proportion in the country.\(^7^0\)

2. Sustainable communities and population growth:

2.1 Economic

2.1.1 Socio economic profile

For a population that records some of the worse figures nationally for social and economic disadvantage, Tasmania is also capable of creating a wide range of career and lifestyle choices. Tasmania is not without its opportunities, but during the current period of structural change and slow economic growth the challenge of improving the region’s socio-economic profile becomes more

---

71 Chart Source: ABS Labour Force Data, four quarter average.
complicated.

The median weekly household income in Tasmania in 2011 was $948, an increase of 15 per cent from 2006’s $806 per week. However this is significantly below the Australian median weekly income in 2011 of $1,234. Personal median weekly income in Tasmania in 2011 was $499, again lower than the Australian average of $577\textsuperscript{72}. Individual’s income across all industries in Tasmania demonstrates that most workers earn between $600 - $799 per week:

<table>
<thead>
<tr>
<th>Workers employed in Tasmania by Weekly Income, 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
</tr>
<tr>
<td>---------------------------------</td>
</tr>
<tr>
<td>Negative/Nil income</td>
</tr>
<tr>
<td>$1-$199</td>
</tr>
<tr>
<td>$200-$299</td>
</tr>
<tr>
<td>$300-$399</td>
</tr>
<tr>
<td>$400-$599</td>
</tr>
<tr>
<td>$600-$799</td>
</tr>
<tr>
<td>$800-$999</td>
</tr>
<tr>
<td>$1,000-$1,249</td>
</tr>
<tr>
<td>$1,250-$1,499</td>
</tr>
<tr>
<td>$1,500-$1,999</td>
</tr>
<tr>
<td>$2,000 or more</td>
</tr>
<tr>
<td>Not stated/Not applicable</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

Table – Workers (Working in Tasmania) by Income, 2011\textsuperscript{73}

The unemployment rate as at April 2014 was 7.5 percent, the same as it was in April 2013, compared to a national unemployment rate of 5.9 per cent.\textsuperscript{74} The participation rate in Tasmania for April 2014 was 61.4 per cent, up from the 59.4 per cent recorded a year ago. The current national participation rate is 64.8 per cent\textsuperscript{75}.

One third of Tasmanian households’ main source of income is from government pensions and allowances\textsuperscript{76}, and 10.7 per cent of Tasmanians live below the poverty line\textsuperscript{77}. Public debate on this

---

\textsuperscript{72} Australian Bureau of Statistics 2011 Census
\textsuperscript{73} www.economicprofile.com.au/tasmania using Australian Bureau of Statistics 2011 Census Place of Work Employment Data
\textsuperscript{74} Trends The Tasmanian Labour Market Review, April 2014
\textsuperscript{75} http://www.abs.gov.au/ausstats/abs@.nsf/mf/6202.0
\textsuperscript{76} 2009-10 Australian Bureau of Statistics, 2011, Household Income and Income Distribution, Australia, 2009-10, Cat No 6523.0
\textsuperscript{77} Cost of Living Indicators for Tasmania : Final Report, NATSEM modelling conducted for the Social Inclusion Unit, DPAC, 2011
matter is divided between directing resources towards overcoming disadvantage versus accepting there’s part of the population content with income support dependency\textsuperscript{78}.

The number of Tasmania’s job seekers receiving income support accounted for 4.9 per cent of Tasmania’s labour force in April 2014, compared to 3.4 per cent nationally. Tasmania had the second highest rate of job seekers receiving income support of all jurisdictions as a proportion of its labour force, behind the Northern Territory. The number of Tasmanian job seekers receiving income support in April 2014 comprised around 2.5 per cent of the State’s population, compared to 1.8 per cent nationally\textsuperscript{79}.

Tasmania is not without some upward direction, as the region has experienced higher real wage growth and improving demand for home loans\textsuperscript{80}.

2.1.2 Changes in industry composition and challenges these present

It is hard to look at the Tasmanian economy without being confronted by the figures for economic performance, which would indicate slow or no growth. The Tasmanian gross state product was $24.3 billion in 2012-13, a year-on-year growth of 0.4 per cent compared to the national growth rate of 3.6 per cent\textsuperscript{81}.

The challenges to economic growth can be summarised as; Tasmania has been largely detached from the resource boom, few industries benefitting from growth in Asian markets, strong Australian dollar reduced the competitiveness of Tasmanian exports, commodity prices falling, low consumer and business confidence, weak retail and construction sectors, reduced State Government GST receipts, decreased private investment, reduced public spending, forestry in decline, overall decrease in aggregate hours worked, high unemployment, net out-migration and population stagnation\textsuperscript{82}.

These challenges have led to the decline in traditional industries including; food processing, textile/clothing/footwear, wood and paper, machinery and equipment, apples and pears. This decline has seen the value of goods and services exported overseas decreasing by 16.8 per cent from 2007-08 to 2012-13\textsuperscript{83}.

Tasmania has a natural advantage in forestry, but the industry has had a turbulent few years of changing policy, changing markets and diverse community opinions which is still impacting the future of the industry. The creation of a sustainable forestry industry is the current focus of the State Government. Using the best available data, analysis shows that the forestry industry has shed more than 3,500 in recent years\textsuperscript{84}. The impact of this change has hit regional communities the hardest, where few alternatives to forestry exist.

---

\textsuperscript{78} Obstacles To Progress, Griffith Review Edition 39, J. West, 2013
\textsuperscript{79} Labour Market and Related Payments Profile, April 2014, Department of Treasury and Finance
\textsuperscript{80} CommSec State of the States July 2013
\textsuperscript{81} Weekly Economic Summary, 30 May 2014, Department of Treasury and Finance
\textsuperscript{82} Structural Change in the Tasmanian Economy, Department of Treasury and Finance April 2013
\textsuperscript{83} Weekly Economic Summary, 30 May 2014, Department of Treasury and Finance
\textsuperscript{84} Diversifying Tasmania’s Economy: Analysis and Options, Final Report – Revised October 2012, Australian Innovation Research Centre
The Tasmanian economy has experienced growth in industries including dairy, stone fruit, aquaculture, specialised manufacturing and recently tourism. The growth of these industries is linked to strategic planning around areas including; skills development, regional co-operation, research and development, marketing and infrastructure investment. There is growth potential in all these industries and a role for Tasmanian and Australian Government support to facilitate this growth. These industries all share a link to the region’s natural resources and demonstrate that businesses can develop sustainably when linked to Tasmania’s comparative advantages, as explained in Section 4 of the Regional Profile.

The public sector plays a key role in the economic profile of the region; approximately a third of people are employed in public sector jobs, with a third employed in private sector jobs. However, much of the private sector, such as construction and retail, is reliant for work generated by the public sector or spending by those employed in the public sector.\(^{86}\)

2.1.3 Priorities and opportunities

Tasmania has many challenges compared to other regions and its economic performance is comparably slower. In July 2013, Tasmania lagged all other economies on all of the eight CommSec State of the States\(^{87}\) indicators, which are; economic growth, retail trade, equipment investment, unemployment, construction work, population growth, housing finance, and dwelling starts.

Nonetheless, the region is uniting to deliver a coordinated state economic development plan through a new joint State and Australian Government Tasmanian Economic Council, which will build on the 2013 Regional Economic Development Plans. Investment in infrastructure will provide an

---

\(^{85}\) Structural Change in The Tasmanian Economy, Department of Treasury and Finance, April 2013, using data from Australian National Accounts: State Accounts, ABS Cat No 522.0

\(^{86}\) Obstacles To Progress, Griffith Review Edition 39, J. West, 2013

\(^{87}\) CommSec State of the States July 2013
economic stimulus and have flow-on effects in supporting business growth and investment.

Priority sectors are recognised in the current Economic Development Plan as those with the potential to make the most of Tasmania’s competitive advantages. Knowledge of the needs of these growth sectors is critical for input into issues such as infrastructure, skills, land-use and regional planning. The priority sectors have flow-on effects into major employment sectors including retail and the service sectors. The priority sectors are:

<table>
<thead>
<tr>
<th>North West</th>
<th>North</th>
<th>South</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advanced manufacturing</td>
<td>Advanced manufacturing</td>
<td>Advanced manufacturing</td>
</tr>
<tr>
<td>Food and agriculture:</td>
<td>Food and agriculture:</td>
<td>Antarctic and Southern Ocean</td>
</tr>
<tr>
<td>Dairy</td>
<td>Dairy</td>
<td>Food and agriculture:</td>
</tr>
<tr>
<td>Floriculture</td>
<td>Fruit</td>
<td>Fruit and vegetables</td>
</tr>
<tr>
<td>Fruit and vegetables</td>
<td>Poppy</td>
<td>Poppy</td>
</tr>
<tr>
<td>Poppy</td>
<td>Red meat</td>
<td>Salmonid</td>
</tr>
<tr>
<td>Red and white meat</td>
<td>Vegetables</td>
<td>Wine</td>
</tr>
<tr>
<td>Salmonid</td>
<td>Wine</td>
<td>Forestry and related products</td>
</tr>
<tr>
<td>Forestry and related products</td>
<td>Forestry and related products</td>
<td>International education</td>
</tr>
<tr>
<td>Mining and mineral processing</td>
<td>Tourism</td>
<td>Science research</td>
</tr>
<tr>
<td>Tourism</td>
<td></td>
<td>Tourism</td>
</tr>
</tbody>
</table>

The Australian Innovation Research Council’s ‘Diversifying Tasmania’s Economy – Analysis and Options’ report finds that by creating 4,400 jobs the unemployment rate can be reduced from the Tasmania level (7.3 per cent at the time the report’s release) to the Australian level (5.5 per cent), and identifies a route toward achieving this:

- Strengthen and grow Tasmania’s private sector so focus on the traded private sector.
- Reinforce comparative advantage and focus on business capability to “perform the activities that matter in competition and meet customer needs.”
- Build on four or five effective industries with the greatest growth potential; aquaculture, dairy and wine, and also horticulture.
- Prioritise; infrastructure that leads industry, industry clusters and agglomerations, and research and development and support for innovation.

2.2 Environment

Tasmania’s environment is variable and diverse and has a wide range of terrestrial, freshwater and marine plants and animals. Changes to ecosystems have occurred due to interrelated pressures, including climate change, land and water use practices, pests and diseases, and consumption.

Tasmania is the most forested state in Australia with 3.3 million hectares or 50 per cent of its land under forest cover.

Twenty-five percent of Tasmania is protected inside reserves such as national parks. This provides both opportunities and challenges to leverage the economic benefits through developments such as tourism. For example, planning for future growth and investment at the Cradle Mountain visitor

---

89 Australia’s Forests at a Glance 2007
precinct through re-alignment and expansion of the visitor services.

The Tasmanian Forestry Intergovernmental Agreement protected additional areas of forests including 120,000 hectares added to the Tasmanian Wilderness World Heritage Area. The Australian Government has made an application to the UNESCO World Heritage Committee to have 74,000 hectares of Tasmanian forests delisted on the basis of some land being degraded from previous use; however, this bid was unsuccessful.

Tasmania’s marine waters are much less protected than our terrestrial environment, with only 3.5 per cent of the state’s waters in marine reserves.  

Over the past 50 years, Tasmania’s climate has been changing. Across the state average temperatures have increased by 0.8–1.0°C, and rainfall has declined in most of the settled areas. It is predicted the maximum temperature will continue to increase and that sea levels will rise between 20 and 60cm by 2095.  

Tasmania’s Climate Change Office set carbon emissions targets for Tasmania that aligns with the Australian targets specified under the Kyoto Agreement. Climate Smart Tasmania: A 2020 Climate Change Strategy outlines Tasmania’s plan for action by state government on climate change.

The projected increases in both minimum and maximum temperatures are likely to require changes to agricultural practices, including changes to crop choices, reduced time to crop maturity, changes to crop yields and crop quality, rainfall patterns, and changes in the incidence and severity of weeds, pests and diseases. Primary production and urban development has led to increasing pressures on natural values, including the clearance and modification of native vegetation and landforms for agriculture, forestry and settlements. Tasmania has the highest proportion of agricultural land under irrigation of any Australian state.

Tasmania has less than one per cent of Australia’s total land area, but captures almost 12 per cent of the nation’s total annual water run-off. Tasmania’s varying soil types and opportunities provided by climate change create a diversity of agricultural, forestry and grazing possibilities.

2.2.1 Natural resource management (NRMs)

RDA Tasmania has an MOU with the three regional natural resource management (NRM) bodies in Tasmania to ensure a better understanding of environmental issues as they relate to regional development. Preparation of a regional plan for each NRM region that is nationally consistent will consider potential issues for each region.

Priorities for the NRMs for Tasmania:

- developing carbon farming opportunities for the regions
- climate change and energy efficiency initiatives for business
- food and biosecurity for Tasmanian primary producers and landowners
- land management
- enhancing partnerships with land carers.

---

90 http://www.wildlifetasmania.com/habitat.html
92 http://www.dpac.tas.gov.au/__data/assets/pdf_file/0004/140197/CF- Impacts_on_Ag_Summary.pdf
2.2.2 Clean Energy

Tasmania is uniquely positioned with the majority of its energy needs derived from renewable sources. Alternate fuels including biodiesel, biomass, solar and wind turbines are now being introduced to supplement mainstream energy generation. While Tasmania is well ahead of other states in the percentage of renewable energy used, the existing transmission infrastructure may need upgrading in order to absorb energy generated from a variety of sources.

Using this opportunity to promote Tasmania as an innovative and progressive energy producer will provide possibilities for industry to derive their energy needs from a predominantly renewable source with flow on effects for business, including reduced cost of production and the potential for carbon offsets.

2.2.3 Tasmanian biosecurity and wildlife

The state Department of Primary Industry, Parks, Wildlife and the Environment supports the Environment Protection Authority in monitoring and regulating environmental performance and reporting on key performance indicators. The EPA also oversees quarantine regulations.

Tasmania has some of the world’s most stringent quarantine regulations to protect the state’s plants, crops and animal industries from introduced pests and diseases. Additionally Tasmania has extended indefinitely the state’s moratorium on genetically modified crops and animals.

A specialist Biosecurity Division is being established to strengthen the State’s frontline against the threat of exotic weeds, pests and diseases. Biosecurity Tasmania, within the Department of Primary Industries, Parks, Water and Environment, aligns all the State’s biosecurity resources, from quarantine, to diagnostic services, community awareness and invasive species within the one section to protect Tasmania’s primary production, economy, natural environment and quality brand.

In May 2008, the iconic Tasmanian devil’s status was formally upgraded to ‘endangered’ under Tasmania’s Threatened Species Protection Act 1995. Devil facial tumour disease (DFTD) is a rare infectious cancer that is spreading through wild Tasmanian devil populations. In the far north east of Tasmania, devils declined by 96 per cent in 2010–11. But in the north west of the state, where the tumour has not been detected, populations appear to have increased by 7 per cent.

Insurance populations and ongoing research are being used to try and manage the threat to the state’s most well known animal.

2.2.4 Tasmania’s environmental future

Tasmania’s reputation as a ‘Clean Green State’ is one that has been long standing and supports exports and tourism by the region being recognised as a quality producer and pristine destination. Tasmania benefits from a number of natural advantages including regular rainfall, temperate climate and a natural bio security deterrent as an island state. Our natural landscape and beauty are a key drawcard for tourists and a strong part of the Tasmanian brand and our identification.

However, these natural advantages will need to be managed to ensure the use of natural resources including water, forestry and fisheries is in line with the expectations of the community and business.

95 Tasmanian Biosecurity Strategy 2013-2017, Department of Primary Industries, Parks, Water and Environment, March 2013
Maintaining best practice quarantine control will remain a challenge for Tasmania in respect to international trade and the importation of overseas products that may be considered a threat to localised produce. A specialist Biosecurity Division is being established to strengthen the State’s frontline against the threat of exotic weeds, pests and diseases. Biosecurity Tasmania, within the Department of Primary Industries, Parks, Water and Environment, aligns all the State’s biosecurity resources, from quarantine, to diagnostic services, community awareness and invasive species within the one section to protect Tasmania’s primary production, economy, natural environment and quality brand99.

The use of technologies in the management of bio diversity and pest control has been further enhanced with the ongoing roll out of the Sense-T network, including the expansion of sensor networks in agriculture and horticulture throughout the state. This network will enable better management in areas of pest control, fertiliser applications and soil management whilst extracting regular seasonal data100.

Partnerships in landcare management continue to evolve out of the shared vision to rehabilitate and restore vegetation in vulnerable areas or biodiversity “hotspots”. The Tasmanian Midlands restoration project involving Greening Australia, UTAS, TFGA and landholders has helped to restore existing degraded farmlands into grassy woodlands which will enhance the existing landscape and encourage the settlement of native wildlife.101

2.3 Social

2.3.1 Urban growth pressures (including housing, land and water management issues)

Tasmania is characterised by a dispersed population in low density settlements. Greater Hobart is one of the least densely settled Australian cities with some of the highest levels of low density housing stock. Of all the states and territories, Tasmania had the highest proportion of its population residing outside of its greater capital city (58%) at June 2012102. Urban based local government areas (LGAs) are more likely to have higher population growth than rural or remote LGAs.

As part of the Government’s regional planning initiative, each council in the State’s three regions is preparing an interim planning scheme in line with existing Regional Land-Use Strategies. This reform will create contemporary and more consistent planning schemes across the State. Each will be considered within its regional context103.

Across Tasmania the strategies and plans are forecasting low population growth and low levels of industrial development. This low demand is demonstrated in low levels of residential construction and high rates of rental vacancies, currently around 5 per cent in the Hobart area104. It is perceived that over the next 20 to 25 years existing urban boundaries will accommodate new urban development without any need for expansion of urban areas. The advantage of this is that new developments will be well connected to existing communities, utilities, services and transport.

100 Sense-T Website: http://www.sense-t.org.au/
101 Greening Australia Website: http://www.greeningaustralia.org.au/community/news-
102 Australian Bureau of Statistics, Cat No. 3218.0 Regional Population Growth, Australia, 2011-12, April 2013
103 http://www.planning.tas.gov.au/the_planning_system/planning_reform/draft_interim_planning_schemes
104 Structural Changes in the Tasmania Economy, Department of Treasury and Finance; April 2013
options\textsuperscript{105}. Beyond the urban communities, population decline in regional and remote areas has put pressure on the viability of service provision such as education and health\textsuperscript{106}.

The Greater Launceston Plan is currently underway and is a major planning initiative directed to provide a framework and strategic direction to coordinate future planning and development in the greater Launceston area (the municipalities of George Town, Launceston, Meander Valley, Northern Midlands and West Tamar). It is being coordinated by the City of Launceston\textsuperscript{107}.

On the North West Coast of Tasmania, the Devonport Living City program is an initiative that will deliver a transformation of the CBD and reinvigorate the retail and service industry sectors. This regional project will provide economic stimulus and indirect benefit to other regional communities including employment and skill development. Additionally, the Devonport Learning City (Community) program is being promoted by the Devonport Council to enhance education and learning outcomes in the greater Devonport community through collaboration with regional education providers, community representatives and industry groups. This program will help to “spread the word” on the value of education and continual learning for all age groups.

2.3.2 Cultural diversity\textsuperscript{108}

Tasmania’s cultural diversity is the result of a rich history of migration to the state. In 2012, more than 57,650 people or 11.6 per cent of the total Tasmanian population were born overseas. Though this is below the national average of 26.1 per cent of the Australian population born overseas, Tasmania is a cultural, religious and linguistically diverse region with migrants coming from 170 countries. People born in the United Kingdom represented 40.4 per cent of the overseas-born population of Tasmania. Other major countries of birth for Tasmania were New Zealand, the Netherlands, Germany and the People’s Republic of China.

A total of 8996 migrants have recently settled in Tasmania, 0.9 per cent of all permanent migrants who arrived in Australia between January 2007 and the night of the 2011 Census. Hobart has attracted the majority (57.2 per cent) of Tasmania’s recent migrants, although this is only 2.4 per cent of the city’s population, well below the national average of 6.0 per cent for all capital cities.

The number of international students in Tasmania at 30 June 2012 was 2750, up 2.4 per cent on the end of June the previous year. On the basis of citizenship, most students came from the People’s Republic of China (790), Malaysia (470) and the Republic of Korea (190).

Indigenous Population

There are 20,000 people who identify themselves as Aboriginal and Torres Strait Islander, or 4 per cent of Tasmania’s total population. Nationally, the figure is 2.5 per cent. There was a significant (17.1 per cent) increase recorded by the ABS in the Aboriginal population in Tasmania between 2006 and 2011. This is more than four times the increase in the total population. The Aboriginal population in Tasmania, as recorded by ABS Censuses, grew by 13.8 per cent between 1996 and 2001, by 5.8 per cent between 2001 and 2006, and 17.1 per cent between 2006 and 2011.

The age profile of the Aboriginal population in Tasmania is also very different to that of the general population. As mentioned above the median age of the total Tasmanian population is 40, but for

\textsuperscript{105} Living On The Coast, Cradle Coast Regional Land Use Strategy 2010 – 2030, Cradle Coast Regional Planning Initiative
\textsuperscript{106} School Viability Reference Group Report to the Minister for Education and Skills, 31 January 2012
\textsuperscript{108} Many Voices, A Discussion Paper on the Tasmanian Multicultural Policy, Department of Premier and Cabinet, May 2013
Indigenous people in Tasmania it is 22 years old.

2.3.3 Health and ageing

Health

The Tasmanian Government’s Department of Health and Human Services’ State of Public Health 2013 report is the third in a series of five yearly publications appraising trends and performance in public health:\(^{109}\)

The health of Tasmania is improving with longer life expectancy and generally good self-reported health. Mortality rates are improving but the incidents of potentially unavoidable mortality are significantly higher than the national average. Tasmanian women have a lower life expectancy than the Australian average and the gap is widening, mostly attributable to higher smoking rates in Tasmania.

Across most health measures Tasmania performs worse than all other states except the Northern Territory, with interstate metropolitan areas being statistically the healthiest communities. When compared to regional Australia rather than metropolitan areas Tasmania is on a par. Tasmania is categorised as inner regional (98 per cent of population) or outer regional (2 per cent of population).

Health differences associated with regional areas are linked to socio-economic and cultural conditions, the so-called behavioural risk factors of a sedentary lifestyle, over-nutrition, smoking and excessive alcohol consumption. 28.8 per cent of Tasmanian children aged 5 to 17 are obese, and the rate of obesity in Tasmanian adults is 65.6 per cent. 21.8 per cent of Tasmanian adults smoke daily compared to 16.3 per cent across Australia, and Tasmania records higher levels of alcohol consumption at rates that increase short-term risk of harm, 48.9 per cent, than the national average of 44.7 per cent. Cardiovascular disease, cancer, type 2 diabetes and some mental health problems are associated with these problems.

However, recently released Australian Bureau of Statistics\(^{110}\) figures show that Tasmania has achieved its best ever results in participation levels for sport, recreation and physical activity during 2011/12. The statistics show that 26.5 per cent of Tasmanians aged 15 and over took part physical activity for exercise, recreation or sport at least three times weekly in 2011/12. This places Tasmania second among Australia’s states and territories, equal with Western Australia, for regular participation, ranking below only the Australian Capital Territory (33.6 per cent). This represents Tasmania’s highest ever ranking and is the first time in the history of sport and recreation surveys that Tasmania has achieved a regular participation rate that is above the national average.

It is therefore possible, albeit challenging, to remove these behavioural risks from Tasmania. The challenge however is complicated by Tasmania’s ageing population. Hospitalisation rates are increasing particularly due to people aged over 65 with chronic health problems, and cancer rates are set to increase along with the increase in older people.

Health Infrastructure

Ongoing capital works have added services and improved functionality at the region’s major hospitals. A $565 million joint Commonwealth and State redevelopment of the Royal Hobart...
Hospital\textsuperscript{111} is underway and the Launceston General Hospital has received $96.7 million to create a new Acute Medical Unit, the new Launceston Integrated Care Centre and expand the Department of Emergency Medicine\textsuperscript{112}. In Burnie, the construction of the $33 million North West Regional Cancer Centre will be completed by 2015\textsuperscript{113}.

**Health Policy**

Opportunities to improve the health of the region are in regulation, promotion and place or population based initiatives and service delivery:

- A State Policy for Healthy Community Design through the Tasmanian Planning Commission framework would potentially provide a regional approach to addressing the environmental determinants of health. This initiative is endorsed by Heart Foundation Tasmania\textsuperscript{114}.

- The University of Tasmania’s Tamar Health Initiative is a strategic framework of academic programs, infrastructure development, sports training and research into active living. The result of this initiative will be a greater focus on addressing issues such as the Tasmanian workforce, its health system and issues relating to the region’s demographic profile.

- Under the National Partnership Agreement on Preventative Health, the Tasmanian Department of Health and Human Services is working to support healthy workers, healthy children and healthy communities through a range of programs and promotions\textsuperscript{115}.

- Tasmania Medicare Local is working to help coordinate and connect primary health care services for local communities, identify local health needs; work to address any service gaps and make it easier for Tasmanians to access the health services they need closer to home. The Australian Government announced as part of the 13 May Federal Budget it would not fund the 61 Medicare Locals around the country beyond 30 June 2015, with new ‘primary health networks’ (PHNs) to be established in their place\textsuperscript{116}.

2.3.4 **Quality of life issues (including desirability to live in the region)**

**Liveability**

Liveability is a concept used to describe what people experience as positive in their communities. Generally, it’s defined as the degree to which a place supports the quality of life and health and wellbeing for people who live or visit there. Liveable places attract highly skilled and creative people who drive innovation and economic growth.

Tasmania is a remarkably liveable place and is recognised as an attractive place to live and work. Tasmania’s natural heritage, diverse range of arts and culture, lifestyle and public open spaces are all attributes of a liveable place. Promoting these attributes will be an important task in encouraging economic growth, particularly in regional areas\textsuperscript{117}.

\textsuperscript{111} http://www.dhhs.tas.gov.au/news/2012/royal_redevelopment_right_on_track
\textsuperscript{112} http://www.dhhs.tas.gov.au/hospital/launceston_general-hospital/capital_works_program
\textsuperscript{113} Media Release—Construction Starts on North West Cancer Centre, Sid Sidebottom MP, 21 March 2013
\textsuperscript{114} Healthy Communities are Sustainable Communities – Advocacy for a State Policy for Healthy Communities DRAFT, Heart Foundation Tasmania, December 2012
\textsuperscript{115} http://www.dhhs.tas.gov.au/healthpromotion/national_partnership_on_preventive_health
\textsuperscript{116} www.tasmedicarelocal.com.au
\textsuperscript{117} Goal 4 State Economic Development Plan
Recent accolades for Tasmania include Launceston’s designation as Australia’s most family friendly city\textsuperscript{118} and Hobart’s becoming the travel guide Lonely Planet’s top place to visit\textsuperscript{119}.

Our region’s advantages include access to extensive natural areas, beaches and waterways; relatively uncrowded cities and community/visitor attractions, good quality of air and drinking water. Being an island means isolation from major population centres, which is both a challenge and an opportunity – increased costs for some services but also protection from pests and diseases.

**Social inclusion in Tasmania**

Social inclusion matters to the future of Tasmania. Our region is more dependent than any other state on Commonwealth income support payments. Comparatively Tasmania records lower skills and educational engagement and poorer health status than other states, all of which heighten the risks of social exclusion in the community.

State government research has found that for about 13 per cent of Tasmanians there are complex and enduring barriers that exclude them from having a fair go. These barriers include personal factors (such as health or homelessness), access factors (such as to transport or health services), and structural factors (such as intergenerational poverty and geographical disadvantage). Those places most at risk have become entrenched pockets of disadvantage and are often in the outer fringes of cities and towns that once were rural areas, rural towns in decline and older industrial areas\textsuperscript{120}.

Place based initiatives aimed at fostering development and influencing planning to enhance liveability, include the Greater Launceston Plan, the Devonport Living City initiative and the Hobart Capital City Plan.

---

\textsuperscript{118} Suncorp Bank Family Friendly City Report, 2013
\textsuperscript{119} Lonely Planet’s Best in Travel Top 10 Cities for 2013
\textsuperscript{120} A Social Inclusion Strategy for Tasmania, Professor David Adams, Social Inclusion Commission, Tasmanian Government, September 2009
2.4 Population

Tasmania has a relatively small, ageing and dispersed population. Compared to national trends, Tasmania is underpinned by an ageing population, under representation of women of child-bearing age, and relatively low income, training and employment levels.\(^{121}\)

Tasmania also has the poorest health outcomes for the nation and high levels of preventable diseases, contributing to the state’s life expectancy being several years below the national average. The population profile varies significantly throughout Tasmania, which has implications for future settlement planning. Tasmania has a lower proportion of people aged 20 to 44 years than the national average, which is shown below in comparison with Victorian net internal migration.

Net Interstate migration in the twelve months to September 2013 was a net outflow of 1,800 people from Tasmania, compared to Victoria that had a net gain of 6,900 people over the same period\(^{122}\).

Comparison net internal migration by age and Victoria vs Tasmania, 2006–07 to 2010–11\(^{123}\)

2.4.1 Population growth

Tasmania’s population at September 2013 was 513,400, an increase of just 0.02 per cent, from the year before. Over the same period, the national population grew by 1.8 per cent, ninety times the growth rate for Tasmania.\(^{124}\)

Over the last ten years, Tasmania’s population is estimated to have grown by 7.2 per cent in comparison to 17.3 per cent population growth for the whole of Australia over that time. The population in the southern region grew by 9.0 per cent, while the population in the north grew by 5.4 per cent and in the north-west by 5.2 per cent\(^ {125}\).

---


\(^{122}\) Source data: ABS Cat No 3101.0


\(^{124}\) Source ABS Cat No 3101.0

\(^{125}\) Trends - The Tasmanian Labour Market Review March 2014
The majority of towns have a population of less than 5,000 people. Approximately 58 per cent of the Tasmanian population lives outside greater Hobart compared, for example, to 26 per cent of people living outside of Sydney in NSW; making Tasmania the most decentralised state in Australia.\(^1\)

In addition, the dispersion of population in the three regions of Tasmania must be understood. In southern and northern Tasmania the population is concentrated in the main population centres of Hobart and Launceston. On the north west coast, the population is dispersed in smaller settlements mainly across the northern coast. In each region, localised approaches are needed to overcome challenges associated with our dispersed population such as planning regulations, Transport and the provision of services.

Urban based local government areas (LGAs) are more likely to have higher population growth than rural or remote LGAs. In general, urban LGAs are more likely to have a younger median age and a greater proportion of their population who earn over $1,000 per week, compared to rural LGAs. The location of university campuses appears to have a significant impact on the concentration of people born in non-English speaking countries.\(^2\)

Proportion of Tasmanian population in major cities versus regional Tasmania\(^3\)

Population movements at the LGA level vary considerably across the state. The local government areas with the largest population percentage increase between 2003 and 2013 are Latrobe at 25.1 per cent, Sorell at 21.1 per cent and Brighton at 20.3 per cent. Those with the largest percentage declines in population are West Coast at 11.9 per cent, Flinders Island at 11.6 per cent and King Island at 7.8 per cent.\(^4\)

The median age of Tasmania’s population in 2011 was 40, up from 39 in 2006. The 2011 Census data shows further evidence of Tasmania’s ageing population. The local government areas of Glamorgan Spring Bay, Flinders island, Tasman and Break O’Day all recorded a population with a median age of over 50 years.\(^5\)

\(^1\) Trends - The Tasmanian Labour Market Review August 2012
\(^2\) Trends - The Tasmanian Labour Market Review August 2012
\(^3\) Trends - The Tasmanian Labour Market Review March 2014
\(^4\) Trends - The Tasmanian Labour Market Review August 2012
\(^5\) Trends - The Tasmanian Labour Market Review August 2012
The number of 60 to 65 year olds increased by 26.3 per cent, 65 to 69 year olds increased by 21.7 per cent, and over 70s increased by 10 per cent. At the other end of the scale there appears to have been a ‘mini baby boom’ in Tasmania between 2006 and 2011, as 0 to four year olds increased in number by 8.8 per cent. It is also significant that there was growth in the 20 to 35 year old age groups, although it is below the average of 3.9 per cent for the whole population. In the 1990s people in this age group departed the state, reducing the potential labour force and compounding the ageing demographic of the population. However, this interstate migration resulted in a net ‘brain gain’ for Tasmania, increasing the percentage of adults in Tasmania holding a post-school qualification.

2.4.3 **Demographic change**

Tasmania is projected to have net population gain of between 1,000 persons per year to 3,000 persons per year over the next 40 years (Demographic Change Advisory Council, Tasmanian Treasury).

Tasmania’s population is ageing at a faster rate than any other state or territory. Over the next 20 years, the proportion of Tasmanians under the age of 15 is projected to decline by approximately seven per cent, while the proportion of people aged 65 years and over could grow by almost 60 per cent. Population ageing presents a number of challenges, including maintenance of sufficient workforce numbers, managing increased demand on health and social services and providing appropriate infrastructure such as transport and accommodation.

More than half the population lives outside the capital city area, making it one of the most dispersed and transport-dependent regions in Australia. Rural and remote areas such as the West Coast, King and Flinders islands and the Central Highlands have experienced significant population decline and ageing, which has been associated with a decline in key industries. A corresponding withdrawal of services impacts viability and liveability for the remaining community.

Careful planning and design of, for example, public infrastructure, transport and housing to accommodate the changing composition of households, will be necessary to ensure our cities and regions remain liveable.

Demographic change, in particular ageing, will create a range of social impacts, such as:\(^{131}\):

- different working patterns
- changes in demand for some industries and occupations
- declining enrolments in schools
- changes in the distribution of wealth within families and the community more broadly
- a reduction in average household size and an increase in households comprising elderly persons, particularly elderly single women living alone
- an increase in the number of chronic health-related problems associated with an ageing population, such as type 2 diabetes and dementia

changes in the community’s needs regarding transport, recreation and entertainment, the built environment and other infrastructure requirements.

3. Access to international, national and regional markets:

As an island state, Tasmania is uniquely positioned in its abilities to export its produce to foreign markets. Whilst geographically Tasmania is quite close to the mainland and specifically Melbourne in Victoria, the cost of transporting freight across Bass Strait remains prohibitive.

This cost imposition has a profound effect on Tasmanian business competitiveness and the ability to secure and maintain market share with other Australian and International businesses. Creating efficiencies in freight forwarding and logistics remains one of the biggest challenges for Tasmania. Finding solutions to address these challenges will take time and resource.

Despite a high Australian dollar and freight challenges, Tasmanian exports were valued at $3.37 billion in 2012-2013, a minor reduction of just on 5 per cent from last year. Mainland China remains as Tasmania’s largest export market with over $644 million in exports in 20112-2013, although this figure is over 12 per cent lower than in 2011-2012. The United States of America is the second largest export market followed by Taiwan, India, Japan and Malaysia.

The Food and Beverage sector overall remained strong with some minor gains despite an approximate reduction of 50 per cent in the value and volume of Atlantic salmon due to high domestic demand. This reduction was offset by gain with cherries and powdered full cream and skim milk. Demand for the value of copper and iron ores remained stable however lower prices accounted for a reduction in value of $100 million on last year.

Similarly, demand for aluminium and zinc products maintained the status quo in volume however lower prices saw a reduction in value of $40 million. Finally, the continuing decline of the timber sector including woodchips contributed to the overall result for the period.

The following graph provides comparative figures for merchandise exports over the past three years by Tasmanian total, by international region and individual trading partner country.
The following graph provides the consistency of merchandise exports over the past three years from Tasmanian split into food and non-food categories, measured in AUD$. \textsuperscript{135}

\textbf{3.1 Infrastructure}

Infrastructure is one of the key levers that government has to increase productivity and economic growth and meet its policy objectives. Infrastructure Tasmania is to be the new, independent body to provide a coordinated approach to the planning and delivery of all major infrastructure in Tasmania, including rail, major roads, energy, ports, and water and sewerage.

\textsuperscript{135} Tasmania’s International Exports 2012-2013 Department of Economic Development Tourism and the Arts
Infrastructure Tasmania will:

- provide independent advice to government on the infrastructure priorities of the State;
- develop state-wide infrastructure and freight strategies, deliver regular progress reports and maintain the schedules of major projects;
- identify specific projects and programs (including funding options) for priority consideration by government to properly plan for responsible maintenance and growth and development;
- guide the investment in the Midland Highway to be facilitated by the $400 million funding from the Australian Government;
- oversee the Structured Infrastructure Investment Review Process;
- work with the local government sector to ensure key council infrastructure assets benefit from the same strategic planning frameworks as State-owned assets; and
- manage infrastructure funding submissions to Infrastructure Australia and the Australian Government.

3.1.1 Transport

Air and sea access is an integral part of our island lifestyle, it is essential to tourism and the broader economy. Business is heavily reliant on the ability of the transport system to move freight from producers to processors and on to local, national and international markets.

Linkages with Tasmania’s northern ports are critical as these are the departure points for the majority of the state’s exports. Freight equalisation is available for some goods and services but with restrictions. For instance, transport from the Tasmanian mainland to outlying islands attracts no subsidy as this is not considered interstate, but transport between these islands and Victoria does attract a subsidy.

By 2020, it is predicted that there will be capacity constraints at the major northern ports without further infrastructure investment. Within the Hobart ports precinct, strategic investment in infrastructure will generate economic benefits from servicing Antarctic vessels and expanding the successful cruise ship market.136

Due to Tasmania’s location and diverse freight task, no viable direct international shipping service is currently available to Tasmanian exporters. However the Tasmanian government has committed to providing short term funding to re-establish such a service.

A recent review of Bass Strait Shipping has been undertaken by the Productivity Commission to identify and support improved efficiencies in the transportation of freight across Bass Strait137. The intent of this review is to:

- Support a long term reduction in cost of shipping across Bass Strait to export markets
- Identify improvements in the Tasmanian Freight Equalisation Scheme (TFES) that better support Tasmania’s small, diversified freight task

---

136 Tasmanian Government Submissions, Infrastructure Australia
- Develop a long term strategic plan for Bass Strait shipping

Similarly, the Freight Logistics Council of Tasmania’s Freight Transport Strategy to 2050 has provided recommendations to State and Federal Government on future freight needs for Tasmania including potential port infrastructure needs for the future, infrastructure investment and intra island transport needs.\(^{138}\)

The State Government appointed the first Director-Aviation and Access Development in January 2014, as part of the Government’s strategy to maximise air and sea capacity to and from Tasmania\(^ {139}\). The role will be responsible for a whole of government approach to access issues including infrastructure, policy, investment attraction and freight and to work closely with airports, airlines, seaports, cruise lines and the freight sector to support the future development and growth of the state’s economy.

In December 2009, the Tasmanian Government purchased Pacific National’s Tasmanian rail assets and established the Tasmanian Railway Corporation Pty Ltd (TasRail). The State Department of Infrastructure, Energy and Resources (DIER) has developed priorities for investment and operations. Ongoing improvements in rail will be supported through Australian and Tasmanian Government investment to develop and maintain a viable rail service for the state that reduces the need for heavy haulage movements on the road network.\(^ {140}\) Sections of rail requiring upgrade include the Brighton to Bell Bay and Burnie line with concrete sleepers and remedial work on the Bell Bay, Melba and Fingal Lines\(^ {141}\)

Tasmania’s largest airport, Hobart International Airport, will have a $38 million upgrade to lengthen the runway by up to 500 metres. This will allow Hobart Airport to become Australia’s gateway to the Antarctic\(^ {142}\). In regard to Air Freight, the potential introduction of a regular Air Cargo service to Tasmania is one initiative being considered that will reduce the cost and transport time for smaller goods. This service could be considered for high cost perishable materials that require faster transportation and for smaller component freight for manufacturers.

Around 89 per cent of all visitors to Tasmania travelled by air as at June 2013\(^ {143}\). A record 2 million passengers passed through Hobart’s airport during the 12 months to June 2013, a 12 per cent increase on the previous financial year, making it Australia’s ninth busiest airport\(^ {144}\).

The Australian Government’s Infrastructure Investment Programme will provide economic benefits for Tasmania by improving freight transport linkages to key domestic and export markets. Tasmanian projects include:

- **Midland Highway**: Upgrades to improve safety and efficiency and facilitate forecast increases in freight and passenger movements. Federal contribution: $400 million.

- **Freight Rail Revitalisation**: Upgrades to the rail network to secure the safety, reliability and competitiveness of rail freight operations. Federal contribution: $119.6 million.

---

\(^{138}\) Tasmanian Freight Logistics Council – Tasmanian Freight Transport Strategy to 2050
\(^{140}\) http://www.dier.tas.gov.au/publications/submission_to_infrastructure_australia
\(^{141}\) Tasmanian Freight Logistics Council – Tasmanian Freight Transport Strategy to 2050
• Brooker Highway: Consolidation of the existing staggered intersections at Goodwood and Elwick Roads and replacing the existing Howard Road roundabout with traffic lights. Federal contribution: $25.6 million.145

3.1.2 Energy
Unlike the rest of the nation, the majority of Tasmania’s energy used is sourced from renewable and low-carbon, hydro-electric generation. Renewable hydro and wind power currently represent 87 per cent of mainland Tasmania's installed electricity generation capacity146 and the state has continued investment in four major energy infrastructure projects: Basslink, the Tasmanian natural gas project, Woolnorth and Musselroe wind farms.147

The potential exists for expansion of export “green” energy through to the mainland as more renewable energy generation capacity is provided through the Woolnorth and Musselroe windfarm networks. The opportunity for investment in a second Bass Strait Interconnector to supply this energy could provide a longer term income stream to the Tasmanian economy.

Tasmanian electricity customers have been part of the National Energy Customer Framework (NECF) since 1 July 2012 and businesses that supply and sell electricity to customers in Tasmania are now being monitored by the national Australian Energy Regulator (AER)148. When full retail competition effectively commences on 1 July 2014, all customers on mainland Tasmania will have the option of entering into a market retail contract with Aurora or a new entrant retailer. All residential and small business customers will, for the first time, be able to choose their electricity retailer149.

In 2003, the natural gas pipeline was completed providing a backbone distribution throughout Tasmania and linking the state to the national network. In addition, retail distribution has been extended to some towns and suburbs. The initial gas rollout reached 38,500 households and commercial users150 although the initial expectation was to reach 100,000 homes. Recent electricity price rises have raised the question of increasing the domestic gas roll out to provide more equitable access to the option of economical gas heating.

3.1.3 Water and sewerage
Tasmania’s drinking water and sewerage sector has undergone significant structural and regulatory reforms, with the existing three regional corporations to be amalgamated into one state wide organisation – Tasmania Water and Sewerage Pty Ltd. This new authority, TasWater, began operation in July 2013151.

Ongoing maintenance and upgrades of existing infrastructure for Tasmania’s urban and regional communities will need to be made when financial support becomes available. Ongoing water and waste management strategies will need to reflect these requirements and consider longer term strategic infrastructure planning based on population shift and industry development.

149 http://www.power.tas.gov.au/
151 Tasmanian Water and Sewerage Corporation Pty Ltd Media ReleaseRelease 15th FebruaryFebruary 2013
3.1.4 Irrigation
Tasmania is in a unique position to provide water security for agricultural products through the provision of irrigation infrastructure, leveraging our natural advantage of high rainfall and arable land.

Tasmanian Irrigation was created on 1 July 2011 as the single Tasmanian Government irrigation entity responsible for irrigation development and operation. Tasmanian Irrigation is taking a suite of new projects from feasibility assessment through to the construction and operational stages and it operates existing developments including the Meander Valley and Coal River schemes. The capital cost of these schemes is shared between the community and the private sector. A total of $220m has been earmarked by the Tasmanian and Australian governments to progress the water developments.

The construction phase is underway on two projects in the midlands of Tasmania, the Midlands Water Scheme – Arthurs and the Lower South Esk Irrigation Scheme. Final approval is being sought for the Scottsdale Irrigation Scheme that will assist dairy and farming activities in northeast Tasmania.

3.1.5 NBN Broadband
Tasmania’s remote location has been a historic inhibitor to economic growth. Increased availability and quality of broadband to urban and rural Tasmania will see its remote location become even less of a barrier. It will open the State to new opportunities for growth in ICT businesses moving operations to Tasmania. Once completed, Tasmania will be able to leverage the benefits of the NBN within business and communities giving regional areas comparative advantages in areas such as health, education, service delivery and business applications.

Initially, it was expected that Tasmania would be the first state fully connected to the NBN by 2015. However, it recently has become clear that the rollout has faced significant issues in Tasmania including disputes between NBN Co, Visionstream and its subcontractors as well as concerns over asbestos risks during remediation work. As at April 2014, less than 4,000 new premises have been passed since Visionstream announced it had reached agreement to ‘accelerate’ the rollout in December 2013.

The region’s peak Internet and communications body, TASICT, has stated in a submission to the Senate Standing Committees on Environment and Communications Inquiry into the National Broadband Network Companies Amendment (Tasmania) Bill 2014, that the Tasmanian project has no realistic chance of being completed by the end of 2015. The first-mover NBN advantage for Tasmania is gone.
4. Comparative advantage and business competitiveness

4.1 Regional economic strengths

The most recent in depth analysis of regional economic strengths was the Tasmanian Government’s Economic Development Plan released in August 2011, with more detailed regional plans for the north, north-west and south developed in 2012. The plan is underpinned by comprehensive research and consultation and provides a clear direction for the region’s economic development priorities. The following information is taken from Goal Two of the Economic Development Plan and presents the key sectors that maximise the region’s economic strengths.  

4.1.1 Food & Agriculture

Tasmania has a strong agricultural tradition and the sector is highly diversified, underpinned by excellent growing conditions, affordable land, relative disease and pest freedom, abundant water resources and strong research and development capability. Issues shared by all food and agriculture industries are market development, business development, labour force skills and regulatory burdens.

The Federal Government is undergoing a process to develop an Agricultural White Paper. RDA Tasmania’s submission to the Agricultural White Paper suggests the Australian Government should focus on:

- Protecting Tasmania’s competitive advantage of bio security and natural resources
- Focusing on skill development and workforce attraction
- Investment in infrastructure to support local competitiveness
- Farm Finance packaging to assist new entrants into the agriculture sector and encourage investment in existing farm operations
- Review of regulation and removal of unnecessary compliance requirements that hinder competitiveness
- Promotion of the Agricultural sector as a vibrant and prosperous career choice for school leavers and job seekers
- Support development of industry sectors that embrace Tasmania’s natural competitive advantages which are scalable and globally competitive.
- Succession planning strategies for retiring farmers that provide mentoring for new entrants to the agriculture sector whilst retain a meaningful connection to the land.

Dairy: Tasmania’s temperate climate, fertile soils and reliable rainfall support low cost, pasture based milk production and the processing of a range of dairy products for domestic and international markets. Dairy is now Tasmania’s single biggest agricultural industry. Key issues for the industry include the development of supply chain relationships, industry expansion and efficient use of...
natural resources\textsuperscript{159}. Federal and State Government have provided financial support for the industry, for example investing into an $80 million milk-processing plant in the state’s north-west.\textsuperscript{160}

**Wine:** The Tasmanian wine industry is a relatively small but high value and high profile industry. It has close linkages to the tourism sector and makes a significant contribution to the Tasmanian brand. The Tasmanian wine industry produces cool-climate wines of high quality and value with a focus on the premium and super premium end of the market. There is potential to significantly grow the industry over time which is likely to require new investors, however the demand for Tasmanian wines must grow first.

**Salmon:** Atlantic salmon is one of Tasmania’s largest interstate food export trade items with the high quality of Tasmania’s product contributing to the establishment of a strong domestic market. Other secondary industries have also emerged as a result of marine farming, creating additional economic and employment opportunities. There is capacity for further sustainable industry growth. Key issues affecting the salmon industry include limited access to water in existing marine farming development plan areas, the availability of water leases for farms, fish health, climate change impacts on water temperatures and balancing industry expansion with environmental sustainability and community acceptance.

The Australian Government supported an application for $7,140,000 through Regional Development Australia Fund Round Four from the Tasmanian Salmonid Growers Association for the Macquarie Harbour Aquaculture Hub.

**Fruit:** Fruit, including apples, stone fruit and berries, is grown and packaged primarily for high value fresh fruit markets both domestically and internationally. The industry leverages Tasmania’s seasonal advantages and fruit fly-free status. Key issues for the industry include biosecurity, competitiveness (particularly for the apple sub sector), access to affordable and reliable water, and the impact of climate change and climate variability. Opportunities for growth include increased market access into Asia, and development of niche products and markets.

The Federal Government has established the Tasmanian Fruit and Vegetable Industry Taskforce to develop an industry-led growth plan for the sectors.\textsuperscript{161}

**Vegetables:** The combination of a cool growing climate, good soils and rainfall, and skilled and efficient producers allows Tasmania to produce high quality vegetable products. Key issues include global competitiveness, particularly for the processing sector, along with access to affordable and reliable irrigation water. The recent closure of a vegetable processing plant at Smithton was in part caused by substantial differentials between Tasmania and New Zealand in the cost of growing and processing vegetables. The future focus for the Tasmanian vegetable sector is on increased efficiency, market development, seasonal opportunities and quality products. While the processing sector is facing challenges, it has the potential to stabilise and diversify. There are good opportunities available in the fresh vegetable sector and the sector is growing strongly.

**Red meat:** For the red meat industries (beef and sheep meat), Tasmania’s point of difference is

\textsuperscript{159} Tasmanian Dairy Industry Strategic Plan 2011-2015

\textsuperscript{160} www.intodairy.com.au

\textsuperscript{161} The Hon. Barnaby Joyce MP, Senator Richard Colbeck, Joint Media Release, 19 March 2014
linked to a ban on hormone growth promotants and a moratorium on genetically modified (GM) products, low-cost, high-quality, primarily pasture-based production, and the development of differentiated brands and products based on quality, within domestic and international markets. Particular issues for the sector are maintaining biosecurity, enhancing product integrity, accessing abattoirs and raising on-farm productivity through better utilisation of pasture.

4.1.2 Mining & Mineral processing
Tasmania is one of the most highly and diversely mineralised areas in the world, supporting growth in the mining and mineral processing sectors. Tasmania has a number of iconic enterprises in these sectors. The largest include Nyrstar, Rio Tinto Alcan, BHP Billiton Temco, Cement Australia, Grange Resources (Savage River and Port Latta), MMG (Rosebery), Vedanta (Mt Lyell), and Metals X (Renison). A significant factor in Tasmania’s economic development during the last century was the development of these businesses and the associated development of energy infrastructure.

Investment and demand from markets such as China and India is continuing to underpin the growth in mining in Tasmania. The broad, global economic factors that shape the industry make it difficult to forecast the future growth trends of the Tasmanian mining sector. However, the industry sector has achieved strong growth in the recent past and this trend is likely to continue in the medium term as long as China and India continue a strong growth path. Tasmania has extensive high-grade mineral deposits which are close to transport infrastructure, coupled with supportive legislation for exploration and development. Key issues for the sectors include waste management, rising energy costs, transport infrastructure, attraction and retention of skilled people and environmental opposition. An industry backed initiative, The Big Picture, is addressing public opinion of heavy industry in Tasmania.162

4.1.3 Forestry and related products
The Tasmanian forestry sector is an integrated industry that encompasses both native forest and plantation resource (both softwood and hardwood), the production of logs, woodchips, hardwood and softwood sawn timber, pulp and paper production, veneer and other wood products.

The Tasmanian forestry industry has going through a process of structural transformation brought about by changing markets163 and the influence of changes in government policy. The Tasmanian Forests Intergovernmental Agreement 2012 aimed to protect high conservation value forests and ensure sustainable wood supply. Through this process funding of $120 million over 4 years was made available to support economic diversification projects across Tasmania164.

The Tasmanian Government is now seeking to repeal the Tasmanian Forestry Agreement through the introduction of the Forestry (Rebuilding the Forest Industry) Bill to establish a moratorium on native forest harvesting in the Future Potential Production Forest Land for at least six years. A new, high level Ministerial Advisory Council will be appointed to develop a strategic forest industry growth plan to address critical issues relating to both wood supply and future demand for native forest products.165

New laws to deter protest action where it impedes or obstructs lawful business activities will impose significant penalties for invading or impeding access to a workplaces.

162 www.thebigpicturetas.com.au
163 Structural Changes in the Tasmania Economy, Department of Treasury and Finance, April 2013
164 www.forestsagreement.tas.gov.au
165 Paul Harriss MP, Ministerial statement – Forestry (Rebuilding the Forest Industry) Bill 2014, 8 May 2014
The Tasmanian Government is also committed to updating and renewing the original Regional Forests Agreement, a twenty year plan agreed to by the Tasmanian Liberal Government and the Commonwealth Liberal Government in 1997, for the long term sustainable management of Tasmania's forests with reviews every five years\(^\text{166}\).

4.1.4 Specialist manufacturing
Tasmania’s specialist manufacturing industries include such major iconic enterprises as Caterpillar Underground Mining and Incat, and a range of businesses supplying these and other key manufacturers. Manufacturers across Australia are presently challenged by high Australian dollar exchange rates as well as the need to maintain competitive production efficiency.

4.1.5 Science and research
Tasmania’s natural advantages of geography, abundant water and wind resources and a stable population have resulted in a vibrant and diverse science and research sector with expertise and capabilities in a number of niche areas, including temperate marine, Antarctic, agriculture, renewable energy and population genetics. The Research and Science sector generates significant benefits to the State, attracts offshore investment and provides high quality employment opportunities. It also supports and maintains a highly skilled scientific and research orientated workforce, as well as various world-acclaimed institutions. This is largely attributable to the geographical, lifestyle and community-based advantages that Tasmania enjoys. The total University of Tasmania economic contribution to Tasmania is estimated at $1.7 billion a year, and the University’s annual budget for 2013 will, for the first time, exceed half a billion dollars\(^\text{167}\).

Key issues for this sector include attracting and retaining highly skilled researchers, and obtaining funding for research, including support for research infrastructure. Funding reductions in the latest budget have resulted in voluntary redundancies being offered to Tasmanian staff at CSIRO. In the last year (to June 2014) the CSIRO and Australian Antarctic Division have combined lost almost 100 positions and more job losses may follow\(^\text{168}\).

The University of Tasmania is currently considering future options in a deregulated environment. It is yet to be seen what impact this may have on the region and the availability of tertiary education across the state.

4.1.6 Antarctic Tasmania
Tasmania is a hub of expertise in Antarctic, sub-Antarctic and Southern Ocean science, research, education and logistics with the greatest concentration of Antarctic and Southern Ocean scientists and institutions of the five Antarctic gateway cities. (Punta Arenas, Ushuaia, Cape Town, Hobart, Christchurch). Hobart is the headquarters of Australia’s Antarctic program and gateway home for the French program (Institut Polaire Francaise Paul Emile Victor).

Tasmanian businesses provide world-class cold-climate products and services. The Antarctic sector is collaborative and well organised by the unique research, government and business membership alliance the Tasmanian Polar Network. Key issues for the Antarctic sector include increasing the capabilities of the port and airport infrastructure to service East Antarctic programs, promoting

\(^{166}\) Paul Harris MP, Ministerial statement – Forestry (Rebuilding the Forest Industry) Bill 2014, 8 May 2014

\(^{167}\) UNITAS, Professor Peter Rathjen, June 2013

Tasmanian businesses’ specialist cold-climate products and services to export markets, and supporting the growth of Antarctic and Southern Ocean research.

The Commonwealth Government will provide a significant injection of funds for Australia’s Antarctic program including the acquisition of a new icebreaker, the extension of Hobart Airport’s runway, the Cooperative Research Centre and the Gateway Partnership.169

### 4.1.7 Renewable energy

Tasmania’s natural competitive advantages in renewable energy include proven hydro and wind resources and emerging ocean, geothermal and bio-energy resources. Tasmania also has significant renewable energy research, industry and government knowledge and capabilities. In the longer term, a second electricity interconnector (to Victoria across the Bass Strait) may become viable and generation technology may evolve at a price that will enable the conversion of ocean, geothermal and bio-energy resources into safe, secure and commercially viable quantities of renewable power.

### 4.1.8 Information communication technology

Information and communications technology (ICT) is a key economic enabler and its use is fundamental to participating in the digital economy. The sector is ideally placed to take advantage of opportunities arising nationally and internationally from next generation broadband and engagement in the digital economy. Delays and challenges in the roll out of the National Broadband Network, particularly with issues of connecting multi-dwelling office buildings, have caused an impediment to some businesses expanding in the use of digital technology.

Tasmania offers a liveable and cost-effective location for local ICT businesses and call centres. National companies such as Qantas, Telstra and Vodaphone have call centres based in the state. A co-working space for small ICT businesses to be based in Launceston’s historic Macquarie House was one of the projects identified by the Tasmanian Jobs and Growth Plan.170 Challenges for Tasmania include delays in access to the NBN and limitations of optical fibre backhaul across Bass Strait.

### 4.1.9 Tourism

Tourism plays a vital role in the life and economy of almost every part of Tasmania and directly and indirectly contributes about $2.0 billion or 8.0 per cent to Gross State Product (GSP). The direct and indirect contribution of tourism in Tasmania to GSP is the second highest in the country171. Tasmania’s tourism brand is well recognised in the Australian context and the emergence of the Saffire resort, the Museum of Old and New Art and the development of new trails including a new iconic wilderness walk on the Tasman Peninsula, lend weight to the sector’s growth prospects. Festivals and events such as The Taste of Tasmania, MOFO, Dark MOFO, Junction Arts Festival, Festival of Voices and Festivale are significant drawcards as are sporting events such as the Burnie Ten, International cricket and AFL football. There are challenges however and the shortage of accommodation generally in Hobart during peak tourist seasons and the cost of and frequency of access to and from the island must receive ongoing attention if Tasmania is to achieve its tourism industry potential172.

---

169 The Hon. Greg Hunt MP, Media Release – New Icebreaker a strong boost for Antarctic research and good news for the Tasmanian economy, 19 May 2014
172 Tourism Sector Profile and Summary, Goal Two Appendix 1, Economic Development Plan, Tasmanian Government
In 2012, four regional tourism organisations were established that cover the south, east, north and north-west regions of Tasmania. The organisations take on the destination management planning, regional promotion and industry development previously facilitated by the State Government’s Tourism Tasmania, which now focuses on research and state level promotion.\footnote{www.tourismtasmania.com.au/regional}

4.2 Regional comparative advantages and regional economic opportunities

Tasmania has the capability to produce a range of high quality products, services and experiences. This is the result of various factors such as people, geography, businesses, innovation and clustering that influence the region’s ability to lead in their respective markets.

The following is a list of factor conditions and examples of Tasmania’s regional comparative advantages and regional economic opportunities:

4.2.1 People:

Social connectivity – Being a compact state with a smaller population base, Tasmania provides easy networking opportunities and the ability to consult with the highest decision makers including politicians, government agency heads or industry leaders.\footnote{www.development.tas.gov.au/invest} Comparative advantage in Tasmania is created by regional networks that inter-connect across disciplines, industries and communities. Whilst it is possible to identify individual factors that generate comparative advantage, their success is inevitably due to their regional relationships rather than their stand alone ability.

Workforce demographics – Tasmania has a highly skilled and available workforce. It also has a stable workforce; recording Australia’s second highest labour retention rate and the best industrial relations record.\footnote{ABS Catalogue No.6321.0.55.01 Industrial Disputes, Australia, March 2012} Older people have extensive knowledge, skills and experience to contribute to the workplace and Tasmania’s ageing population represent a growing number of people who can contribute to labour productivity.\footnote{Inclusive Ageing: Tasmania 2012-2014 Strategy, Department of Premier and Cabinet}

Education – The University of Tasmania, one of the oldest universities in Australia, is at the leading edge of regional partnerships that deliver tertiary education opportunities and specialised research. Examples of partnerships include Sense Tasmania (Sense T), the Menzies Research Institute, the UTAS Creative Industry and Performing Arts project, the Australian Innovation Research Centre, and CSIRO Marine and Atmospheric Research, the CSIRO Intelligent Sensing and Systems Laboratory, Australian Antarctica Division, the Antarctica Climate and Ecosystems Cooperative Research Centre and the Institute for Marine and Antarctic Studies.

4.2.2 Place

Water - our most significant natural resource advantage is water. Tasmania receives nearly 13 per cent of Australia’s annual rainfall even though it accounts for only 1 per cent of the total land mass. This supports growth in the agriculture sector through significant new irrigation infrastructure.

Biosecurity – The ocean surrounding Tasmania and the 240 km wide Bass Strait separating the...
region from the mainland serves to allow strict quarantine conditions and the control of animal and plant species. Tasmania is the only state in Australia free from fruit fly, potato cyst nematode and tobacco blue mould and therefore can export a number of fruit and vegetables to countries which restrict product entry where there is a risk of introducing such pests and diseases. Often the Tasmanian product does not need to be fumigated, thus ensuring a superior quality. The absence of major pests and diseases means that Tasmanian farmers are able to use fewer chemicals to protect their crops and animals.\(^{177}\)

**Climate** – The mild climate, good quality water, fertile soils, four distinct seasons, isolation and clear atmosphere make Tasmania an ideal place for producing pure, high quality products. Horticulture, red meat, dairy, aquaculture, fisheries and viticulture operations all thrive in these conditions\(^{178}\).

**Natural environment** – Tasmania is actually a group of over 330 islands. It is rich in natural assets and has an unspoilt beauty which attracts visitors from all over the world. It has extensive and spectacular park systems which contain distinctive combinations of flora, fauna and landscapes including many endemic species\(^{179}\). Around 40 per cent of the region is protected for its high conservation value. Natural icons that form a strong part of Tasmania’s brand include the Tasmanian Devil, Cradle Mountain, Wine Glass Bay, Stanley’s The Nut and the South West Wilderness.

Expressions of Interest are currently being invited from investors with ideas in the Tasmanian Wilderness World Heritage Area, National Parks and Reserves. The State Government is looking for developments which broaden the range of exciting and unique experiences on offer in our state by improving access for tourists while maintaining the integrity of our natural areas\(^{180}\).

**Geography** – Tasmania is 296 km long and 315 km wide, providing short distances between population areas and short transportation times; no one lives more than 1.5 hours from the sea and in most instances producers are located less than 100km from their farm or factory to port or transit hub, providing fast access to distribution points\(^{181}\).

**Historic Heritage** – Aboriginal artefacts dating to 40,000 years before present have been discovered at the Jordon River Levee in southern Tasmania, making them some of the earliest evidence of human life in Australia\(^{182}\). Heritage attractions such as Port Arthur Historic Site and heritage settings such as Salamanca Market are among the most popular visitor attractions in Tasmania. Intact collections of Georgian and Victorian streetscapes and precincts are evident in Hobart, Oatlands, Ross and Launceston, and are a notable feature of Tasmania. The significance of Tasmania’s convict sites is recognised internationally with the inclusion of five Tasmanian sites on the World Heritage List\(^{183}\).

**Liveability** – Tasmania is a remarkably liveable place and, in particular, is increasingly ‘recognised, around the world, as an attractive place to live and work’. Tasmania’s natural heritage, diverse range of arts and culture, lifestyle and public open spaces are all attributes of a liveable place.

---

\(^{177}\) Tasmania’s Natural Advantage, DPIPWE
\(^{178}\) Tasmania’s Natural Advantage, DPIPWE
\(^{179}\) Tasmania’s Natural Advantage, DPIPWE
\(^{180}\) http://www.development.tas.gov.au/?a=87953
\(^{181}\) www.development.tas.gov.au/invest
\(^{182}\) Final Archaeology Report on the Test Excavations of the Jordon River Levee Site Southern Tasmania, R. Paton, August 2010
\(^{183}\) Historic Heritage Tourism Strategy 2012 – 2015, Tourism Tasmania, May 2012
Opportunities include access to extensive natural areas, beaches and waterways; relatively uncrowded cities and community/visitor attractions, good quality of air and drinking water.

Recent accolades for Tasmania include Launceston’s designation as Australia’s most family friendly city\(^\text{184}\) and Hobart becoming the travel guide Lonely Planet’s top place to visit\(^\text{185}\).

### 4.2.3 Business Competitiveness and Innovation

**Business conditions** - Tasmania has a business environment conducive to investment and development, for example: 2\(^{nd}\) lowest taxation severity in Australia\(^\text{186}\), second lowest total cost of employing workers in Australia\(^\text{187}\), Hobart has Australia’s lowest property rental costs for all capital cities\(^\text{188}\), and land is more affordable in Tasmania, when seen as a comparison of median lot prices between Australia’s capital cities\(^\text{189}\).

**Research and analysis** – Tasmania being both a region and a state, means that data and other information are available that allow patterns and trends to be identified that aren’t possible in other states where information on big urban areas is combined with rural and regional areas\(^\text{190}\). Tasmania’s geographic, demographic and economic diversity along with its size results in an ideal test bed for research and development\(^\text{191}\). The University of Tasmania’s Menzies Research Institute has conducted research at this regional level. Tasmania is often used to test products; contemporary examples include the roll out of the National Broadband Network and part of the National Disability Insurance Scheme for service users aged between 15 and 24.

**Sense Tasmania (Sense-T)** – Sense-T is the world’s first economy-wide intelligent sensor network that feeds into a single, large scale integrated information system\(^\text{192}\). It will help business, government and citizens make better decisions and plan around accurate information. Sense-T is a partnership program between the Tasmanian Government, the University of Tasmania, CSIRO and IBM. $13 million in funding for Sense-T Stage II is being provided through the Department of Infrastructure and Regional Development’s Tasmanian Jobs and Growth Package\(^\text{193}\).

**Clean Energy** - Tasmania is uniquely positioned with the majority of its energy needs derived from renewable sources. Tasmania is well ahead of other states in the percentage of renewable energy used, providing possibilities for industry to derive their energy needs from a predominantly renewable source.

### 4.2.4 Clusters

**Advanced Manufacturing** - Caterpillar Underground Mining is a global-scale specialised mining machine manufacturer in Burnie on Tasmania’s north-west coast. 24 firms supply to Caterpillar Underground Mining and a number of other specialised manufacturing companies also share much of the same supply chain, creating an advanced manufacturing cluster\(^\text{194}\).

---

\(^{184}\) Suncorp Bank Family Friendly City Report, 2013

\(^{185}\) Lonely Planet’s Best in Travel Top 10 Cities for 2013

\(^{186}\) Commonwealth Grants Commission – Report on GST Revenue Sharing Relativities

\(^{187}\) ABS, Labour Costs, Catalogue No.6348.0. 2010-11

\(^{188}\) Invest in Tasmania

\(^{189}\) Residential Land Report, June 2009, RP Data

\(^{190}\) Obstacles To Progress, Griffith Review Edition 39, J. West, 2013

\(^{191}\) www.development.tas.gov.au/invest/why_tasmania/reseach_and_development_focussed_community

\(^{192}\) www.sense-t.org.au


\(^{194}\) Presentation to Manufacturing Forum, Sarah Jones, Enterprise Connect, 14th May 2013
**Metal Processing** – Bell Bay in northern Tasmania is an industrial centre and port based primarily around metal processing and includes the Bell Bay Aluminium (formerly Rio Tinto Alcan) aluminium smelter, the BHP Billiton TEMCO manganese alloy plant, an Ecka Granules plant and a number of other companies within their supply chains. Bell Bay also features wood processing companies that benefit from the infrastructure and energy supply provided for Bell Bay.

**Antarctic Research** - Tasmania is a hub of expertise in Antarctic, sub-Antarctic and Southern Ocean science, research, education and logistics and has the greatest concentration of Antarctic and Southern Ocean scientists and institutions of the five Antarctic gateway cities.

**Marine Manufacturing** – Incat is a manufacturer of high speed aluminium catamarans based in Hobart that supplies commercial vessels and defence force vessels. A number of companies have grown alongside Incat and have formed the Tasmanian Maritime Network; many of these firms such as Liferaft Systems Australia have matured to become international exporters in their own right.

**Viticulture** – Tasmania’s Pipers Brook in the north of the state is a world leader in the production of premium sparkling wine. It is where Australia’s most highly recognised sparkling wine maker Ed Carr produces his flagship House of Arras range, and the home for other globally recognised premium wine brands such as Jansz and Kreglinger.

### 4.3 Regional arts, creative and sporting industries (including infrastructure, participation and priorities).

#### 4.3.1 Arts and Creative Industries

Tasmania has a creative and culturally distinctive arts environment, with an energetic and thriving arts scene. The state has inspired and attracted many different creative artists, writers and musicians from around the world, with a vibrant arts scene, strong participation rates and an appreciative audience.

Tasmania has a range of world-class facilities and programs to cater to the Tasmanian community, including the Theatre Royal of Hobart, Australia’s oldest working theatre; the internationally renowned Tasmanian Symphony Orchestra; significant public museum and art galleries with the recently refurbished Tasmanian Museum and Art Gallery in Hobart and the Queen Victoria Museum and Art Gallery in Launceston (Australia’s largest museum outside of a capital city); the Museum of Old and New Art (MONA), Australia’s largest private museum and art gallery; and the Salamanca Art Centre. The University of Tasmania has received Commonwealth funding to develop an Academy of Creative Industries and Performing Arts in Hobart.

Tasmania is host to national and international festivals, including, 10 Days on the Island, MONA FOMA and Dark MOFO in Hobart, Junction in Launceston and the Tasmanian Arts and Craft Fair in Deloraine. The Glover art prize, the richest annual prize for landscape painting is awarded in Campbell Town. Tasmania also contains an amazing range of landscapes for production and location filming.
The region is hosting more regular major national and international sporting events: AFL matches; test and one-day cricket; V8s; Targa; and the Sydney to Hobart yacht race. The region is also taking a more strategic approach to participative sports, including adventure sports and mountain biking, which are attracting more international visitors to events like the Mark Webber Challenge.

Research conducted in Tasmania by the University of Tasmania signifies that considerable cultural activity operates within the social enterprise environment, which does not register on current policy or program settings of most governments. Of the 111 social enterprises surveyed, 44 per cent of these operated within the arts and recreation services.

Over 1,100 actively trading businesses in Tasmania were in a cultural industry at the start of the 2008-09 financial year, which includes architectural services, creative artists, musicians, writers and performers. In 2009, Tasmania’s household expenditure on cultural goods and services was $381 million, averaging $35.76 per week.

Tasmania is deeply resourced in cultural infrastructure but challenged by a high reliance on State or Local Government funding to keep many museums, theatres and galleries operating. A priority for many facilities is to look at how they can become multi functional spaces that can strategically deliver economic and community development outcomes across the region.

4.3.2 Sport and Recreation

Tasmania has a range of sport and recreational infrastructure and facilities and natural environment – bushland, rivers, mountain and sea – to cater for the sport, recreation and physical activity needs of the community.

The region is hosting more regular major national and international sporting events: AFL matches; test and one-day cricket; V8s; Targa; and the Sydney to Hobart yacht race. Tasmania is taking a more strategic approach to participative sports, including adventure sports and mountain biking, which are attracting more international visitors to events like the Mark Webber Challenge and the Hobart International Tennis Tournament.

Work is being undertaken to identify the priority infrastructure needs across Tasmania by the State Government. There is a need to undertake a state wide audit of current sport and recreation infrastructure, and layer this information over the identified community and sporting association needs. This work would account for Tasmania’s national and international sporting facilities, including ongoing redevelopment of Aurora Stadium located in Launceston, and the Blundstone Arena (formerly Bellerive Oval) located in southern Tasmania; the identification of regional facilities and local sporting infrastructure for organised, non-organised and incidental activity.

---

195 Tasmanian Social Enterprise Study - Baseline Study Report, Dr R. Eversole, K. Eastley, Institute for Regional Development, University of Tasmania, May 2011
196 Cultural Report 2012 Tasmania, National Centre for Cultural and Recreation Statistics, March 2012
197 Sport and Recreation Tasmania Strategic Plan 2009 – 20014, Updated October 2011
STAKEHOLDER CONSULTATION

1. Partnerships – Intergovernmental and integrated regional planning

1.1 Tasmanian Government

RDA Tasmania continues to work with the Tasmanian Government in respect of regional development. Staffs in the North, North-West and South are co-located with state department offices, which from 1 July 2014, will be the re-structured Department of State Growth. The Commonwealth and Tasmanian Economic Council that will include the Prime Minister, Treasurer and representatives of Tasmanian business and the State Government will provide a structured forum for collaboration and planning for economic growth and investment.

1.2 Local Government, Industry and Community

Actively consulting with and participating in regional community committees at local government, industry and community level is vital in helping to understand the needs of Tasmanian regional communities. RDA Tasmania allocates significant resource to ensure that it is informed and aware of these needs through participation in reference groups such as:

- Tasmanian Logistics Committee – Partnership between the Freight Logistics Council of Tasmania, Tasmanian Chamber of Commerce and RDA Tasmania
- Hobart City Council Community Sector Reference Group
- Engagement with regional bodies Northern Tasmanian Development, Cradle Coast Authority and Southern Tasmanian Councils Authority
- East Coast Community Network Meetings
- Burnie Local Advisory Group – Better Futures Local Solutions. Department of Human Services
- Devonport Chamber of Commerce and Industry (DCCI) Industry Advisory and Innovation Group
- Northern Midlands Council Economic Development Committee
2. Stakeholder Engagement – Conferences and Workshops

RDA Tasmania collaborates with a number of regional organisations, government bodies and community based groups to provide informative briefings on regional issues and to also extract and gather valuable feedback.

Examples of recent workshops and forums RDA Tasmania has contributed to include:

- Cradle NRM / RDA Tasmania Carbon Forum
- Community Conversations – REDP rollout in North West, Northern and Southern Tasmania
- Devonport Chamber of Commerce and Industry (DCCI) Industry Advisory and Innovation Group – facilitation of workshops
- Tasmanian Logistics Committee – Partnership between the Freight Logistics Council of Tasmania, Tasmanian Chamber of Commerce and RDA Tasmania- facilitation of committee meetings
- Grant Writing Workshops – for general grant funding and the benefit and methods of developing partnership grant applications
- Community Transport Forum – supporting TasCOSS in undertaking six months of consultations across the state and presenting at the final forum
- Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) Regional Outlook Conference
- Local Government Association Tasmania Annual Conference – session sponsors and exhibitors
- Tasmanian Leaders Program – session sponsors
3. Development of the RDA Tasmania Regional Plan – Consultation with Stakeholders

The RDA Tasmania Regional Plan is reflection of the current “state of play” for the Tasmanian region that includes a summary of understanding on the economic, demographic and environmental conditions as well as real and potential challenges and opportunities for the state.

Stakeholder consultation and feedback is imperative to validate the collective understanding reflected in the plan. Engagement to seek opinion is done through one on one consultation with key stakeholders including State and Local Government and through invitation for feedback to our RDA Tasmania database members. The summary of feedback is then collated, considered by the RDA Tasmania committee and the final draft reflects a wide variety of input and opinion.

Ultimately the findings, recommendations and suggested strategies included in the RDA Tasmania Regional Plan will need to be supported by all stakeholders to give the document relevance and credibility. Because the plan is a reflection of current conditions that are both externally and internally influenced, they will be subject to change and need to be regularly reviewed to ensure that the content remains relevant.

3.1 Ongoing consultation and review of the RDA Tasmania Regional Priorities

The RDA Tasmania Regional Plan is a “living document” which is reviewed annually. Within the 12 month period of the plan being released, RDA Tasmania will continue to seek feedback through regular consultation, forums and community engagement to build on the knowledge of understanding reflected in the plan.

Whilst having a fully comprehensive document that accurately reflects the needs of the Tasmanian region is the ultimate aim, RDA Tasmania is realistic in its approach to continually improve the content of the plan. While the plan is for four years, every year a new version is released that is an update of current circumstance and based on the latest available factual research and qualified opinions from established respected sources.